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Foreign Relations of the United States

1945

Volume III

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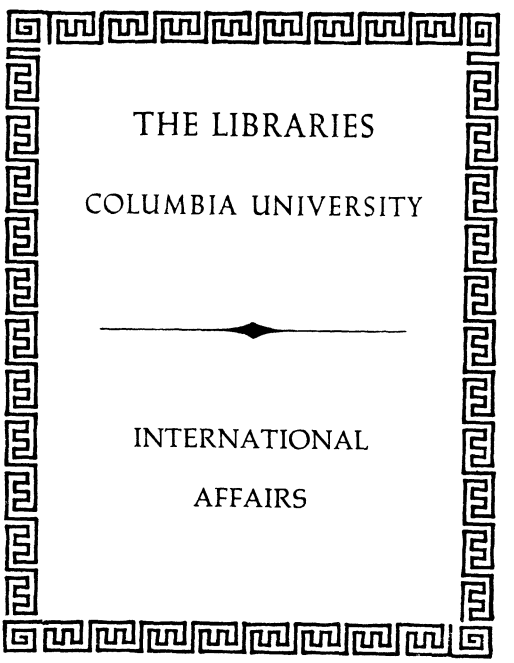
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Diplomatic Papers 1945

Volume III

European Advisory Commission; Austria; Germany

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PREFACE

This volume was prepared under the direct supervision of E. Ralph Perkins, formerly Chief of the Foreign Relations Division. He was assisted by S. Everett Gleason, the present head of the Division, and by Fredrick Aandahl. The compilations on the work of the European Advisory Commission were done by William Slany. The bulk of the documentation on Germany was compiled by John P. Glennon and former staff member Douglas W. Houston. The latter is also the compiler of the documentation on Austria. The remaining compilations on Germany were the responsibility of two former members of the Division: N. O. Sappington and George O. Kent.

Acknowledgment is also made to the historians of the Department of Defense, particularly those of the Joint Chiefs of Staff, for their valuable assistance. The editors are also grateful for assistance received from the staff of the Franklin D. Roosevelt Library at Hyde Park, N.Y.

The Publishing and Reproduction Services Division (Jerome H. Perlmutter, Chief) was responsible for the technical editing of the volume. This function was performed in the Historical Editing Section under the direct supervision of Elizabeth A. Vary, Chief, and Ouida J. Ward, Assistant Chief.

WILLIAM M. FRANKLIN
Director, Historical Office,
Bureau of Public Affairs

DECEMBER 5, 1967

PRINCIPLES FOR THE COMPILATION AND EDITING OF "FOREIGN RELATIONS"

The principles which guide the compilation and editing of *Foreign Relations* are stated in Department of State Regulation 1350 of June 15, 1961, a revision of the order approved on March 26, 1925, by Mr. Frank B. Kellogg, then Secretary of State. The text of the current regulation is printed below:

1350 DOCUMENTARY RECORD OF AMERICAN DIPLOMACY

1351 *Scope of Documentation*

The publication *Foreign Relations of the United States, Diplomatic Papers*, constitutes the official record of the foreign policy of the

United States. These volumes include, subject to necessary security considerations, all documents needed to give a comprehensive record of the major foreign policy decisions within the range of the Department of State's responsibilities, together with appropriate materials concerning the facts which contributed to the formulation of policies. When further material is needed to supplement the documentation in the Department's files for a proper understanding of the relevant policies of the United States, such papers should be obtained from other Government agencies.

1352 *Editorial Preparation*

The basic documentary diplomatic record to be printed in *Foreign Relations of the United States, Diplomatic Papers*, shall be edited by the Historical Office, Bureau of Public Affairs of the Department of State. The editing of the record shall be guided by the principles of historical objectivity. There shall be no alteration of the text, no deletions without indicating where in the text the deletion is made, and no omission of facts which were of major importance in reaching a decision. Nothing shall be omitted for the purpose of concealing or glossing over what might be regarded by some as a defect of policy. However, certain omissions of documents are permissible for the following reasons:

a. To avoid publication of matters which would tend to impede current diplomatic negotiations or other business.
b. To condense the record and avoid repetition of needless details.
c. To preserve the confidence reposed in the Department by individuals and by foreign governments.
d. To avoid giving needless offense to other nationalities or individuals.
e. To eliminate personal opinions presented in despatches and not acted upon by the Department. To this consideration there is one qualification—in connection with major decisions it is desirable, where possible, to show the alternatives presented to the Department before the decision was made.

1353 *Clearance*

To obtain appropriate clearances of material to be published in *Foreign Relations of the United States, Diplomatic Papers*, the Historical Office shall:

a. Refer to the appropriate policy offices of the Department and of other agencies of the Government such papers as appear to require policy clearance.
b. Refer to the appropriate foreign governments requests for permission to print as part of the diplomatic correspondence of the United States those previously unpublished documents which were originated by the foreign governments.

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I. NEGOTIATION OF AGREEMENTS REGARDING THE ZONES OF OCCUPATION AND CONTROL MACHINERY FOR AUSTRIA[1]

740.00119 Control (Austria)/1–245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 2, 1945—11 p. m.
[Received January 2—8:56 p. m.]

60. Department's 10719, December 26, 8 p. m.[2] While awaiting my general instructions on the question of a zone of occupation in Austria I have had Mosely[3] present to Gousev[4] and his assistant, Ivanov,[5] the American viewpoint in favor of taking the present Gau[6] boundaries of Vienna rather than the pre-1938 limits and of dividing Innere Stadt[7] district among the occupying powers.

Our viewpoint has been presented forcefully and in detail but it is too early to discover whether the Soviet insistence on the pre-1938 boundaries has been modified.

At tonight's meeting of the European Advisory Commission Massigli[8] explained that the French Government would want to station a token contingent in Vienna but not take a zone in the rest of Austria in view of its hope that a large part of the available French forces would be committed to the occupation of a zone in Germany. Please furnish paraphrase to Generals Hilldring[9] and Strong.[10]

WINANT

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[1] For previous documentation on this subject, see *Foreign Relations*, 1944, vol. I, pp. 434 ff.

[2] *Ibid.*, p. 483.

[3] Philip E. Mosely, Political Adviser to the United States Delegation to the European Advisory Commission.

[4] Fedor Tarasovich Gousev, Soviet Ambassador in the United Kingdom and Representative on the European Advisory Commission.

[5] Nikolai V. Ivanov, member of the Soviet Delegation to the European Advisory Commission.

[6] Political district.

[7] Inner City.

[8] René Massigli, French Ambassador in the United Kingdom and Representative on the European Advisory Commission.

[9] Maj. Gen. John H. Hilldring, Director of the Civil Affairs Division of the War Department.

[10] Maj. Gen. George V. Strong, senior Army representative on the Joint Post-War Committee.

740.00119 Control (Austria)/1–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 4, 1945—5 p. m.
[Received 6 : 35 p. m.]

107. For the Secretary and for Assistant Secretary Dunn.[11] This morning Mr. Eden [12] expressed to me his grave anxiety over our continued delay in stating our views on the question of zones of occupation in Austria. He fears very strongly the long run effects of further delay in getting down to negotiations on Austria. He pointed out particularly the serious situation which will develop if the Russians secure effective control of Austria without our having made a prior agreement with them to share equally in control. In that case the influence of America and Britain may be excluded and their interests neglected in Austria as completely as in Bulgaria [13] and Rumania,[14] and this in spite of the Three Power Declaration on Austria signed in Moscow.[15]

The Soviet proposal for an American zone was foreshadowed in my 10348 of November 24, 7 p. m.[16] A full summary was transmitted in my 10441 of November 27, 3 p. m.[17] Some of the far reaching implications involved were set forth in my 10864 of December 8, 6 p. m.[18] Your 10317 of December 9, midnight [19] reported the favorable decision in principle by the President and the Department and stated that final instructions awaited action by the Joint Chiefs of Staff. Since then 26 days of valuable time have been lost. Negotiations for American and British participation in control of Austria prior to German surrender, which the Department raised in Moscow in October (Department's 2453 to Moscow, October 17, 8 p. m.[20]), are in abeyance pending receipt of basic instructions concerning an American zone. I cannot urge too strongly the need for immediate action, since major interests affecting our position and our relations with our Allies are involved.

WINANT

---

[11] Assistant Secretary of State, James C. Dunn.
[12] Anthony Eden, British Secretary of State for Foreign Affairs.
[13] For documentation regarding the Allied armistice with Bulgaria on October 28, 1944, see *Foreign Relations*, 1944, vol. III, pp. 300 ff.
[14] For documentation regarding the Allied armistice with Rumania on September 12, 1944, see *ibid.*, vol. IV, pp. 133 ff.
[15] November 1, 1943; for text, see *ibid.*, 1943, vol. I, p. 761.
[16] *Ibid.*, 1944, vol. I, p. 470.
[17] *Ibid.*, p. 471.
[18] *Ibid.*, p. 474.
[19] *Ibid.*, p. 478.
[20] *Ibid.*, p. 466.

740.00119 Control (Austria)/1–545 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 5, 1945—8 p. m.

117. Eacom [21] 41. With reference to our 10317, December 9, 1944, midnight,[22] the following expression of views of the Joint Chiefs of Staff concerning "Acceptance by the United States of a zone of occupation in Austria" has been received:

"There are no military objections to any occupation of Austria by U.S. forces.

"Should it be decided, for reasons other than military, to have U.S. forces occupy a zone in Austria, an area bounding on Bavaria would be preferable, particularly from a logistical point of view. In this connection the zone in northwestern and western Austria proposed for U.S. occupation by the Soviets is acceptable except for Ost-Tirol. Since the only road or rail communications through Austria from Ost-Tirol to the remainder of the country are through the province of Kärnten it is considered that Ost-Tirol should properly be included in the same zone with Kärnten. Assignment of zones in the Vienna area should insure adequate administrative and transportation (water, rail and air) facilities to all three occupying forces. The Soviet proposal appears to provide each zone with the necessary rail facilities but practically all of the municipal and federal headquarters are located in the Innere Stadt which is included in the Soviet zone. It is believed that the Innere Stadt may have to be divided among the three powers perhaps by the adjustment of proposed boundaries. The U.S. zone in Vienna must extend sufficiently beyond the city limits to provide adequate air facilities for U.S. forces within the zone.

"Acceptance of the Soviet proposal will not increase the number of U.S. forces remaining in Europe for at least the first year after hostilities cease, since availability of shipping will preclude their earlier withdrawal. After that time, the exact strength and duration of the U.S. commitment will depend upon Austrian reactions and future political decisions, which cannot now be determined."

The Department concurs in these views and, accordingly, you are authorized to accept the Soviet proposals, subject to the modifications set forth above.[23]

STETTINIUS

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[21] Series designation for telegrams to London relating to European Advisory Commission matters.

[22] *Foreign Relations*, 1944, vol. I, p. 478.

[23] According to the minutes of an informal meeting of E.A.C. held on Tuesday, January 9, 1945, Ambassador Winant stated that the United States was willing to accept a zone of occupation in Austria but with the reservations outlined in the telegram above (Mosely EAC File).

740.00119 E.A.C./1–1645

Memorandum by the Political Adviser to the United States Delegation to the European Advisory Commission (Mosely)[24]

[Extract]

[LONDON,] January 9, 1945.

The U.S. Delegation feels that there are important practical advantages to be gained by the use of the present boundaries of Vienna, together with the present district boundaries within Vienna, as a basis for military government. It believes the use of the present boundaries will better serve the accomplishment of the vital political objectives of the occupation of Austria than the use of the pre-1938 boundaries.

1. Allied Military Government in Austria will have a number of vital and difficult tasks to accomplish, among them, the separation of Austria from the Reich, the supervision and administration of local government, the creation of a new Austrian central administration, the thorough de-Nazification of Austrian life, the sorting out and transfer home of large numbers of displaced persons, the direction of Austrian economy, including its reorientation away from Germany, and the preparation of conditions for democratic self-government. To add to these tasks, which are of the highest political importance, the very complicated job of re-drawing local administrative boundaries and of re-aligning local administrative functions to fit the resulting changes would enormously complicate the work of Military Government.

In their work of removing all vestiges of Nazi domination in Austria, it would seem important for the Allies to concentrate their effort on the major issues. Surely the Austrians will be much more impressed if the Allied administrators conduct a thorough purge of administrative personnel and take vigorous steps to recreate a central administration for Austria than if the Allied administrators dissipate their time and effort in trying to accomplish a complicated series of petty administrative changes.

If the present administrative boundaries of Vienna are retained provisionally, the area would again be called by its traditional Austrian name of "Land Wien", and Nazi institutions and terminology, such as Gau, Gauleiter,[25] Reichsstatthalter,[26] etc., would be abolished

[24] Transmitted to the Department in despatch 20402, January 16, from London, not printed. Telegram 460, January 13, from London, not printed, reported that Ambassador Winant had sent a copy of this memorandum to Soviet Ambassador Gousev (740.00119 Control (Austria)/1–1345).

[25] Highest Nazi Party official in a Gau.

[26] Reich Governor; representative of the German Reich Government in a Land or Reichsgau controlling the entire administration (with one exception all were also Nazi Party Gauleiters).

at once. It would also be made clear to the population by proclamation that as soon as conditions are favorable they will have an opportunity to decide whether they wish to remain in an enlarged Vienna or to be reintegrated into their pre-1938 administrative units. The Austrians have long been accustomed to the administration of Vienna as a Land; it would not seem unusual to them for Vienna to continue, for the time being, as a Land with an increased area and a population increased by some 200,000.

[Here follows a detailed discussion regarding administrative problems which a change back to pre-1938 Vienna and Vienna district boundaries would involve.]

P[HILIP] E. M[OSELY]

740.00119 Control (Austria)/1–1145

Memorandum by the Department of State [27]

[WASHINGTON, January 11, 1945.]

TREATMENT OF AUSTRIA—SUMMARY

I. The basic aim of American policy in Austria is its immediate separation from Germany and establishment of an independent Austrian state. This aim is expressed in the Moscow declaration of November 1, 1943 (text attached in Appendix I), which promised Austria liberation from German domination and pledged the three powers to open the way for the Austrian people themselves to find that political and economic security which is the only basis for a lasting peace. Austria's strategic location in Central Europe makes both its future internal stability and its relations to neighboring states a matter of pressing concern to the international community and to the United States.

. . . . . .

III. The aims of American policy, the Moscow Declaration, and the requirements of general security can best be achieved by the following steps:

A. Complete tripartite military occupation and government of Austria. (To assure us a full voice in Austria, the Department of State recommends that we occupy a zone equally with the British and

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[27] Transmitted as an enclosure to Department's instruction 5107, February 15, 1945, to London. This document was one of a set of papers being transmitted for urgent delivery to the United States Political Adviser on Austrian Affairs, Mr. John Erhardt. Also included were two memoranda prepared by the Committee on Post-War Programs of the Department of State and approved by the President on June 27, 1944: PWC–218, "The Treatment of Austria", dated June 8, 1944, and PWC–217a, "Summary: The Treatment of Austria: Policy Recommendations", dated June 21, 1944. For texts of these memoranda, see *Foreign Relations*, 1944, vol. I, pp. 438 and 447, respectively.

Russians. It is clear that we cannot have an equal voice without equal participation in the actual occupation. The Department of State recommends that changes be made in the Soviet proposal for zonal occupation to enlarge the area of the City of Vienna to include the Gau of Vienna to extend tripartite division to the Innere Stadt of Vienna, and to include Ost-Tirol in the same occupation zone as the province of Kärnten).

B. Legal, administrative and economic separation from Germany, and denazification.

C. Treatment different from Germany, designed to foster:

1. Restoration of self-government at local and national levels as rapidly as military exigencies and internal political conditions permit;
2. Revival of a sound Austrian economy within the framework of European reconstruction;
3. Prompt establishment of an independent Austrian state.

IV. It is in the interest of the United States that Austria develop that type of political and economic structure which will not place it in the position of a special ward of the international community or of any single power. The Austrian people should be free to determine their own form of government and the adjustment of their political and economic relations with their neighbors with the proviso that the new regime be democratic and that it accept such international responsibilities and obligations as the tripartite powers may see fit to impose.

740.00119 Control (Austria)/1–1145

Memorandum by the Department of State [23]

[WASHINGTON, January 11, 1945.]

ECONOMIC TREATMENT OF AUSTRIA

SUMMARY

The United States is committed to the political objective of a free and independent Austria. Stable and prosperous economic conditions in Austria would provide a strong underpinning for political independence and encourage support from the Austrian people for a separate Austrian sovereignty.

From the moment of occupation it will be necessary to commence the reconstruction of the Austrian economy. The tripartite military government should at once undertake the eradication of German eco-

[23] Included in the "Yalta Briefing Book" which had been prepared for the background information and policy guidance of President Roosevelt and the American delegation in their discussions at the Malta and Yalta Conferences (January 30–February 11, 1945). For documentation regarding the Malta and Yalta Conferences, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945.

nomic influence in that country as well as the denazification of economic life. It must provide some substitute for German economic administration and should sequester all Reich German properties in Austria and administer them on behalf of the eventual Austrian Government. It should take steps to establish financial autonomy, including an exchange of currency and probably the payment of interest on the public debt. Within its capabilities it should attempt to revive civilian production in order to avoid large-scale unemployment and to satisfy essential requirements. Finally it should encourage the revival of Austria's foreign trade and if necessary bring in relief supplies of foodstuffs and perhaps materials for the rehabilitation of Austrian industry.

Most of the longer-range economic problems in Austria can be dealt with effectively only when an acceptable indigenous government comes to power. In the settlement of occupation costs Austria should bear the cost of all expenditures incurred in the country by occupying forces and should be charged for the value of the relief imports. On the other hand, it should be credited for the amount of troop pay spent in the country. It is recommended that Austria should neither pay nor receive reparation. Payments by Austria would threaten its economic viability, while Allied claims to German reparation will be so large that Austria cannot be allotted a share. By the same token, Austria should not obtain any compensation from Germany for German currency, public debt, etc., held in Austria. The Allied powers should assist the eventual Austrian Government in a long-range program of economic and financial reconstruction, in particular by helping it to obtain foreign markets and credits. Austria should be admitted eventually to any world economic organizations that may be formed (including the World Fund and Bank). In addition the major Allied powers may have to make loans to Austria justified on political rather than commercial grounds.

740.00119 Control (Austria)/1–1345 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 24, 1945—midnight.

566. In the last EAC minutes of discussion of Austria [29] and in your 460 of January 13, 6 p. m.[30] we have followed with interest and admiration your efforts to achieve zoning of Vienna that would meet our very real needs and avoid cutting up the natural geography of

[29] The minutes of the informal meeting of the European Advisory Commission held on January 9, 1945, not printed; see footnote 23, p. 3.

[30] Not printed; see footnote 24, p. 4.

the city to return to an old line which has the merit of ignoring the Nazi delimitation of the city but also ignores its natural delimitations.

We note that the sole Soviet objection expressed by Gousev to the Vienna Gau line is its Nazi origin. If you consider it a useful move, the Department would be glad to take up with JCS [31] consideration of a new line drawn in EAC to take in a slightly larger area than the Gau (rather than the smaller area proposed in the Soviet draft) in order to meet Gousev's desires.

(It is recalled that in the Department's 117 January 5, 8 p. m. the JCS did not necessarily propose the Gau line as such, but rather that the U.S. zone in Vienna must extend sufficiently beyond the city limits to provide adequate facilities for US forces.)

GREW

740.00119 EAC/1–2645

Memorandum by the United Kingdom Representative on the European Advisory Commission (Strang) [32]

E.A.C.(45) 7
25 January, 1945.

ALLIED CONTROL MACHINERY IN AUSTRIA

I circulate, as a contribution to the discussions in the Commission, the draft of an Agreement between the four Powers outlining the structure and functions of the Allied Control Machinery in Austria. I trust that my colleagues will be willing to discuss this draft at an early meeting of the Commission.

2. The draft Agreement is designed to cover the period from the surrender of Germany or the cessation of organised German resistance until the establishment of a freely elected Austrian Government.

3. The draft proposes, in Article 14, that the system to be applied during the period after the establishment of an Austrian Government will form the subject of a separate Agreement between the Four Powers.

4. Interim arrangements for Four-Power Allied control in Austria will, however, in the view of the United Kingdom Government, also have to be made for the period between the occupation of Vienna and the entry into force of the proposed Agreement. A proposal in this sense was made on 30th October, 1944, by the United Kingdom Government to the Soviet Government in a letter addressed to M. Molotov [33] by His Majesty's Ambassador in Moscow,[34] a copy of

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[31] Joint Chiefs of Staff.
[32] Transmitted to the Department as an enclosure to despatch 20639, January 26, from London; received January 30.
[33] Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.
[34] Archibald J. K. Clark Kerr.

which was circulated to my colleagues on 1st December, 1944.[35] In reply, the Soviet Government suggested that this question should be discussed in the European Advisory Commission at the same time as the questions of the zones of occupation and of Allied control machinery in Austria. I should welcome an early expression of the views of my colleagues on this proposal.

W[ILLIAM] S[TRANG]

LONDON, 24 January, 1945.

[Annex]

Draft Agreement on Allied Control Machinery in Austria[36]

(U.K. Delegation 24th January, 1945)

The Governments of the United Kingdom of Great Britain and Northern Ireland, the United States of America, and the Union of Soviet Socialist Republics, and the Provisional Government of the French Republic;

in view of the declaration issued at Moscow on the 1st November, 1943 in the name of the Governments of the United Kingdom, the United States of America and the Union of Soviet Socialist Republics, whereby the three Governments announced their agreement that Austria should be liberated from German domination, and that they considered themselves as in no way bound by any changes effected in Austria since the 15th March, 1938, and declared that they wished to see re-established a free and independent Austria;

have reached the following agreement with regard to the Allied Control Machinery in Austria during the period from the surrender of Germany or the cessation of organised German resistance until the establishment of a freely elected Austrian government.

ARTICLE 1

The Allied Control Machinery in Austria will consist of an Allied Council, an Executive Committee and staffs appointed by the four Governments concerned, the whole organisation being known as the Allied Commission for Austria.

ARTICLE 2

(*a*) The Allied Council will consist of four Military Commissioners, one appointed by each of the Governments concerned. In addition

[35] Not printed; regarding a parallel approach made by the American Chargé in Moscow (Kennan), and summary of reply from Molotov, see telegram 2453, October 17, 1944, to Moscow, and telegram 4214, November 3, 1944, from Moscow, *Foreign Relations*, 1944, vol. I, pp. 466 and 467, respectively.

[36] Circulated in the European Advisory Commission by the United Kingdom Delegation on January 24, 1945.

to being members of the Allied Council, the Military Commissioners will each be in supreme command of the forces of occupation in Austria furnished by his Government. Supreme authority in Austria will be exercised jointly, in respect of matters affecting Austria as a whole, by the Military Commissioners on instructions from their respective Governments, in their capacity as members of the Allied Council. Subject to this, each Military Commissioner, in his capacity as Commander-in-Chief of the forces of occupation furnished by his Government, will exercise supreme authority in the zone occupied by these forces. Each Commander-in-Chief in his zone of occupation will have attached to him for liaison duties military, naval and air representatives of the other Commanders-in-Chief of forces of occupation in Austria.

(*b*) The Military Commissioners will be replaced as soon as military conditions permit by civilian Commissioners;

(*c*) The Allied Council will meet at least once in ten days; and it will meet at any time upon request of any one of its members. Decisions of the Allied Council shall be unanimous. The Chairmanship of the Allied Council will be held in rotation by each of its four members;

(*d*) Each Military Commissioner will be assisted by a political adviser, who will, when necessary, attend meetings of the Allied Council.

ARTICLE 3

The Executive Committee will consist of one high-ranking representative of each of the four Commissioners. Members of the Executive Committee will, when necessary, attend meetings of the Allied Council.

ARTICLE 4

(*a*) The staffs of the Allied Commission in Vienna, appointed by their respective national authorities, will be organised in the following Divisions:—

> Military; Naval; Air; Economic; Finance; Internal Affairs; Labour; Legal; Prisoners of War and Displaced Persons; Political; Transport.

Adjustments in the number and functions of the Divisions may be made in the light of experience.

(*b*) At the head of each Division there will be four officials, one from each Power. Heads of Divisions will take part in meetings of the Executive Committee at which matters affecting the work of their Divisions are on the agenda.

(*c*) The staffs of the Divisions may include civilian as well as military personnel. They may also, in special cases, include nationals of other United Nations, appointed in their personal capacity.

ARTICLE 5

The Allied Council will:—

(*a*) initiate plans and reach decisions on the chief military, political, economic and other questions affecting Austria, on the basis of instructions received by each Commissioner from his Government;

(*b*) ensure appropriate uniformity of action in the zones of occupation.

ARTICLE 6

The Executive Committee, acting on behalf of the Allied Council, will:—

(*a*) ensure the carrying out of the decisions of the Allied Council through the appropriate Divisions of the Allied Commission referred to in Article 4;

(*b*) co-ordinate the activities of the Divisions of the Allied Commission, and examine and prepare all questions referred to it by the Allied Council.

ARTICLE 7

The Divisions of the Allied Commission will:—

(*a*) advise the Allied Council and the Executive Committee;

(*b*) carry out the decisions of the Allied Council conveyed to them through the Executive Committee.

ARTICLE 8

The primary tasks of the Allied Commission for Austria will be:—

(*a*) to ensure the enforcement in Austria of the Instrument of Surrender of Germany;

(*b*) to achieve the separation of Austria from Germany;

(*c*) to secure the establishment, as soon as possible, of a central Austrian administrative machine;

(*d*) to prepare the way for the establishment of a freely-elected Austrian government;

(*e*) meanwhile to provide for the administration of Austria to be carried on.

ARTICLE 9

In the period before the establishment of departments of a central Austrian administration, which period shall be as short as possible, the decisions of the Allied Commission, insofar as they may require action in the respective zones, will be carried out through the occupying forces. The necessary instructions to the occupying forces will be given by the respective Military Commissioners, in their capacity as Commanders-in-Chief, on the basis of decisions of the Allied Council. In enforcing the terms of surrender and in conducting or direct-

ing the administration in their zones in accordance with such instructions, the occupying forces will make use of such Austrian administrative organs existing in the provinces as can be used.

ARTICLE 10

As soon as departments of a central Austrian administration have been sufficiently established, they will be directed to assume their respective functions as regards Austria as a whole. In the fulfilment of its tasks, the Allied Commission will thenceforward work through such departments. It will then be the duty of the Divisions to control the activities of the respective departments and to communicate to them the decisions of the Allied Council and Executive Committee.

ARTICLE 11

(*a*) An Inter-Allied Governing Authority (Komendatura) consisting of four Commandants, one from each Power, appointed by their respective Commissioners, will be established to direct jointly the administration of "Greater Vienna". Each of the Commandants will serve in rotation, in the position of Chief Commandant, as head of the Inter-Allied Governing Authority.

(*b*) A Technical Staff, consisting of personnel of each of the four Powers, will be established under the Inter-Allied Governing Authority, and will be organised to serve the purpose of supervising and controlling the activities of those local organs of "Greater Vienna" which are responsible for its municipal undertakings.

(*c*) The Inter-Allied Governing Authority will operate under the general direction of the Allied Council and will receive orders through the Executive Committee.

ARTICLE 12

The necessary liaison with the Governments of other United Nations chiefly interested will be ensured by the appointment by such Governments of military missions (which may include civilian members) to the Allied Council.

ARTICLE 13

United Nations' organisations which may be admitted by the Allied Council to operate in Austria will, in respect of their activities in Austria, be subordinate to the Allied Commission and answerable to it.

ARTICLE 14

The nature and extent of the Allied direction and guidance which will be required after the establishment of a freely elected Austrian Government will form the subject of a separate agreement between the four Powers.

740.00119 Control (Austria)/1–2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 28, 1945—9 p. m.
[Received January 28—4: 43 p. m.]

985. Comea [38] 164. I am glad to have in reserve the suggestion contained in Department's 566, January 24, midnight that the Russian objection to Nazi origin of present boundaries of Gau Vienna might be overcome by a slight enlargement of the present territory of the Gau. The Russians have not yet replied to the substance of our argument and Gousev probably took my memorandum (my 460, January 13, 6 p. m.)[39] to Moscow. While they have not said so, I believe the Russian delegation prefers the pre-1938 smaller boundaries of Land Vienna because they leave a larger area in the presumptive zone of Soviet occupation.

WINANT

740.00119 EAC/1–3045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 30, 1945—8 p. m.
[Received January 30—4: 50 p. m.]

1050. Comea 165. A large part of last night's meeting of the European Advisory Commission was devoted to discussion of zones of occupation in Austria. The United Kingdom representative stated that his Government accepted in principle the French request for a zone (my 849, January 24, 7 p. m.[40]). Later, without committing his Government to any specific zone, Strang made the "technical suggestion" that Tirol–Vorarlberg be assigned to French forces. Soviet acting representative, Sobolev,[41] and I had no word from our Government on the French request.

At a later stage of the meeting, I inquired concerning the French position with respect to the Moscow declaration of November 1, 1943 on Austria, which is the basis of the joint responsibility of the three

[38] Series designation for telegrams from London dealing with affairs in the European Advisory Commission.

[39] Reference is to the memorandum of January 9, p. 4; telegram 460 not printed, but see footnote 24, p. 4.

[40] Not printed; it reported that the French Government had placed before the European Advisory Commission a request that a zone of occupation in Austria be assigned to French forces (740.00119 EAC/1–2445).

[41] Arkady Aleksandrovich Sobolev, Soviet Minister-Counselor in the United Kingdom.

signatory powers for the restoration of Austrian independence. In response Massigli cited the declaration made on November 16, 1943,[42] by the French Committee on Algiers, in support of Austrian independence, and stated that his Government would be glad to adhere to the Moscow declaration on Austria.

Strang, likewise, presented a new proposal concerning the Soviet and British zones, by which lower Danube Gau would form the Soviet zone and Styria and Carinthia, the United Kingdom zone. British objections to the British zone as outlined in the Soviet proposal were, one, that the proposed zone lacked any direct north-south communications and, two, that the Soviet proposal cut across existing provincial boundaries and would, if accepted, create great administrative inconveniencies. Strang stated that the United Kingdom Government could not accept the Soviet proposal with respect to the Soviet and United Kingdom zones. Strang noted that the two zones now proposed by his Government would be almost equal in population, while the Soviet zone would be somewhat smaller in area.

Massigli agreed to study the United Kingdom proposal for British and Soviet zones and expressed decided preference for keeping to major administrative boundaries. Sobolev took note of the United Kingdom rejection of the Soviet proposal and took the new United Kingdom proposal under advisement. I also promised early consideration of the United Kingdom proposal. In response to a Soviet request, Strang agreed to put the United Kingdom proposal in writing.

Strang gave firm support to the United States proposal to use the present boundaries of Gau Vienna in defining the central zone of joint control (my 460, January 13, 6 p.m.).[42a] Sobolev stated that he had no instructions concerning it.

In support of his proposal to use present Gau boundaries in laying out zones of occupation, Strang emphasized the importance of the Länder as units of Austrian political life, as well as the greater practicality of using seven Gau[s] or Länder as the basic units of administrative [*administration?*] instead of 83 districts, without prejudice to the right of the Austrians to work out a different administrative structure later if they so desired.

Please furnish paraphrase to Generals Hilldring and Strong.

WINANT

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[42] For text, see *Recueil de textes à l'usage des conférences de la paix* (Paris, Imprimerie Nationale, 1946), p. 123.

[42a] Not printed, but see footnote 24, p. 4.

740.00119 EAC/1–3045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 30, 1945—8 p. m.
[Received 10 p. m.]

1051. Comea 166. At last night's meeting of the European Advisory Commission the United Kingdom proposal on control machinery for Austria received a preliminary discussion (my 919, January 26, 5 p. m.; full text in my despatch No. 20639 of January 26 [43]).

Strang pointed out that his Austrian draft on control machinery differed from the agreement on control machinery in Germany in that central German administrative agencies had been assumed to exist in the German paper, while there were no central agencies in Austria. Accordingly, article IX of his draft described the relations between the Allied Commission and Austrian administrative machinery in the period prior to creation of central Austrian agencies, and article X in the period following their creation. He pointed out that article II gives greater prominence to the role of the Allied Commanders as members of the Allied Council than as Commanders-in-Chief of their national forces, since they might be expected to have relatively small forces under their command. The United Kingdom draft also assumes four power rather than tri-partite control.

At several points in the discussions Strang laid particular stress on the importance of reaching agreement on the arrangements for interim Allied control, to take effect as soon as Vienna is occupied and to continue until German surrender or collapse. In this connection he referred to stage 1 in the United Kingdom memorandum of August 21 [44] (my despatch No. 17617 [*17616*] of August 23 [45]), to the British note of October 30 to Molotov, and to the covering memorandum transmitting the present United Kingdom proposal on control machinery. Sobolev had no comment to make on the interim arrangements, and Strang made no specific proposals.

Sobolev asked whether the "freely elected Austrian Government", mentioned in last paragraph of preamble to United Kingdom proposal, referred to a provisional or a permanent government. Strang's reply was that, in line with the thoughts outlined in his memorandum of December 14 [46] on establishment of self government in Austria (my

[43] Neither printed. For text of the United Kingdom proposal on control machinery for Austria, see p. 8.
[44] *Foreign Relations*, 1944, vol. I, p. 455.
[45] Not printed.
[46] *Foreign Relations*, 1944, vol. I, p. 478.

despatch No. 19893 of December 15 [47]), he had thought of Allied control as continuing until a free election of a permanent government; however, he considered this point suitable for discussion.

To Sobolev's query (article II A) as to why Naval liaison officers would be required, Strang referred to Danubian questions of common concern and to the precedent in the German control machinery, and offered to consider its admission. To Sobolev's query (article III) as to the difference between the executive committee for Austria and the coordinating committee in the German machinery, Strang expressed the view, one, that the committee would have to take a more direct role in the administration of Austria because of the absence of central Austrian agencies, and, two, that it would avoid confusion to use different names; he felt there was no fundamental difference between the two.

In article IV Sobolev queried the need for a Naval division, and asked the significance of omitting a division of restitution, deliveries and reparation; he wanted assurance that some provisions would be made for administering Austrian reparations. Strang replied that he had assumed that it might be better for psychological reasons, to administer reparations under the economic division in Austria, but was willing to discuss inclusion of a separate division.

Sobolev drew from the United Kingdom representative a definition of "to achieve separation" (article VIII B) as including complete separation from Germany, destruction of German administration in Austria and establishment of strict frontier control between the two countries. Sobolev asked whether article VIII D meant that free elections would be organized under the supervision of the Allied council. In reply Strang referred to article XV E of his December 14 memorandum; detailed preparation of elections could be carried out after establishment of a national committee; the elections would be conducted by the Austrians, not the Allies. However, the Allied machinery, he added, could transfer its functions gradually to Austrian agencies during the period leading up to free elections, and would give up those functions entirely after a freely elected government had been established.

Massigli suggested that the Allied Commission should continue its work until recognition of an Austrian government by the four Allied Governments. Strang offered to consider revising the last words of the preamble to read "A freely elected Austrian Government recognized by the four powers". With regard to article VIII A, Massigli suggested that the responsibility of the Allies for giving the new state permanent laws and institutions and for effecting fundamental reforms should be stated more positively. With respect to article IV A,

[47] Not printed.

Massigli stressed the importance of restitution and reparation in Austria, which had much factory equipment removed from occupied countries.

I suggested as comment, not as a proposal, that in view of the necessity of recreating a central Austrian administrative machine from the ground up, it might be better to group the related administrative functions in three or four large divisions, with suitable sections under them; for example, an economic division might contain sections for industry, agriculture, commerce, finance, manpower and reparation, each section to have a single head, rather than three or four heads.

It was agreed to continue discussion of control machinery as soon as the Soviet and French representatives receive instructions.

Please furnish paraphrase to Generals Hilldring and Strong.

WINANT

740.00119 EAC/1–3145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 31, 1945—3 p. m.
[Received January 31—1:15 p. m.]

1064. Comea 168. With reference to my 1050, January 30, 8 p. m., I have received a United Kingdom draft agreement on zones of occupation in Austria. The proposal assigns lower Austria except greater Vienna to USSR forces; Styria USSR forces; upper Austria and Salzburg to United States forces; Styria and Carinthia to United Kingdom forces; Tyrol–Vorarlberg to French forces. It does not specify the division of areas within greater Vienna. Boundaries to be those obtaining after decree of October 1, 1938 on boundary changes in Austria.[48] An inter-Allied governing authority of four commandants to direct jointly administration of greater Vienna. Proposed agreement to come into force "as soon as the military situation permits and not later than the signature" of the German unconditional surrender or cessation of organized German resistance. *End of summary.*[49]

Please furnish paraphrase to Generals Hilldring and Strong.

WINANT

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[48] *Reichsgesetzblatt*, 1938, Part I, p. 1333.

[49] The proposal summarized here was formally circulated in the European Advisory Commission by the United Kingdom Representative on January 30 and was designated as document E.A.C.(45) 8, January 31; it was transmitted by the Ambassador in the United Kingdom in his despatch 20764, February 2; neither printed.

740.00119 EAC/2–145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 1, 1945—8 p. m.
[Received 11:10 p. m.]

1138. Comea 169. My 1051 January 30, 8 p. m. reported a preliminary discussion by the European Advisory Commission of the United Kingdom proposal for control machinery in Austria.

My joint advisers [50] in collaboration with General Flory,[51] Colonel Carey,[52] Mr. Cecil Gray [53] and others of the nucleus United States Group Control Council for Austria [54] have made a preliminary study of the British proposals and I am submitting their recommendations for consideration by the Department in connection with any comments which it may be preparing on the United Kingdom draft. The nucleus United States group expects to have the opportunity to submit their recommendations to General McNarney [55] at an early date.

The nucleus United States group for Austria feels that the British proposals do not sufficiently take into account the basic difference in objectives between the occupation of Germany and the occupation of Austria. The machinery to be set up in Austria should be designed to provide the most effective means of accomplishing the overall objective of welding the Austrian people into a united, free and independent state as set forth in JCS 1024 of August 27 [56] and approved by the President.

A comparison of the British proposal for Austria with the agreement on control machinery in Germany [57] shows that the British give

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[50] The Political, Military, Naval, and Military Air Advisers to the United States Representative on the European Advisory Commission (Winant) constituted the Joint Advisers of the U.S. Delegation, E.A.C., which periodically held meetings to consider E.A.C. matters.

[51] Brig. Gen. Lester D. Flory, Deputy to the Commanding General, Mediterranean Theater of Operations, U. S. Army (McNarney) and Acting Deputy, U. S. Group, Control Council (Austria).

[52] Col. G. R. Carey, Executive Officer, U. S. Group, Control Council (Austria).

[53] Cecil W. Gray, Counselor of Mission in the Office of U. S. Political Adviser on Austrian Affairs (Erhardt).

[54] The U. S. Group, Control Council (Austria), was established on January 30, 1945, to serve as a nucleus planning staff for U. S. military government in Austria. Originally set up in London, U.S.G.C.C. (Austria) moved to Caserta, Italy, at the beginning of April 1945.

[55] Lt. Gen. Joseph T. McNarney, Deputy Supreme Allied Commander, Mediterranean Theater of Operations, and Commanding General, Mediterranean Theater of Operations, U. S. Army.

[56] Not printed; J.C.S. 1024, August 27, 1944, contained memoranda PWC–218 and PWC–217a (see footnote 27, p. 5), and comments of the Joint Chiefs of Staff on these memoranda (*Foreign Relations*, 1944, vol. I, p. 463).

[57] For text of the agreement between the Governments of the United States, the United Kingdom, and the Soviet Union on control machinery in Germany, signed in London, November 14, 1944, see *Conferences at Malta and Yalta*, p. 124; Department of State, Treaties and Other International Acts Series, No. 3070; *United States Treaties and Other International Agreements*, vol. 5 (pt. 2), pp. 2062–2071.

greater prominence in their Austrian proposals to the role of the Allied Commanders as members of the Allied Council in Vienna than as Commanders in Chief of their national forces in their zones. However, it is questioned whether the British draft goes far enough in emphasizing the necessity for uniformity of action through centralizing military government control in the Council.

The nucleus United States group for Austria feels strongly that bearing in mind United States overall objectives in Austria and the small size of the country the problems of any part of the country are of common interest and should be dealt with according to a joint policy; and that it is not enough to provide that the Allied Council will only handle "matters affecting Austria as a whole". Such a provision would leave the way open for any one commander to block joint action in any matter which he alone decided did not affect Austria as a whole.

[Here follow detailed amendments to the British draft plan for Allied Control Machinery in Austria.]

I should appreciate having the Department's reaction to these suggestions as soon as possible for my guidance in early meetings of the Commission. I should also like to have the Department's views on the interim arrangements for Allied control between the occupation of Vienna and the coming into force of the proposed agreement.

Please furnish paraphrase to Generals Hilldring and Strong.

WINANT

740.00119 Control (Austria)/2-945 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State [58]

CASERTA, February 9, 1945—7 p. m.
[Received 10 : 08 p. m.]

489. From Gray for Riddleberger [59] and Dunn. We discussed with Mosely the matter of a formal communication to the Soviets (and later to the French) telling them of the United States Austrian planning group under General Flory and expressing the desire to establish contact with the corresponding Soviet group at the earliest moment.

In view of recent military developments and the fact that the Soviet control group for Germany has been invited to London, it

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[58] Ambassador Kirk was also United States Representative on the Advisory Council for Italy and was the United States Political Adviser on the Staff of the Supreme Allied Commander, Mediterranean Theater (Alexander) whose headquarters were at Caserta, Italy.

[59] James W. Riddleberger, Chief of the Division of Central European Affairs.

might be well to suggest, after concerting with the British authorities, that the United States group would be prepared to join with the Soviet group at a place designated by the latter.

I recommend that the Department take this up with the British and reach some agreement as to the time and method of sending such a communication.

This telegram has been cleared with Generals McNarney and Flory and Mosely.

Repeated to London for the Ambassador and Mosely as number 65. [Gray.]

KIRK

740.00119 Control Austria/2–2445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 24, 1945—2 p. m.
[Received February 24—1 : 20 p. m.]

1921. From Gray. I have heard that within recent weeks there have been discussions in Washington concerning the preparation of an overall directive for Austria based in large part on the original JCS 1067 [60] (which was designed to apply to Germany) and pointing generally toward independent administration of the several zones. In view of the fact that we have the basic PWC documents 217a and 218 on Austria [61] and later material approved by the Department, it is planned here as a matter of high priority to prepare a set of Austrian directives incorporating in them the accepted general policies contained in the above documents for Austria. We also have available the 16 [*15?*] approved German directives,[62] which can be used for guidance in preparing the Austrian directives.

I would appreciate being kept informed by telegram of the status of any discussions in Washington on the matter of Austrian directives. [Gray.]

WINANT

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[60] Directive to SCAEF (Supreme Commander Allied Expeditionary Force) Regarding the Military Government of Germany in the Period Immediately Following the Cessation of Organized Resistance (Post Defeat), dated September 22, 1944, which was circulated as a Joint Chiefs of Staff document designated J.C.S. 1067 dated September 24, 1944. For text of the draft directive, see *Conferences at Malta and Yalta*, p. 143.

[61] For texts, see *Foreign Relations*, 1944, vol. I, pp. 447 and 438, respectively.

[62] See memorandum on p. 399 and especially footnote 87, p. 402.

740.00119 Control (Austria)/2–2445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, February 28, 1945—10 p. m.

1544. For Gray from Riddleberger. It is true as suggested in your 1921 February 24, 2 p. m., that the War Department desires to place in the hands of the American Commander in Austria an interim directive in which he can find guidance in the event that he should fail to receive such guidance either because of an interval between termination of SACMED [63] and inauguration of an ACC [64] or as a result of indecision by latter. The initial draft [65] prepared by the War Department for this purpose was based on JCS 1067 without taking into account all the basic differences between Germany and Austria. The Department has now prepared a re-draft [65] to incorporate appropriate consideration of the political differences between Germany and Austria. This is now being studied in the War Department. Erhardt was here when it was written and participated in one of our meetings with CAD [66] officers.

While it would of course be undesirable to have such a directive solely in terms of 1067, a directive properly framed to suit the Austrian situation would be desirable. We are therefore collaborating with CAD in an endeavor to produce one. Although the Army desires it primarily for the guidance of US forces, it would also presumably be submitted to EAC for consideration as an interim directive to all commanders.

Some delay in the Department's telegrams on EAC business is inevitable since the Department refrains from sending such telegrams until they have been cleared by the Joint Chiefs of Staff or the War and Navy Departments. However, we will endeavor to keep these delays to a minimum and to keep you informed as promptly as we can under the circumstances.

We assume that the directives mentioned in your 1921 as being planned in London would not be in the nature of interim directives.

It would be helpful to us to have two copies of the latest version of the MG [67] handbook for Austria compiled in London. [Riddleberger.]

GREW

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[63] Supreme Allied Commander, Mediterranean Theater (Field Marshal Sir Harold Alexander).
[64] Allied Control Commission.
[65] Not printed.
[66] Civil Affairs Division of the War Department.
[67] Military Government.

740.00119 EAC/2–2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 28, 1945—10 p. m.
[Received February 28—8:30 p. m.]

2093. Comea 190. In connection with the U. K. proposal on zones of occupation in Austria (my 1064, January 31, 3 p. m.), U. K. representative of the E. A. C. has circulated the following proposal for subdivision of "Greater Vienna". Soviet forces to occupy districts of Leopoldstadt, Brigittenau, Floridsdorf, Grossenzersdorf. U. S. forces to occupy districts of Josefstadt, Alsergrund, Penzing, Fünfhaus, Ottakring, Hernals, Währing, Döbling, Klosterneuburg. U. K. forces to occupy districts of Wieden, Margareten, Mariahilf, Neubau, Favoriten, Meidling, Hietzing, Mödling, Liesing. French forces to occupy districts of Landstrasse Simmering, Schwechat. District of Innere Stadt to be "occupied by the forces of the four powers under arrangements to be made by the inter-Allied governing authority for Greater Vienna".[68]

Please furnish paraphrase to Generals Hilldring and Strong.

WINANT

740.00119 Control (Austria)/3–1245

The United States Political Adviser on Austrian Affairs (Erhardt) to the Director of the Office of European Affairs (Matthews)

LONDON, March 12, 1945.

DEAR DOC: At the request of General Meyer,[69] I attended this morning a conference of his staff group, including particularly Colonel Williamson,[70] the Military Air Adviser. Others present included Lightner [71] in place of Mosely, and Colonel McCaffrey [72] of General Flory's group. The discussion concerned the new U.K. proposal for the subdivision of the Vienna area. It is assumed that you have in Washington a map illustrating the proposal.

Most of the discussion was devoted to the question of airports. Colonel Williamson made it plain that the air facilities are wholly

[68] The proposal summarized here was formally submitted to the European Advisory Commission by the United Kingdom Representative on February 27 and was designated as document E.A.C. (45) 20, February 28; it was transmitted by the Ambassador in the United Kingdom in his despatch 21394, March 1; neither printed.

[69] Brig. Gen. Vincent Meyer, Military Adviser to the United States Representative on the European Advisory Commission.

[70] Col. Charles G. Williamson, Military Air Adviser to the United States Representative on the European Advisory Commission.

[71] E. Allan Lightner, Secretary to the United States Delegation to the European Advisory Commission.

[72] Col. George H. McCaffrey, Chief Planning Coordinator, United States Group, Control Council (Austria).

inadequate in the zone allocated to the U.S. in this U.K. proposal. Attached is a copy of a memorandum of today's date by Colonel Williamson on this subject.[73]

The proposed Russian zone includes two airports, one of which is the best in the Vienna area, and the French zone includes the second best. There is no large airport in the zones proposed for the U.S. and the U.K. (In the Russian proposal made some time ago for the zoning of the Vienna area, all three of the airports are within the Russian zone.) Colonel Williamson stated that although the U.S. zone as proposed by the U.K. might include one or more small air strips capable of handling fighters or small bombers, it possesses no airport which could accommodate four-engined bombers or transports, even if enlarged to the limits of the surrounding terrain.

Colonel Williamson mentioned that the ATC [74] personnel required for Austria will number 4,000. Consequently he pointed out it is desirable to have an airport at or near which substantial housing facilities could be made available.

Colonel Williamson called attention to the fact that Vienna will be an important intermediate stop on the route to the Far East and adequate U.S. landing facilities are needed for communication and movement of personnel between the European and Pacific theaters.

Colonel Williamson is to bring these facts to the attention of Mr. Winant and a telegram will be drafted in the former's unit for transmission to the War Department.[75]

The purpose of this letter is to provide you with this background and to say it was my impression that the inadequacy of air facilities in the U.K. proposal for our zone was not realized until Colonel Williamson pressed the matter. My contribution, bearing in mind briefing by Jimmy Riddleberger on the subject of air facilities, was to keep the subject under discussion until all the facts were brought out at the conference.

Faithfully yours, JOHN G. ERHARDT

740.00119 Control (Austria)/2–945 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, March 15, 1945—9 p. m.

221. For Gray. We too consider it very desirable to have contact established with the Soviet Planning Group for Austria, and have discussed your 489, February 9, 7 p. m., with the British here.

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[73] Not printed.

[74] Air Transport Command.

[75] FX 46604 from Lt. Gen. McNarney to the War Department, March 20, 1945, stated that the United Kingdom proposal on the sub-division of the greater Vienna area was unacceptable because of its failure to provide airfield facilities in the United States zone and urged that the United States be assigned the southeastern zone (EAC Mosely File).

They raised the point that the British and American groups working under SACMED might not be easily separable from AFHQ [76] at Caserta in view of their close integration there.

Mosely, who is now here, thinks the Russians might be presented with a similar difficulty and that if we were to approach them about congregation of the groups for Austria we should offer to locate them at a place agreeable to the Russians since they are sending their nucleus group for Germany to London to accommodate us.

Could you give us a concrete suggestion of what British and American personnel could be separated from AFHQ, Caserta, to work effectively with the Soviet Group wherever it may be located. Had you in mind an actual working group or merely liaison officers?

STETTINIUS

740.00119 EAC/1–3045 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, March 15, 1945—midnight.

2007. ReUrtel 1051 January 30, 8 p. m. 1. In connection with the discussions on the control machinery for Austria the Department has noticed several statements by members of the EAC which apparently assumed that Austria would be required to pay reparation.

2. The Department is highly skeptical of Austria's capacity to make substantial reparation payments. In this connection your attention is called to the following considerations:

(*a*) In the process of being separated from Germany and reconstituted as an independent national state, Austria will lose the bulk of its most important market.

(*b*) Austria had a consistently unfavorable balance of trade throughout the inter-war period.

(*c*) The Allies' virtual cancellation of Austria's World War I reparation obligations as early as 1923 indicated their appreciation of Austria's difficult international economic position.

It is realized that the foregoing circumstances are not absolutely conclusive since Austria had a considerable number of unemployed before the war who might be put to work producing reparation goods, especially if the claimants devised means whereby to furnish Austria with the necessary raw materials. It seems to Department, neverthe-

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[76] Allied Force Headquarters.

less, that the facts of the situation give little support to belief that much reparation could be obtained from Austria.

3. Because of the dislocation of the Austrian economy which will probably ensue as a result of the country's separation from Germany, and because Austria is a food deficit area, there is a strong possibility that the country will stand in need of substantial relief and possibly also financial assistance in the early post-war years. While it is too early to state definitely whether or not the United States will desire to participate in such measures of assistance, it can be said with certainty that if the United States should furnish such aid it would expect that the repayment of its advances would enjoy priority over the payment of reparation. Moreover, the possibility of Austria's receiving financial aid from this country will be greater in the event that Austria has no reparation burden, for otherwise there would be the well justified apprehension that this country was in effect financing the payment of Austria's reparation.

4. By announcing their intention in the Moscow Declaration to establish an independent Austria the powers implicitly undertook to create economic conditions favorable to the preservation of Austrian independence. The Department believes that accomplishment of this task will be difficult enough even if Austria is not obliged to pay a significant amount of reparation.

5. It is believed that in your discussions of control machinery for Austria you should not continue to imply approval of the principle of Austrian reparation. Instead you should apprise the other members of the EAC of our views of the matter, as otherwise this Government may be placed in the false position of seeming to approve Austrian reparations when in fact we oppose them. It is therefore suggested that you discuss this matter with your British colleague on the Commission with a view to obtaining his support and that thereafter you take the earliest opportunity to set forth in the Commission this Government's position as stated above. You should emphasize strongly, however, that this Government does favor and expects the restitution of identifiable looted property found in Austria.[77]

STETTINIUS

[77] In telegram 2823, March 19, from London, Ambassador Winant said that he was glad to have the statement on United States policy with respect to reparation and restitution in Austria, but sought to make it clear that he had never indicated in any meetings of the European Advisory Commission that the United States expected that reparation could or should be obtained from Austria (740.00119-EAC/3-1945).

740.00119 Control (Austria)/3–1745 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

CASERTA, March 17, 1945—midnight.
[Received March 17—9 : 30 p. m.]

1015. From Gray. Your 221 of March 15, 1945, 9 p. m. crossed my 965 of March 14, 9 a. m.[78] Due to the recent move of the United States group to Caserta, where it is now engaged in recruiting its planning staff and at the same time going forward with its planning work, it would not be at all practical to move the entire group from AFHQ. Accordingly General McNarney's cable to General Deane only contemplated a liaison group of 2 or 3 persons to meet with the Soviets, if the latter should be agreeable thereto. It is believed here that preliminary conferences, such as General McNarney had in mind, would determine whether working groups of the respective countries would later get together and if so, what place and in what strength. A sounding of the British military here gives every reason to believe that in so far as the military are concerned, they will go along with the procedure outlined above.

General Deane has replied to General McNarney's cable (my 965 of March 14, 9 a. m.) to the following effect: General Deane says lack of information on Austrian planning makes it difficult to offer any suggestions of value. The Soviets he says, do not bother very much about planning in advance. He refers to a letter sent to Harriman by Molotov in November 1944, in which Molotov indicated that the EAC should handle planning for the control of Austria. Deane goes on to say that he is of the belief that over and above this the Soviets will not go and will leave it to the troops of occupation to solve problems as they arise. Harriman has been shown General McNarney's cable and has wired Winant for information about the status of the Austrian work in the EAC. Deane will be glad to talk to the Soviet General Staff and at the same time ask Harriman to deal with the Foreign Office to the end that the Soviet Foreign Office will give authorization to representatives of the Soviets to get together with United States planners, so that United States and Soviet plans can be gone over and all details of coordinating and implementing them be worked out. If General McNarney reaches a decision to do this, Deane makes the recommendation that the Soviets be invited to come to McNarney.

[78] Latter not printed; it reported that General McNarney had telegraphed Maj. Gen. John R. Deane, the Commanding General, United States Military Mission to the Soviet Union, to inquire of Soviet authorities as to the feasibility of arranging conferences of a preliminary nature between representatives of the United States Planning Group for Austria and corresponding Soviet representatives (740.00119 Control (Austria)/3–1445).

This message has been cleared with Generals McNarney and Flory. Paraphrase of your 221 March 15, 9 p. m. has been repeated to London for Erhardt.

Sent Department, repeated to London for the Ambassador and Erhardt as 142. [Gray.]

KIRK

740.00119 Control (Austria)/3–1945

The Ambassador in Italy (Kirk) to the Secretary of State

CASERTA, March 19, 1945—midnight.
[Received March 19—9:15 p. m.]

1044. From Gray. My 1015, March 17, 11 p.m. [*midnight*]. General McNarney has replied today to General Dean's cable as follows:

(*Begin paraphrase*) I am agreeable to your suggestion about discussing the matter with the Soviet General Staff subject to the provision that at the beginning our representation will only comprise a liaison group of two or three officers with the same representation from the British side. The question of any augmentation that may be necessary for the purpose of carrying out future details and coordinated planning should be determined by preliminary discussions between this liaison group and the representatives of the Soviets. In the event that no suggestions of a specific nature are made by the Soviets as to a place of meeting, please issue their representatives an invitation to proceed to Caserta or Rome. SACMED has cleared this message. (*End paraphrase*).

It may be noted that this entire matter for the present is proceeding through straight military channels. The inclusion of the British came about when the cable was presented to SACMED for clearance.

Sent Department; repeated to Embassy London for Ambassador and Erhardt as 147. [Gray.]

KIRK

740.00119 EW/2–2845 : Airgram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman) [79]

WASHINGTON, March 19, 1945.

A–89. In their instructions to SACMED the Combined Chiefs of Staff have kept in mind that there will ultimately be Inter-Allied

[79] In his telegram 1183, April 16, 1945, 10 a. m., the Ambassador in the Soviet Union reported that the draft proclamations for Austria had been communicated to the Soviet Government on April 15 (740.00119 Control (Austria)/4–1645).

administration of Austria, and that the planning of individual Army commanders entering Austria should look forward to this.

CCS have now prepared two pre-surrender proclamations for use by any of their forces upon entering Austria, and, having the foregoing in mind, they have endeavored to draft them in such a way as to make them suitable for use by Soviet troops also, if desired. The name of the French Government will be inserted in them in the event of its participation.

In consultation with General Deane, and in concert with the British Ambassador, who will receive similar instructions, please inform the Soviet Government that we propose to place these proclamations in the hands of SACMED for issuance by any of his forces that enter Austria, and express the hope that the Soviet Government will consider it desirable to have their own forces also issue them or substantially similar proclamations.

Please report the decision of the Soviet Government, together with any comment it may wish to make.

Text of the two pre-surrender proclamations follows:

DRAFT PROCLAMATION NUMBER 1

"To the People of Austria:

Pending the establishment of an Allied Commission for Austria by the Governments of the United Kingdom, the United States of America, and the Union of Soviet Socialist Republics, I, (here insert description), hereby proclaim as follows:

1. The Allied Forces enter Austria as victors inasmuch as Austria has waged war as an integral part of Germany against the United Nations.

2. Nevertheless, the Governments of the United Kingdom, the United States of America and the Union of Soviet Socialist Republics have in the Declaration on Austria issued at Moscow on the 1st November 1943, affirmed their agreement that Austria shall be liberated from German domination and their wish to see her re-established in freedom and independence. In this declaration Austria was, however, reminded that she has a responsibility which she cannot evade for her participation in the war, and that in the final settlement account will inevitably be taken of her own contribution to her liberation.

3. Austrians now have the opportunity to contribute to the liberation of their country by rendering full cooperation by word and deed with Allied Forces and agencies and by affording them all possible assistance and support against the Hitlerite German oppressors."

DRAFT PROCLAMATION NUMBER 2

"To the People of Austria:

Pending the establishment of an Allied Commission for Austria by the Governments of the United Kingdom, the United States of America, and the Union of Soviet Socialist Republics, I, (here insert description), hereby proclaim as follows:

Article I

In all areas of Austria occupied by my forces we shall destroy German militarism and the German war machine and overthrow the

Nazi rule, dissolve the Nazi Party and abolish the cruel, oppressive and discriminatory laws and institutions which the party has created. We shall pave the way for a free and independent Austria.

Article II

All German control of Austria is abolished. Your political ties and obligations of obedience to the German Government are hereby terminated. Persons complying with any proclamations, orders, ordinances or other instructions which may hereafter be issued by or under authority of the German Government will be punished fully and promptly.

Article III

Supreme legislative, judicial and executive authority and powers within the territory occupied by forces under my command are vested in me as Supreme Commander of the Allied Forces and as military governor. Military government is established to exercise these powers under my direction. Any organization or individual failing to render full cooperation by word and deed with the Allied military and other authorities or failing to comply with any proclamations, orders, ordinances or instructions that may be issued under my authority will be punished fully and promptly.

Article IV

All officials and persons except those suspended or dismissed by the military government are charged with the duty of remaining at their posts until further orders, and obeying and enforcing all orders or directions of military government or the Allied authorities. This applies also to officials, employees and workers of all public undertakings and utilities and to all other persons engaged in essential work. All other persons should continue to pursue their normal occupations. The Order Police (Ordnungspolizei) and the Criminal Police (Kriminalpolizei) will be held responsible for the maintenance of law and order.

Article V

All Austrians not guilty of oppression, crimes or wrongs under the Hitlerite German tyranny will, provided that they conduct themselves peacefully and obey the Allied military and other authorities, be able to help in creating a free and independent Austria."

ACHESON

740.00119 Control (Austria)/3–2445

The United States Political Adviser on Austrian Affairs (Erhardt) to the Commanding General, Mediterranean Theater of Operations, United States Army (McNarney) [80]

LONDON, March 23, 1945.

DEAR GENERAL MCNARNEY: In a letter of March 12, 1945,[81] which reached me in London on March 15, 1945, Mr. Gray communicated the

[80] This letter and the enclosed memorandum were transmitted as enclosures to Mr. Erhardt's letter of March 24 (not printed) to the Director of the Office of European Affairs (Matthews).

[81] Not printed.

substance of a conversation of March 12th between you, General Flory, and himself on Austrian Affairs.

Gray informed me that during the course of the conversation, you had invited attention to a number of interesting and highly pertinent questions of policy and had indicated that you would be pleased to have an expression of my views in regard to them. The questions concerned,

(A) Reparations, Restitution and Removal of Property;
(B) Deportation of Labor;
(C) Reform of Land Ownership; and
(D) Allied Efforts to Influence Election Results.

I enclose herewith, for your consideration, a memorandum in which I have endeavored to cover the points raised. The memorandum embodies my personal views, and is based on discussions with Mr. Philip E. Mosely, Political Adviser to the United States Delegation, European Advisory Commission. Mr. Mosely returned to London on March 20, 1945, from a two weeks' consultative visit to Washington. I have also consulted, in general, with Ambassador Winant on these questions.

My discussions with the above two gentlemen, as well as with Colonel McCaffrey and members of our own planning group here, led to an examination of related topics, and for that reason the memorandum likewise includes brief observations on the "Nationalization of Industry and Other Property."

Perhaps you may care to have the statements of principle enunciated in the memorandum incorporated in the proposed MTOUSA Directives [82] which are being prepared for your approval. The Directives are then, as you know, cleared through the Joint Chiefs of Staff and the Secretary of State in Washington, and thereupon come for endorsement before the European Advisory Commission.

Our method of operation continues to be through the European Advisory Commission in the final stage, as a means of securing agreement on the part of the Allied powers, and I agree with you and General Flory that the best way to obtain prompt action by the E.A.C. is to submit to that body draft proposals in the form of Directives. Our thought would be that the E.A.C. will approve the Directives and then recommend them to the four interested Governments.

The principles regarding the removal of equipment and other property from Austria might be incorporated in the proposed Directive No. 17, "Property Control." The principles on deportation of labor could be incorporated in the proposed Directive No. 22, "The Control

[82] Mediterranean Theater of Operations, U.S. Army Directives, i.e., policy directives prepared by the United States Group, Control Council—Austria; see despatch 6, April 23, from Caserta, p. 86.

of Labor." The policy of not attempting to influence the results of elections in Austria is to be included in a proposed Directive which is being prepared on the subject of local elections.

If we are fortunate enough to secure prompt action and agreement in the E.A.C. on our Directives, the situation in Austria after the Allied Commission has been established would appear to be adequately taken care of. In handling the problems which may arise in the preceding period of military operations, that is to say before the Allied Commission has been established, it seems to me that the best we can do is to try to make sure that this period is as short as possible. I think it is urgently necessary to achieve agreement among the major powers to the effect that as soon as the forces of one of them enter Vienna, the forces (or token forces) of the others should enter also, and that the Allied Commission should be established right away. Obviously, the key to this situation is an agreement with the Soviets. Your suggested military liaison group may find it possible to work out such an agreement with the Soviet representatives, if and when they meet.

Since the beginning of November 1944, it has been understood among the three Allied Governments that arrangements for participation in the pre-surrender control of Austria should be worked out in the European Advisory Commission subsequent to the negotiation of the agreement on Allied control machinery. In several informal discussions, the United States and the United Kingdom representatives on the E.A.C. have stressed the importance of providing for Allied participation in the control of Austria to begin upon the occupation of Vienna. The Soviets have so far given no indication of their attitude toward U.S. and U.K. participation in the control of Austria in the period prior to the surrender or collapse of Germany; this is a matter which will shortly be considered in the E.A.C. The U.S. delegation on the E.A.C. would be glad to have any informal comments which we may care to send to it directly on subjects relating to the extent of U.S. participation during this interim period. Obviously, General Flory and his staff would have suggestions in respect of the number of men required to make an appraisal of the situation in Austria at that time, solely from the point of view of military government, including questions of supply, displaced persons, refugees, public safety, and the re-establishment of border control.

Colonel McCaffrey concurs in this letter and in the memorandum, and I am sending copies of this correspondence to the State Department, for its information.

Faithfully yours, JOHN G. ERHARDT

[Enclosure]

Memorandum by the United States Political Adviser on Austrian Affairs (Erhardt)

[LONDON,] March 23, 1945.

A. REPARATIONS, RESTITUTION, AND REMOVAL OF PROPERTY

1. The Commission for the Compensation of Damage, agreed upon at Yalta,[83] is by its terms of reference confined to Germany. However, the terms of reference could be extended by tripartite agreement to cover Austria as well. So far it has been assumed that the problem of restitution, as distinct from reparations, will be handled in the EAC. (As used by our Government, "restitution" means restoration of identifiable looted objects, or, in the case of unique cultural objects only, transfer of objects of equivalent significance and value. "Reparation" covers all other forms of compensation for war damage and losses, including deliveries of non-looted equipment and property, deliveries out of current production, transfers of property owned abroad by Axis nationals, payments in money or foreign exchange, and performance of labor service.

2. Austria should not be required to make any substantial deliveries or payments on reparation account, but should be required to make restitution of looted property. No decisions have been reached as yet on the procedures for effecting restitution in an equitable manner; if deliveries of property by Austria are made only on restitution account, it might be desirable to pool all property subject to transfer or restitution, for equitable distribution among the claimants instead of applying the straight principle of transfer of identified property to former owners. For example, it would be unfair to French claimants if property removed from France at an early date had become used up or no longer identifiable and, therefore, could not be restored, while property removed more recently from Czechoslovakia was available for return to its owners.

3. We would have no objection to the removal from Austria of plants and equipment useful only for the production of war material, but we are definitely opposed to the removal of facilities essential for the civilian economy (other than facilities looted from Allied Countries).

4. In the period after the Allied Commission is established and has commenced operation, all proposals for the removal of equipment or property from Austria should be referred to the Commission before any action is taken; any such property removed as war booty during

[83] See *Conferences at Malta and Yalta*, pp. 971, 978.

the preceding period of military operations should be accounted for and offset against claims for restitution. Agreement on these principles should be arrived at among all the occupying powers. It is hoped that the Allied Commission will be established very soon after the forces of any of the major powers have entered Vienna.

5. Any request by a commander-in-chief for the delivery of equipment or other property for the purpose of removing it from Austria should be passed on by the appropriate division of the Allied Commission. All other transfers of equipment and property between zones should be arranged through the Allied Commission. (All rolling stock, motor transport equipment, and telecommunications equipment in Austria should be operated on a nation-wide basis.)

B. Deportation of Labor

1. No general or indiscriminate draft should be made upon Austrian man-power for labor service abroad. However, ardent Nazis of Austrian nationality should be subject to labor service. For this purpose, categories such as the following might be employed: persons who were members of the Nazi Party prior to March 13, 1938; persons who were active proponents of Naziism thereafter; and persons who authorized or participated affirmatively in racial persecutions.

2. No commander-in-chief of any zone should deport Austrians for labor service by unilateral action. No action of this kind should be taken until the Allied Commission has been established and has passed on the question.

3. Relocation of labor within Austria, and conditions of labor, should be determined by the Allied Commission.

C. Reform of Land Ownership

1. As compared with certain other countries in central and eastern Europe, the ownership of farm land in Austria is not characterized by concentration in large estates. There are, however, large private holdings of forest land. It is possible that movements will develop to break up or nationalize holdings of either type. Also, the Allied Commission may find it necessary, as a part of the de-nazification program or otherwise, to take farm or forest estates into custody. In any such case, the Allied authorities should not promote or put into effect any program of reform of land ownership, but should leave this problem to be dealt with by the future Austrian Government. Any landed property taken into custody should be held in trust for the future Austrian Government, to be restored by the latter to the former owners, retained with compensation to the owners, or otherwise disposed of, as that Government may decide.

D. Allied Efforts to Influence Election Results

1. Control or supervision of elections by Allied authorities should be exercised solely for the purpose of insuring that they are honestly and freely conducted. The Allied authorities should make no attempt to influence the results of elections. Elections should be held as early as is practicable, at times and under safeguards agreed upon by the Allied Commission. It may not be feasible for local and provincial elections to be held simultaneously throughout the country. For example, firm registers may be established sooner in some areas than in others and relocation of populations may be completed more rapidly in some areas than in others.

E. Nationalization of Industry and Other Property

1. All industrial and other property seized by the Allied Commission from the Germans and from Austrian Nazis, or taken into custody for any other reason, should (except in the case of property needed for the use of the occupying forces and subject to restitution) be held in trust for the future Austrian Government, to be restored by the latter to the former private owners, retained with compensation to the owners, or otherwise disposed of, as that Government may decide.

740.00119 Control (Austria)/3–2345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

London, March 23, 1945—9 p. m.
[Received March 23—7:48 a. m.]

2991. [To Moscow.] In reply to your 121 March 15, 8 p. m.,[84] which you repeated to Department as 767 and to Caserta as 33:

European Advisory Commission is considering zones of occupation and Allied control machinery in Austria. It has before it Soviet and British proposals on zones and a British draft on control machinery. American views on these two subjects are being formulated in Washington for presentation to the Commission. Soviet views on the latest British zones proposal and on control machinery are awaited. At this time it is impossible to predict how soon these two agreements will be completed. Preliminary discussions indicate broad agreement on the principle of joint control of Austria in the period after the defeat of Germany.

I agree with General Deane's view reported by Gray (Caserta's 1015, March 17, midnight, to Department) that Soviet military au-

[84] Not printed.

thorities will be unwilling to engage in detailed planning with United States and United Kingdom nucleus control groups for Austria until agreements on zones and control machinery have been completed in EAC. At time when proposal to assemble the Soviet, United Kingdom, and United States control groups was initiated (Caserta's 489, February 9, 7 p. m. to Department) it was assumed here that discussions on Austrian arrangements would proceed more rapidly than has since proved to be the case. The liaison arrangements suggested by General McNarney would be of value as emphasizing to the Soviet authorities our desire to prepare the way for the smooth operation of Allied control in Austria.

Sent to Moscow as 107, repeated to Department as 2991 and to Caserta as 59 for Gray.

WINANT

740.00119 EAC/3–2445 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, March 24, 1945—6 p. m.

699. Planning for inter-Allied military government of Austria is now being considered in European Advisory Commission on the assumption that Austria will be occupied by, and administered jointly by, the US, USSR, and Great Britain, and possibly France.

Last August the British representative circulated in EAC a proposal [85] for zoning Austria to provide for its occupation by Soviet and British troops, and a token force of American troops, on the understanding at that time that the United States did not wish to supply a full share of occupation troops although it did wish to participate in the administration of Austria.

On November 23 the Soviet representative circulated in EAC for consideration a Soviet proposal [86] for the zoning of Austria to provide for Anglo-Soviet-American occupation on equal bases.

In January Ambassador Winant informed the Commission that the United States was prepared to supply troops to occupy a zone equally with the USSR and the UK, and that it could agree to this Soviet proposal with certain modifications.[87]

On January 24 the recently arrived French representative in EAC stated his government's desire in principle to have a zone of occupation.[88]

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[85] See telegram 6799, August 22, 1944, from London, *Foreign Relations*, 1944, vol. I, p. 458.

[86] For a summary, see telegram 10441, November 27, 1944, from London, *ibid.*, p. 471.

[87] See footnote 23, p. 3.

[88] See telegram 1050, January 30, 8 p. m., from London, p. 13.

On January 25 Sir William Strang circulated a British proposal [89] for four-power control machinery for the joint administration of Austria by all four powers, and on January 30 a proposal [90] for the zoning of Austria for occupation by Soviet, British, American, and French forces.

All of the last three of these proposals are now under active consideration. This government has not yet formally expressed its views or learned the views of the other governments, although it is expected that all of the participating governments will shortly express their views through EAC on these specific proposals as such.

However, the British, Soviet, and American representatives in EAC have already expressed the intention of their governments in principle to undertake jointly the occupation and administration of Austria during the interval between its liberation from German occupation and the establishment of a suitable American government in the light of the Moscow Declaration of November 1, 1943.

British and American nucleus groups for the prospective inter-allied administration of Austria are being assembled, principally at AFHQ, Caserta, to plan detailed administrative measures in accordance with the basic plans agreed in EAC.

The Department agrees it would be desirable to establish contact between the British and American planners and the Russian planners for military government in Austria as suggested in General McNarney's message mentioned in your telegram 767 March 15, 8 p. m.[90a] The Soviet Government has already expressed its intention to have its nucleus group for Germany join the British and American nucleus groups for Germany in London. We assume it would be somewhat inconvenient to detach the British and American planners for Austria from AFHQ at Caserta or alternatively to detach the Russian planners from their own military organization. If that should not prove feasible, it would no doubt be desirable, if the respective military authorities wish, to establish liaison in some way between the groups of planners for the occupation of Austria.

Sent to Moscow as no. 699; repeated to London as no. 2291, and to AmPolAd, Caserta, as no. 253. GREW

740.00119 Control (Austria)/4–345

The Secretary of State to the United States Political Adviser on Austrian Affairs (Erhardt), at Caserta

WASHINGTON, April 3, 1945.

DEAR JACK: This letter is intended for your guidance in your new mission as United States Political Adviser on Austrian Affairs. In

[89] See memorandum by the United Kingdom Representative on the European Advisory Commission, E.A.C.(45) 7, January 25, p. 8.

[90] See telegram 1064, January 31, from London, p. 17.

[90a] Not printed.

that mission you will have the responsibility of representing the interests and policies of the United States, and also will contribute toward the re-establishment of the independence of Austria in fulfillment of the Moscow Declaration of November 1, 1943, and the continuation of American policy towards Austria reviewed in the memorandum enclosed herewith.

You are attached initially as Political Adviser on Austrian Affairs to the Commanding General, American Forces in the Mediterranean Theater of Operations, and will later serve as Political Adviser to the Commanding General, United States Forces in Austria, whom you will advise in his capacity as Commander-in-Chief of the American Forces in Austria and American Member of the Supreme Allied Authority in Austria during the period of inter-allied military government following its liberation. In addition to the duties prescribed for political advisers in any international protocol agreed upon through the European Advisory Commission, you will advise the American Commander-in-Chief on all matters with which the foreign policy of this Government is concerned, and will in addition be responsible for representing the interests of this Government in any matters which may not be the responsibility of the Allied Military Commander. Personnel sent to Austria by the Department of State and other agencies of this Government will, insofar as they are not under the direction of the Military Commander, be subject to the exercise by you of the general supervision usually exercised by the chief of the diplomatic mission over American officials in foreign countries. Consular and other similar activities carried on for this Government as distinct from the military government of Austria will be under your immediate direction. It is contemplated that you will also serve as American head of the political division of Allied Military Government in Austria, under the direction of the latter, if desired by the American Commander.

In addition to representing the interests of the United States in all matters with which you are concerned, you will seek to have its policies carried out insofar as they concern Austria. At the present time these policies are set forth primarily in the Moscow Declaration of November 1, 1943, and in the principles enunciated by President Roosevelt, Prime Minister Churchill, and Marshal Stalin at Yalta.[91] In collaboration with the other United Nations we intend to destroy Nazism and fascism, and take measures to preserve future peace and security.

The basic aim of American policy in Austria is its immediate separation from Germany and the establishment of a free, democratic,

[91] See Communiqué issued February 12, 1945, at the end of conference between President Franklin D. Roosevelt, British Prime Minister Winston Churchill, and Iosif Vissarionovich Stalin, Chairman of the Council of People's Commissars of the Soviet Union, at Yalta, *Conferences of Malta and Yalta*, p. 968.

Austrian state. It is in the interest of the United States that Austria develop that type of political and economic structure which will not place it in the position of a special ward of the international community or of any single power, but which will enable it to achieve future internal stability and mutually beneficial political and economic relations with its neighboring states.

The United States intends to execute these policies through the firm establishment of Inter-Allied Military Government in Austria designed to sever all ties with Germany and eradicate all German influence in Austria, and then to facilitate the establishment of a free and independent democratic state as soon as the Austrians are capable of accomplishing it. It intends for the present to recognize no group or groups either in Austria or abroad as constituting the government or official representatives of Austria until the Austrian people themselves, through democratic processes, can elect their own representatives or government. It intends, then, in agreement with the other states participating in the allied administration, to recognize such a government of Austria provided it be essentially democratic in character and accept appropriate internal and external responsibilities.

Depending upon the contribution of the Austrians themselves to their own liberation and reconstitution, the Government of the United States intends, in collaboration with our allies, to create conditions in which the Austrians can achieve their political and economic welfare in harmony with their neighboring states.

In the execution of these American policies and ideals you will contribute to the re-establishment of a country in the heart of Europe which has now been over-run by Nazi invaders but which should be destined after liberation to form a keystone in the regeneration of Central Europe, which itself is so vital to the peace and security of the rest of Europe and of the world.

My good wishes go with you in your mission towards these ends.

Sincerely yours, EDWARD R. STETTINIUS, JR.

[Enclosure]

Memorandum by the Department of State

[WASHINGTON,] March 16, 1945.

Subject: United States Policy Toward Austria

March 1933–August 1939

The United States steadily regarded with favor the development of a free and independent Austria dedicated to democratic principles,

and viewed with strong disapproval all Nazi attempts to force Austria into the German Reich, including the formal *Anschluss* in 1938.[92]

The latter, following repeated protestations by Hitler that "the assertion that the German Reich plans to coerce the Austrian state is absurd," became a fact when German troops marched into Austria to occupy it on March 11, 1938. An Austrian law of March 13, 1938 decreed that Austria was a province of the German Reich [93] and on March 17 the Austrian Minister in Washington informed the Department that Austria had ceased to exist as an independent nation and that it had been incorporated in the German Reich.[94] The German Ambassador transmitted a note to this effect on March 14, 1938.[95]

This *fait accompli* was faced in notes delivered to the German Government by the American Ambassador at Berlin in March [*April*] 1938 [96] which demanded that Germany pay Austria's indebtedness to the United States, and, referring to the Austrian Minister's note, stated that this Government

"is under the necessity for all practical purposes of accepting what he says as a fact and accordingly consideration is being given to the adjustments in its own practices and procedure in various regards which will be necessitated by the change of status in Austria."

September 1939–December 6, 1941

This position was never considered to constitute *de jure* recognition of the *Anschluss* however. The attitude of the United States was constantly guided by its policy of refusing to recognize acquisitions of territory by force in violation of treaty obligations. In his radio address of May 27, 1941 [97] President Roosevelt referred repeatedly to "the seizure of Austria" and described the Austrians as the first of a series of peoples enslaved by Hitler in his march of conquest. War-time administrative measures in the United States such as the freezing of assets, selective service, and registration of aliens, usually classified Austria among the territories seized or occupied by Germany by force.

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[92] For documentation regarding the annexation of Austria by Germany in 1938, see *Foreign Relations*, 1938, vol. I, pp. 384 ff.

[93] See telegram No. 77, March 13, 1938, 11 p. m. from the Chargé in Austria, *ibid.*, p. 438.

[94] See telegram No. 27, March 19, 1938, 3 p. m. to the Ambassador in Germany, *ibid.*, p. 456.

[95] Department of State *Press Releases*, March 15, 1938, p. 374, or *Documents on German Foreign Policy, 1918–1945*, series D, vol. I, document No. 378, p. 594. See also memorandum of conversation by the Under Secretary of State, March 14, 1938, *Foreign Relations*, 1938, vol. I, p. 442.

[96] See telegram No. 35, April 5, 1938, 7 p. m. to the Ambassador in Germany, *ibid.*, vol. II, p. 483.

[97] Department of State *Bulletin*, May 31, 1941, p. 647.

The Atlantic Charter signed by President Roosevelt, Prime Minister Churchill and Marshal Stalin [*sic*], on August 14, 1941,[98] included a declaration that

"Third, they respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign right[s] and self-government restored to those who have been forcibly deprived of them."

December 7, 1941–date

To clarify confusion in the public mind regarding the status of Austria, Secretary Hull replied as follows to a question at his press conference on July 27, 1943 [*1942*]:

"It is probable that such confusion, if it exists, has arisen from administrative steps which may have been taken by this Government in pursuance of its own laws designed to afford adequate protection to this country's interests in dealing with the situation presented by the imposition of military control over Austria and residents of Austria by Germany. This Government very clearly made known its opinions as to the manner in which the seizure of Austria took place and the relation of that seizure to this Government's well-known policy toward the taking of territory by force. This Government has never taken the position that Austria was legally absorbed into the German Reich."

This Government's present policy toward Austria is recorded in the Moscow Declaration of November 1, 1943 in which it was declared that the United States, the United Kingdom and the Soviet Union

". . . are agreed that Austria, the first free country to fall a victim to Hitlerite aggression, shall be liberated from German domination.

"They regard the annexation imposed on Austria by Germany on March 15, 1938, as null and void. They consider themselves as in no way bound by any changes effected in Austria since that date. They declare that they wish to see reestablished a free and independent Austria and thereby to open the way for the Austrian people themselves as well as those neighboring states which will be faced with similar problems, to find that political and economic security which is the only basis of lasting peace.

"Austria is reminded, however, that she has a responsibility, which she cannot evade, for participation in the war at the side of Hitlerite Germany, and that in the final settlement account will inevitably be taken of her own contribution to her liberation."

Policies for the Future

The United States intends to:

(*a*) Recognize no group or groups in exile as constituting the government or representatives of Austria.

(*b*) Establish Anglo-Soviet-American tripartite military government of Austria as soon as it is occupied. (French participation is also being considered now.)

[98] *Foreign Relations*, 1941, vol. I, p. 367.

(*c*) Sever all Austrian ties with Germany and eradicate all German influence in Austria.

(*d*) Facilitate establishment of a free and independent democratic state as soon as the Austrians are capable of establishing it.

(*e*) Depending upon the contribution of the Austrians themselves to their own liberation from German dominance, extend to Austria economic treatment approaching that for the liberated countries, without subjecting Austria to the reparations and other economic treatment to be applied to Germany.

740.00119 EAC/4–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 4, 1945—midnight.
[Received April 4—10:48 p. m.]

3449. Comea 205. At a long meeting tonight of the EAC the Soviet representative presented amendments to the United Kingdom draft agreement of January 31, on zones of occupation in Austria (my 1064, January 31, 3 p. m. Comea 168).

Summary of amendments follows. Soviet zone to include province of lower Austria, except city of Vienna in its pre-1938 boundaries, that part of upper Austria situated on left bank of Danube, and entire pre-1938 province of Burgenland. United States zone to include province of Salzburg and that part of upper Austria situated on right bank of the Danube. United Kingdom zone to include province of Carinthia and province of Styria without pre-1938 Burgenland. French zone to include Tirol–Vorarlberg. Article III of United Kingdom draft to provide that boundaries of city of Vienna and province of Burgenland will be those of December 31, 1937: boundaries between zones, aside from these two cases, to be those in effect since decree of October 1, 1938. *End of Summary.*

During the discussion I reserved the United States position regarding this new proposal. The acting French representative [99] accepted the proposed French zone. This is the first occasion on which the Soviet representative has definitely accepted French participation in the occupation of Austria. Gousev presented no proposal for the division of pre-1938 city of Vienna, but stated that it should be divided into four areas. After the meeting Strang stated privately that his Government was prepared to turn over to the Russians the Styrian part of the Burgenland.

At the close of the discussion Gousev stated his desire to attain agreement promptly, in view of military developments in Austria. Next EAC meeting set for Friday, April 6.

WINANT

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[99] Pierre Marie Noel de Leusse, Counselor of the French Embassy in London.

740.00119 EAC/4–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 4, 1945—midnight.
[Received April 5—2:46 a. m.]

3450. Comea 206. At tonight's meeting of the EAC the Soviet representative presented the following draft amendments to the United Kingdom draft agreement on control machinery in Austria (full text transmitted with my despatch No. 20639 January 26 [1]).

1. Add "recognized by the four great powers" to last sentence of the preamble.
2. Omit "naval" in last sentence of paragraph [*article*] 2(*a*).
3. Delete paragraph [*article*] 2(*b*).
4. In article 4 omit the naval division, combine the military and air divisions into one military division and add a reparation and deliveries division.
5. In article 9 omit the last sentence beginning with words "in enforcing the terms".
6. In article 11 substitute "the City of Vienna" for "Greater Vienna". *End of Soviet amendments.*

1. In the discussion De Leusse, acting for Massigli, proposed inclusion in the preamble of a reference to the declaration of the French Committee of National Liberation of November 16, 1943 endorsing the Moscow Declaration on Austria. This was approved by the Commission in principle.

2. I proposed and the Commission agreed to change "15" to "13" March 1938, in the preamble, to conform to date of the decrees effecting annexation of Austria to the Reich.

3. The Commission agreed to accept Soviet amendment 1 above, for inclusion at end of preamble.

4. In respect to Soviet proposal to liaison officers (article 2(*a*)) and the naval division (article 4), I urged strongly the need for both naval arrangements because of Austrian factories producing naval equipment. Gousev argued that as Austria was not a naval power it would be sufficient to include naval personnel in a single military division. Strang at first supported retention of a naval division for purposes of naval disarmament and demobilization. Later he advanced tentative suggestion to call the single military division the "armed forces division" and to omit all separate references to "military" "naval" or "air" liaison officers by making provision for "liaison officers".

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[1] Despatch not printed, but for the United Kingdom draft agreement see p. 9.

5. In urging omission of article 2(*b*) Gousev urged undesirability of promising Austrians in advance that military occupation regime will be replaced by one based on civilian commissioners, especially in absence of any active Austrian movement to assist Allies in liberation of country. I expressed concurrence with this general view emphasizing the military character of the draft agreement.

6. Soviet insistence on inclusion of a "reparation and deliveries division" in article 4 led to considerable discussion of the question of Austrian reparation, which I report in a separate telegram.[2] I urged, in accord with Department's 2007, March 15, midnight, that inclusion of a reparation division would discourage Austrians in rebuilding their economic independence, and that provision for restitution could be included in functions of the economic division. Strang expressed preference for no reparation division, but suggested it be called "restitution and deliveries division" with possible later insertion of word "reparation" if it were later decided that Austria should pay reparation. Gousev continued to urge inclusion of a reparation and deliveries division.

7. Gousev urged omission of last sentence of article 9 on ground that agreement should make no reference to retention of present administrative organs, which are Fascist in character, and that existing organs should be either liquidated or purged of "obviously Fascist elements". Strang pointed out that draft agreement assumed carrying through of drastic purge of administrative personnel, after which administrative organs could be used to assist Allied authorities in governing.

WINANT

740.00119 EAC/4–545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 5, 1945—4 p. m.
[Received April 5—11 : 27 a. m.]

3455. Comea 207. At last night's meeting of the European Advisory Commission the United Kingdom Representative again pressed for immediate consideration of the question of setting up four-power machinery in Austria to operate in the interim period between the occupation of Vienna and the surrender or collapse of Germany. He stressed the importance of having a four-power organ in Austria

[2] Telegram 3477, April 5, 8 p. m., p. 46.

to begin to apply the principles laid down in the Moscow declaration on Austria. I gave full support to this urgent item on the EAC agenda.

Gousev again insisted that the Commission must first settle arrangements for zones of occupation and control machinery for the post surrender period. On my urging it was agreed to take up the question of interim control machinery at the next meeting of the EAC April 6. No proposals have so far been advanced by any delegation for adapting the post surrender machinery for use in the interim period. I have received no suggestions or comments from the Department on this subject.

WINANT

740.00119 EAC/4–445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 5, 1945—8 p. m.

2656. We are telegraphing to you tonight [3] as the position of this Government the text of a statement by the Joint Chiefs of Staff on the British proposal for zoning in Austria.

Your 3449 April 4, midnight, arrived too late to receive JCS consideration in connection with the above. The Department has taken up the Soviet proposal of amendments with the military authorities but we shall probably be unable to give you official views on it in time for Friday's meeting of the EAC.

We anticipate that JCS will be agreeable to placing in the Soviet zone that part of Upper Austria situated left, i.e., northeast, of the Danube as proposed by the Soviet representative.

We believe, however, that the pre-1938 boundaries of Vienna will not be acceptable to JCS since they are deemed inadequate to meet our need for airfield, billeting, communications, and other facilities.

This Government has already approved the inclusion of the whole of Burgenland in the Soviet zone (Department's 117 of February [*January*] 5, 8 p. m., Eacom 41), and that approval has not been canceled.

Time does not permit clearance of this telegram with the military authorities and it therefore represents merely the preliminary informal views of the Department.

ACHESON

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[3] Telegram 2658, 8 p. m., *infra*.

740.00119 EAC/3-145: Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)[4]

WASHINGTON, April 5, 1945—8 p. m.

2658. Your despatches 20742 of January 31 [5] and 21394 of March 1.[6] For your guidance in considering in EAC the British proposal for zoning in Austria and for the sub-division of Vienna the following are the views of this Government which have now been approved by the Joint Chiefs of Staff:

There are no military objections to U.S. participation in the occupation of Austria by U.S. forces provided that the zone to be occupied by the U.S. in Austria is contiguous to the U.S. zone in Germany.

Either the zone proposed by the Soviet or the zone proposed by the British representative to the European Advisory Commission for occupation by the United States is acceptable. The zone proposed by the British is considered preferable since a smaller occupation force will be required.

From a military point of view, any proposal for the subdivision of Greater Vienna would be acceptable, provided:

a. Assignment of subdivisions insures adequate administrative and transportation facilities to all four occupying forces.

b. The U.S. subdivision includes adequate air facilities for U.S. forces.

c. Each of the nations involved will be given necessary rights of transit through the subdivisions occupied by the other nations.

d. Satisfactory allocation of the facilities within the Innere Stadt district is made among each of nations involved, such allocations to be made by the commanders in chief of the occupying forces.

The British proposal for Greater Vienna does not fulfill any of these requirements. It is particularly unsatisfactory in that the proposed U.S. subdivision does not contain any airfields. The proposal therefore is not acceptable.

Provided rights of transit through zones of other nations are obtained, it is believed, from the U.S. military point of view, the follow-

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[4] Department's instruction 5315, April 9, 1945, to London, transmitted a copy of State-War-Navy Coordinating Committee document SWNCC 25/2 of April 5, 1945 (neither printed), containing the text, approved by the Joint Chiefs of Staff, of a letter from the Secretary of War and the Secretary of the Navy to the Secretary of State setting forth the views of the Government regarding zones of occupation in Austria. The substance of that letter is conveyed in this telegram.

[5] Not printed: in this despatch was enclosed an advance copy of the British proposal summarized in London's telegram 1064, January 31, 3 p. m., p. 17.

[6] Not printed; for a summary of the British proposal transmitted as an enclosure to this despatch, see London's telegram 2093, February 28, p. 22.

ing subdivision of Greater Vienna (map follows by mail) would be acceptable:

Southeastern part of Greater Vienna (districts of Landstrasse, Wieden, Favoriten, Simmering, Schwechat) will be occupied by the forces of the United States of America.

Southwestern part of Greater Vienna (districts of Margareten, Meidling, Fünfhaus, Hietzing, Mödling, Liesing, Penzing) will be occupied by the forces of the United Kingdom.

Northwestern part of Greater Vienna (districts of Mariahilf, Neubau, Josefstadt, Alsergrund, Ottakring, Hernals, Währing, Döbling, Klosterneuburg) will be occupied by the forces of France.

Northeastern part of Greater Vienna (districts of Floridsdorf, Brigittenau, Leopoldstadt, Grossenzersdorf) will be occupied by the forces of the Union of Soviet Socialist Republics.

Central part of Greater Vienna (district of Innere Stadt)—the facilities within this district are to be satisfactorily allocated to each of the nations involved by the commanders in chief of the occupying forces.

This proposed subdivision would, it is felt, meet the U.S. requirements in that it places one of the principal Vienna airports (Schwechat airport) and a large barracks in the Favoriten district under U.S. control. Except for the interchange of U.S. and French subdivisions in the British proposal for subdivision of Greater Vienna, this proposal is quite similar to the British one.

In regard to the whole of Austria, each of the nations involved should be given necessary rights of transit through the zones occupied by the other nations.

In order to provide for proper coordination and cooperation between the various occupying forces, the proposed agreement should include machinery for a joint administration of Austria similar to that for joint administration of Germany.[7]

ACHESON

740.00119 E.A.C./4–545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 5, 1945—8 p. m.
[Received 8:50 p. m.]

3477. Comea 208. As reported in my 3450, April 4, midnight, the Soviet representative on the European Advisory Commission at last night's meeting proposed including a "reparation and deliveries division" in the control machinery for Austria. In accordance with De-

[7] Marginal note at the conclusion of this message reads in part: ". . . all members of SWNCC (State-War-Navy Coordinating Committee) have approved SWNCC 25/2 from which this is copied."

partment's 2007, March 15, midnight, I objected strongly, urging that inclusion of a reparation division, by underlining the idea of Austrian reparation would greatly discourage the effort of Austria to rebuild its economic independence, which would in any case be precarious initially. I stated that my Government while insisting on Austria's obligation to make restitution of identifiable looted property located in Austria, did not approve in principle imposition of a reparation burden on Austria. I proposed that restitution be handled as a function of the economic division.

Strang also questioned Austria's ability to pay reparation and at the same time to rebuild a stable economic life and asked whether the question of Austrian reparation fell within the sphere of the Moscow Compensation Commission.[8] He suggested tentatively a "restitution and deliveries division" with later possible insertion of "reparation" if the Moscow Commission decided that Austria should pay reparation.

Gousev then raised two questions on which he requested early expression of views by members of the EAC.

(1) Should the question of Austrian reparation be discussed in the EAC or in some other body?

(2) What should be done with the German industries in Austria, particularly those which have been established or expanded since 1938, and what should be done with other property belonging to the German state or to German citizens and located in Austria?

Referring to great expansion of German industry in Austria, Gousev stated that it was understood at Yalta that the Compensation Commission would take into account German investments in other countries in calculating reparation,[9] and that the United States delegation at Yalta had advanced certain estimates concerning German investments located in the United States and other American countries and potentially available as compensation.

In conclusion, Gousev stated what [*that?*] his Government had no doubt whatever but that in principle Austria must pay reparation for her contribution to the German war effort and for failure to assist the Allies in securing her liberation. He stated that this question of principle must be decided in the European Advisory Commission, but that the calculation of volume and categories of Austrian reparation was a function of the Compensation Commission in Moscow.

In a short private talk I tried to discover whether Gousev envisaged immediate transfers of machinery from stocks existing in Austria

[8] For documentation regarding the Moscow Reparations Commission, see pp. 1169 ff.

[9] See part V of the Protocol of Proceedings of the Crimea Conference, February 11, 1945, *Conferences at Malta and Yalta*, p. 978, or *A Decade of American Foreign Policy, 1941–49*, p. 32.

or a program of recurrent reparation out of new production. Apparently he has both programs in mind.

I must point out to the Department that it will be impossible for the EAC to conclude an agreement on control machinery for Austria until it has settled the question of including a reparation division. If conclusion of the control machinery agreement, already long postponed, and of the interim arrangements for a shared Allied control in the period between the occupation of Vienna and German surrender or collapse, is long delayed, the Soviet forces will be able to overrun most of the industrial areas of Austria and to carry out a unilateral program of removing machinery as "booty of war" or as interim reparation deliveries. Unyielding insistence on our present position may result in reparation being exacted in hasty and careless manner by the Soviet authorities, who are now on notice regarding our opposition to Austrian reparation.

As I see it, we now have a Hobson's choice between maintaining our opposition on principle or accepting in principle the obligation of Austria to provide such reparation as may be determined by the four powers only not by one of them acting alone. If we should choose the second course actual determination of Austrian reparation would presumably be made by the Three Power Compensation Commission in Moscow and carried out under the Allied occupation authorities in Austria. In discussing any program of Austrian reparation, we might give first attention to the removal of excess machinery found in Austria, beyond the needs of a peaceful Austrian economy.

An immediate decision in principle on this question is necessary if we wish to expedite the conclusion of a control machinery agreement for Austria and to facilitate early United States participation in the decisions which are daily being made in Soviet-occupied Austria.

WINANT

740.00119 EAC/4–545 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 6, 1945—7 p. m.

2696. Reurtel 3477 April 5, 8 P. M. Comea 208. In order to expedite agreement on control machinery for Austria you are authorized to consent to inclusion of the word "reparation" in the title of the control division under reference. You should make it clear that this Government is willing to agree in principle to the payment of reparation by Austria on the understanding that such reparation will not be exacted until the Moscow Reparation Commission shall have given thorough consideration to the form and volume thereof.

ACHESON

740.00119 Control (Austria)/4-645

The Secretary of State to the Ambassador in the United Kingdom (Winant)

No. 5310 WASHINGTON, April 6, 1945.

The Secretary of State transmits herewith for the background information of the Ambassador a single copy, No. 26, of SWNCC 30/1 of March 27, 1945 consisting of a preliminary report by the State-War-Navy Coordinating Subcommittee for Europe on the proposed agreement on control machinery in Austria.

This paper has not yet been formally approved. It, therefore, does not represent this Government's policy, and is not for presentation to the European Advisory Commission. However, it is being sent to the Embassy now so that if and when it does receive formal approval the Ambassador will already have this text and can be notified of its approval or of any changes by a brief telegram, thus reducing to a minimum the delay which must occur before he can present this Government's views regarding the control machinery for Austria to the European Advisory Commission.

[Enclosure] [10]

Report by the State-War-Navy Coordinating Subcommittee for Europe to the State-War-Navy Coordinating Committee

SWNCC 30/1 27 March 1945.

AGREEMENT ON CONTROL MACHINERY IN AUSTRIA

Reference: *a.* SWNCC 30/D

THE PROBLEM

1. To consider the British draft agreement on "Allied Control Machinery in Austria" [11] and the comments of the U.S. Group, Control Council for Austria thereon,[12] and to advise the United States Representative on the European Advisory Commission (EAC) of the United States views concerning the organization of control machinery for Austria.

FACTS BEARING ON THE PROBLEM

2. It has been proposed that there shall be quadripartite Allied control of Austria in the post-hostilities period exercised by the Gov-

[10] Filed separately in State-War-Navy Coordinating Committee files—Lot 52 M 45: SWNCC 30 Series.

[11] *Ante*, p. 9.

[12] See telegram 1138, February 1, 8 p. m., p. 18.

ernments of the United States of America, United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics and the Provisional Government of the French Republic.

3. Although final agreement on the boundaries between national zones of occupation has not yet been reached between the Governments concerned, consideration of the problems of control is based upon the assumption that separate zones of occupation will be established as in Germany.

4. The British Representative on the EAC has submitted a draft agreement on control machinery to the Commission for its consideration (Addendum to SWNCC 30/D). The United States Group Control Council for Austria has forwarded its comments on the British proposal to the Department of State (SWNCC 30/D).

DISCUSSION

5. In furtherance of the Moscow Declaration of November 1, 1943, the treatment of Austria will differ from that of Germany. Nevertheless, the structure of the organization of the Allied occupying forces in the administration of the country will of necessity be similar in many respects.

6. The British draft agreement in matters both of form and substance contains many unnecessary variations from the text of the Agreement on Control Machinery in Germany (JCS 1130/1),[13] heretofore agreed to by the powers represented on EAC.

7. There is attached as Annex "A" to the Appendix,[14] a draft agreement on Control Machinery in Austria which contains no variations other than those believed to be required by political and other considerations.

8. Additional discussion will be found in Annex "B" to the Appendix in which are set forth the comments of the Subcommittee on the Draft Agreement on "Allied Control Machinery in Austria" submitted to EAC by the British Representative.

CONCLUSIONS

9. The United States Representative on EAC should be provided with United States views with respect to the draft agreement submitted to EAC by the British Representative (Annex "B" to Appendix).

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[13] For text of the agreement on control machinery in Germany signed November 14, 1944, by the representatives of the United States, the United Kingdom, and the Soviet Union on the European Advisory Commission in London, see *Conferences at Malta and Yalta*, p. 124; Department of State, Treaties and Other International Acts Series (TIAS) 3070; or *United States Treaties and Other International Agreements* (UST), vol. 5 (pt. 2), p. 2062.

[14] The appendix itself, a draft memorandum from SWNCC to the Secretary of State setting forth the decisions of SWNCC, is not printed. The contents of the subsequent SWNCC memorandum to the Secretary of State are contained in Department's telegram 3077, April 19, to London, p. 76.

10. The United States Representative on the EAC should be provided with the draft agreement (Annex "A" to Appendix) as a basis for presenting the American views in EAC.

RECOMMENDATIONS

11. It is recommended:

a. That the SWNCC transmit this report to the J.C.S. for their consideration.

b. That the SWNCC, after J.C.S. views have been obtained, approve the report.

c. That, upon approval by SWNCC, the memorandum in the Appendix be forwarded to the Secretary of State.

d. That, when concurred in by the J.C.S. and approved by SWNCC, a copy of this report be transmitted by the J.C.S. to the Commanding General, U.S. Army Forces, Mediterranean Theater of Operations,[15] for his information.

[Annex "A"]

DRAFT AGREEMENT ON CONTROL MACHINERY IN AUSTRIA

The Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics and the Provisional Government of the French Republic, having in mind the Inter-Governmental Declaration on Austria made at Moscow on November 1, 1943, have reached the following agreement for the organization of an Allied Administration in Austria, through which they intend to carry out that Declaration:

ARTICLE 1

Supreme authority in Austria on matters of concern to Austria as a whole will be exercised, on the basis of instructions from their respective governments, by the Commanders-in-Chief of the Armed Forces of the United States, the United Kingdom, the Union of Soviet Socialist Republics and the Provisional Government of the French Republic, acting as a Governing Body. This authority shall be broadly construed to the end that, through maximum uniformity of policy and procedure throughout Austria, the establishment of an independent Austrian government may be accelerated. Each member of the Governing Body will conform to the decisions and policies of that Body in the zone occupied by forces under his command, and will, as Zone Commander, exercise supreme authority in his zone over all other matters.

ARTICLE 2

Each Commander-in-Chief in his zone of occupation will have attached to him military, naval and air representatives of the other three Commanders-in-Chief for liaison duties.

[15] Lt. Gen. Joseph T. McNarney.

ARTICLE 3

(*a*) The four Commanders-in-Chief, acting together as a body, will constitute the Governing Body of the Allied Administration in Austria.

(*b*) The responsibilities of the Governing Body will include:

(i) The assurance of the enforcement in Austria of the provisions of the instrument of unconditional surrender of Germany whether or not formally signed by the German authorities;

(ii) The assurance of the political and administrative separation of Austria from Germany and the elimination of German economic influences;

(iii) The initiation of plans and the formulation of decisions on military, political, economic and other questions of concern to Austria as a whole;

(iv) The preparation of the way for the establishment of a freely-elected democratic Austrian Government;

(v) Meanwhile, the establishment and when established the supervision of such indigenous agencies of central administration as may be required for the early resumption and carrying on of a productive, free and independent national life for Austria;

(vi) The direction of the administration of "Greater Vienna" through appropriate organs.

(*c*) The Governing Body will meet at least once in ten days; and it will meet at any time upon request of one of its members. Its decisions will be unanimous. The Chairmanship will be held in rotation by each of its four members.

(*d*) Each member of the Governing Body will be assisted by a political adviser, who will, when necessary, attend its meetings. Each member may also when necessary, be assisted at meetings of the Governing Body by military, naval or air advisers.

ARTICLE 4

A permanent Coordinating Committee will be established under the Governing Body of the Allied Administration, composed of one representative of each of the four Commanders-in-Chief, not below the rank of General Officer or the equivalent rank in the naval or air forces. Members of the Coordinating Committee will, when necessary, attend meetings of the Governing Body.

ARTICLE 5

The duties of the Coordinating Committee, acting on behalf of the Governing Body and through the Staff of the Allied Administration will include:

(*a*) The day to day supervision and coordination of the activities of the Divisions of the Allied Administration and of the implementation by them of the decisions of the Governing Body;

(*b*) The consideration of all questions which may be submitted to it and the formulation of recommendations to the Governing Body concerning such questions.

ARTICLE 6

(*a*) The members of the Staff of the Allied Administration, appointed by their respective national authorities, will be organized in Division:

> Military; Naval; Air; Transport; Political and Foreign Liaison; Economics and Labor; Finance; Internal Affairs and Communications; Legal; Prisoners of War and Displaced Persons; Public Health and Welfare; Education; Civilian Supply.

(*b*) At the head of each Division there will be four high-ranking officials, one from each Power.

(*c*) The duties of each Division will include:

(i) Supervising the appropriate Austrian agencies of central administration as they are established;
(ii) Giving advice to the Governing Body and the Coordinating Committee, and, when necessary, providing representation at meetings thereof;
(iii) Transmitting decisions to the Austrian agencies of central administration.

(*d*) The four heads of a Division may take part in meetings of the Coordinating Committee at which matters affecting the work of their Division are on the agenda.

(*e*) The Divisions may include civilian as well as military personnel. They may also, in special cases, include nationals of other United Nations, appointed in their personal capacity by the Allied Administration.

(*f*) Alterations in the organization and adjustments in the members of the staff of the Allied Administration may be made by the Governing Body in the light of experience.

ARTICLE 7

(*a*) An Inter-Allied Governing Authority (Komendatura) consisting of four Commandants, one from each Power, appointed by their respective Commanders-in-Chief, will be established to direct jointly the administration of the "Greater Vienna" area. Each of the Commandants will serve in rotation in the position of Chief Commandant, as head of the Inter-Allied Governing Authority.

(*b*) A Technical Staff, consisting of personnel of each of the four Powers, will be established under the Inter-Allied Governing Authority, and will be organized to serve the purpose of supervising and controlling the activities of the local organs of "Greater Vienna" which are responsible for its municipal services.

(*c*) The Inter-Allied Governing Authority will operate under the general direction of the Governing Body and will receive orders through the Coordinating Committee.

ARTICLE 8

The necessary liaison with the Governments of other United Nations chiefly interested will be insured by the appointment by such Governments of military missions (which may include civilian members) to the Governing Body, having access, through the Political and Foreign Liaison Division, to the agencies of the Allied Administration.

ARTICLE 9

United Nations' organizations which may be admitted by the Governing Body to operate in Austria will, in respect of their activities in Austria, be subordinate to the Allied Administration and answerable to it.

ARTICLE 10

The four Governments at appropriate times will consider alterations of this agreement to meet the needs of the situation as they develop, as well as to define the responsibilities of the Allied Administration after the election of a democratic Austrian Government.

[Annex "B"]

The State-War-Navy Coordinating Subcommittee for Europe has the following comments with respect to the British draft for control machinery and the comments by U.S. Group Control Council (Austria) thereon, transmitted with London Embassy's dispatch No. 20765, dated February 2, 1945.[15a]

1. The Subcommittee believes in general that the principle weakness of the British draft in comparison with its proposal is that it does not adhere more closely to the language of the agreed protocol for control machinery in Germany. The basic machinery in Austria should not differ radically from that in Germany, even if the objectives to be accomplished are substantially different. The minutes of EAC meetings showed that virtually every word in the German agreement was carefully discussed and weighed by the delegates. It is believed that closer adherence to that language, except in cases where a substantive change in meaning is desired, would result in more expeditious acceptance by EAC of the Austrian paper. Furthermore, the British paper tends to judge in advance what in the light of experience may or may not prove desirable. It is believed better to keep the machinery simple with adequate provision for development later.

2. The Subcommittee believes it preferable to avoid the terms "con-

[15a] Not printed.

trol" and "council" in denominating the body in Austria which will correspond to the Control Council in Germany. These terms will have acquired in Germany a connotation undesirable for Austria.

3. With reference to the British preamble, the words "since the 15 March" should be omitted entirely or be replaced by the phrase "as a result of the purported annexation" or some similar term. The Moscow Declaration itself was apparently in error, since the decrees purporting to effect the annexation of Austria were dated March 13, 1938.

4. Although there is no basic objection, the Subcommittee believes that it is not necessary to provide for the replacement of military commissioners by civilians, as set forth in paragraph 2 (*b*) of the British draft. Since that paper is not prepared primarily for public consumption in Austria, there is no psychological reason for the insertion of this provision. If and when found desirable by the interested governments, such transition will naturally take place.

5. The Subcommittee believes that Article 2 (*d*) of the British draft should follow the pattern of the German paper and provide for military, naval and air as well as political advisers.

6. With respect to the comments of the United States Group Control Council on Article 4 of the British draft, it would be preferable in the basic agreement not to create departments as an organizational layer above the Divisions; departments could be created or the organizational structure otherwise changed at a later period if after experience such a change is shown to be desirable. The way has been left open for such changes by Article 6 (*f*) of the United States draft.

With respect to the suggestion as to creation of additional Divisions, it seems preferable as far as possible to keep the number of Divisions to a minimum. The Subcommittee's view on this point is shown in Article 6 of the United States draft. To point to a particular Division which would deal initially with military missions of other Allied Governments, the name of the Political Division has been changed to Political and Foreign Liaison Division in Article 6 and this is reflected in Article 8 of the United States draft.

7. The suggestions made by the United States Group Control Council with respect to Article 9 of the British draft are not acceptable at this time. The ordinary chain of command must continue until the Commanders-in-Chief have had sufficient time to determine that the use of normal military channels are no longer necessary. The War Department feels strongly on this point and General McNarney concurs in its view.

8. Other reactions of the Subcommittee with respect to the British draft are made apparent by the changed language of the United States draft.

740.00119 EAC/4–545 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 9, 1945—3 p. m.

2741. The Department will consider with interest any proposals for machinery for use in the interim period in Austria that may be advanced by any delegation in EAC in line with your 3455 April 5, 4 p. m. (Comea 207).

Your requests for comment on this subject in your 1138 February 1, 8 p. m. (Comea 169) were transmitted immediately to the military authorities in Washington but no official views have been formulated here, mainly for mechanical reasons. The Department of State members of the subcommittee at the working level proposed at that time that comment on interim arrangements be included in the views of this Government being formulated on control machinery for Austria as follows:

"Interim arrangements are difficult to formulate in view of the uncertainties about the actual conditions in which they might operate. However, we offer the following comment: As the armies enter Austria they should proclaim the intention to establish inter-Allied military government in Austria as already proposed in connection with the proclamations for Austria now before CCS.[16] As a next step, consultation should be established among the Allied commanders, who would retain complete freedom of command over their own troops but would inform and consult each other in order to concert and coordinate their efforts in so far as possible towards maintaining uniformity of action preparatory to the establishment of inter-Allied military government. Liaison officers might be exchanged for this purpose. Consultation might also be carried on through an inter-Allied committee sitting continuously in, say, Vienna. In any case, we consider it desirable to gather together in one place as soon as possible the nucleus groups of all the participating countries, and also to activate the Allied Commission for Austria for planning purposes as soon as the governments are in a position to name their principal members. Finally, we consider it desirable to place the complete protocol on machinery into operation at as early a date as may be warranted by conditions in Austria."

We hope to get to you shortly the formal US views on control machinery, but they will not deal with interim arrangements.

STETTINIUS

[16] Combined Chiefs of Staff.

740.00119 Control (Austria)/4–945 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, April 9, 1945—midnight.
[Received—10 : 15 p. m.]

1104. In reply to my question this afternoon Vyshinski [17] informed me that his Government had issued instructions to Gousev with respect to Austrian zones of occupation. He briefly outlined to me these instructions which he said were basically in accord with the British proposals. The Soviet Government had suggested however, some amendments to the Soviet zone so that it would include Burgenland and a part of upper Austria. With respect to the occupation of Vienna, his Government had proposed that "pre-Hitlerite Vienna" and not "the greater Vienna" be occupied by the four Allies.

Repeated to London as 150.

HARRIMAN

740.00119 Control (Austria)/4–945

The Chief of the Division of Central European Affairs (Riddleberger) to the Political Adviser to the United States Delegation to the European Advisory Commission (Mosely)

WASHINGTON, April 9, 1945.

DEAR PHIL: As you know, our machinery for giving you official U.S. views is so cumbersome and slow that our power to speak to you is almost paralyzed, except for the most important formal matters. It therefore occurred to Ware [18] and me that you might like to have informal comments on some of the matters on Austria now coming up in EAC which do not actually call for official expression of views from Washington.

The Soviet proposals for amendments of the U.K. draft on control machinery in your 3450, Comea 206, of April 4, are interesting. Their suggestion no. 1 to add "recognized by the four powers" to the preamble is one which we ourselves had actually written into our first statement of views, with the concurrence of all members of the informal working party. It does not appear in the final draft merely because we tried to simplify the whole thing by a later different approach.

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[17] Andrey Yanuaryevich Vyshinsky, First Deputy People's Commissar for Foreign Affairs of the Soviet Union.

[18] Ware Adams, of the Division of Central European Affairs.

Their suggestions 2 and 4 were also almost identical with a suggestion which had been considered, at least in the State Department part of the working party, for having one department of security, or department of the armed forces, to contain both a military and air personnel, and the relatively fewer naval personnel, without trying to line up three coordinate units for these separate services.

Soviet suggestion no. 3 for deleting paragraph 2–B was also suggested here by our military people.

Soviet suggestion no. 5 to omit the last sentence of Article 9 is also the sort of thing our military people were thinking of when they commented that the British draft was too complex in trying to pre-judge conditions which might develop later.

Thus, the first five Soviet suggestions all seem entirely acceptable to us, provided we do keep a place for naval as well as air personnel, whatever it may be called.

With respect to the sixth and last, we still hope that it will be possible to do something better than "the city of Vienna", if not the Vienna Gau line itself.

On the reparations question we are sending a full statement of the Department's own views by telegram.[19]

Sincerely yours, JAMES W. RIDDLEBERGER

740.00119 EAC/4–545 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 10, 1945—7 p. m.

2794. The Department is disturbed by the Soviet desire, reflected in your 3477 April 5, 8 p. m., Comea 208, to hold up completion of an agreement on control machinery unless we agree immediately to exact reparations from Austria.

We do not share the Soviet view that "in principle Austria must pay reparations for her contribution to the German war effort and for failure to assist the Allies in securing her liberation." We feel that this view is unrealistic and would have dangerous political implications in Central Europe. Although in our propaganda we have consistently exhorted the Austrians to "contribute to their own liberation" we do not believe they can be judged at this time to have failed to do so, as stated by Gousev, considering the grip held by the Gestapo[20] and the meager aid from outside up to the entry of the Red Army into Austria this month.

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[19] *Infra.*

[20] Geheime Staatspolizei (German Secret State Police).

We feel that a reparations program for Austria analogous to the German program would be inconsistent with the Moscow Declaration, and that execution of such a program would require a reversal of the whole policy towards Austria on which the Moscow Declaration is based. It would also be inconsistent with April 8 broadcasts by Moscow radio to the people of Austria [21] and by General Tolbukhin to the people of Vienna,[22] that "the Austrian population is resisting the evacuation carried out by the Germans and meeting hospitably the Red Army as liberator of Austria." We believe it would turn the Austrians against our cause; and tend ultimately to force Austria back into the arms of Germany thus strengthening Germany again in later years.

While we are prepared to modify our previous position of flat opposition to payment of reparation by Austria, we would strongly oppose any Austrian reparation other than transfer of existing capital equipment of a type which is clearly redundant in relation to the requirements of a healthy, peacetime Austrian economy. Machinery in armament plants established in Austria since Anschluss would be the chief source of reparation under such a program. A program limited in this fashion might be properly regarded, and presented to the Austrian people, as part of the German reparation program, rather than as a separate and distinct imposition of reparation on Austria.

In carrying out the instruction contained in our 2696,[22a] you should avoid any statements which would commit us to a more extensive program than is set forth above. It would be desirable to avoid extensive discussion of Austrian reparation in EAC, leaving the matter as far as possible to Reparation Commission. The foregoing is, accordingly, for your background information.

STETTINIUS

740.00119 EAC/4–1345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 13, 1945—2 p. m.
[Received 8:30 p. m.]

3783. Comea 218. In connection with Soviet insistence on inclusion of a reparation division in control machinery for Austria, discussion turned to principle of Austrian reparation at last night's meeting

[21] For text of broadcast, see *Rot-Weiss-Rot Buch, Gerechtigkeit für Österreich, Darstellungen, Dokumente und Nachweise zur Vorgeschichte und Geschichte der Okkupation Osterreichs*, Erster Teil (Wien, 1946), p. 191.

[22] For text of Marshal Tolbukhin's broadcast, see *ibid.*, pp. 191–192.

[22a] Dated April 6, p. 48.

of the EAC. Gousev requested answer on principle to question reported in my 3477, April 5, 5 [8] p. m. My attitude in the discussion was based on Department's 2794, April 10, 7 p. m.

In reply to Gousev's query Strang stated UK view that Austria should not escape obligation of reparation as matter of right but that Allied political aim of reestablishing independent Austria should be guiding factor; payment for imports regarded by four powers as necessary for Austria should have precedence over reparation transfers. Massigli similarly pointed out need to decide later whether Austria can pay reparation and how much.

Strang asked whether affirmative reply in principle to Soviet query should not be accompanied by reservation of view or how much Austria could pay. In one exchange Gousev asked whether trade or reparation was basis of Allied policy in Austria. At close of discussion Massigli proposed a formula by which Austria as a former component part of the Reich would be bound to make compensation for damage done to the Allies, while the four governments, having in mind their intention to restore an independent Austria, retain complete freedom of judgment regarding the amount and method of such compensation. The Commission agreed to study this formula.

Gousev's insistence on acceptance by EAC of the principle of Austrian reparation has thus for the moment given the French representative an opening for securing discussion of this question at a four power level. Early in the discussion Gousev had stated that the EAC should merely adopt the principle, without entering into negotiation on implementation.

WINANT

740.00119 EAC/4–1345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 13, 1945—7 p. m.
[Received 8:30 p. m.]

3800. Comea 220. The UK representative on the EAC has circulated a short draft proposal for an Interim Allied Commission in Austria to cover the period from occupation of Vienna to surrender or collapse of Germany. *Summary follows:*

Commission to be established in Vienna as soon as occupied, with functions as follows: (1) Promote establishment of central Austrian administrative machinery as soon as possible; during interim period this function will also apply to local administrative machinery including Vienna and purging of existing officials. (2) Supervise such Austrian machinery of administration local or central as may be established. (3) Give effect to Allied policy in Austria so far as it is

possible in this period. The Interim Commission to deal with administrative and political problems relieving Commander-in-Chief of responsibility in such fields. Operational matters will remain sole responsibility of Commander-in-Chief. *End of Summary.*

WINANT

740.00119 Control (Austria)/4–1345 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, April 13, 1945—midnight.
[Received April 13—8 : 40 p. m.]

1162. ReEmbs 1104, April 9, midnight. During my conversation with Marshal Stalin tonight he informed me that now that Vienna had been captured,[23] no time should be lost in the fixing of the zones of Allied occupation for that city. He referred to the delays that had been encountered in the EAC in this respect and proposed that American, British and French representatives proceed to Vienna to establish the zones in Vienna. In reply to my question he said that the Allied representatives might proceed forthwith.

In view of the above, I strongly recommend that arrangements be made for our officers to proceed to Vienna at once.[24]

Repeated to London as No. 158 and to Caserta as No. 54.

HARRIMAN

London Embassy File

Memorandum of Trans-Atlantic Telephone Conversation Between the Ambassador in the United Kingdom (Winant), in London, and the Director of the Office of European Affairs (Matthews), in Washington

[LONDON,] April 15, 1945.

W. Hello. Is that you, Doc?

M. Yes, Chief. Good morning.

W. Good morning. I wanted to talk [to] you about a conversation I had last night—or yesterday afternoon London time—and then also about one or two other matters.

M. I am sorry I am not familiar with the conversation yesterday afternoon.

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[23] Vienna was captured by the Soviet Army on April 13.

[24] Telegram 2928, April 14, to London (repeated to Paris as 1495, to Moscow as 871, and to Caserta as 330) stated that the Department agreed with the proposal set forth in this telegram and had so informed the War Department; the Department considered it desirable for Erhardt to proceed to Vienna if and when the War Department authorized General Flory and other Army officers to go there (740.00119 Control (Austria)/4–1345).

W. And then about one or two other matters that I wanted to discuss in relation to the European Advisory Commission. Yesterday, I called General Marshall,[25] because I thought he might be the only one I could find at the Pentagon Building. There was a statement in the press here that the office buildings had been closed in Washington yesterday out of respect to the President.[26] The military advisors on the European Advisory Commission had just come back from France and they had some ideas in relation to unconditional surrender terms. I explained those to General Marshall and told him that I was not in a position to go forward with any suggestions that had been made until I could get clearance from the President and the Secretary of State. I told him in detail what the position was and he wired back to me this morning saying he consulted the Secretary of War and was clearing with the Secretary of State. I would like you to get a transcript of that conversation because it gives you in detail what the position is. At the end of that discussion, I referred to the negotiations in relation to zoning and control in Austria. I want to talk to you a minute, if I may, on that subject. In considering, however, the subject matter I took up with General Marshall, I wanted to refer you to Embassy's 3405 of April 4 and Department's 2662 of April 5 [27] in regard to the Austrian matter. I received two telegrams today; one from the Department 2928 of April 14 [28] and a repeat message from Moscow 158 of April 13th.[29] Let me restate that, that's Harriman's 1104 of April 9th. In those messages, he explains, and the Department also explains, that Stalin proposed that "American, British and French representatives proceed to Vienna to establish the zones in Vienna". Harriman recommends that.

M. Yes. I recall the telegram.

W. And the Department acquiesces in it. That disturbs me because I wouldn't want to see repeated what took place in Rumania and Bulgaria and the only reason for the delay in the European Advisory Commission is because the Russians have been unwilling to meet our wants. The difficulty has to do with their insistence that they want absolute control and occupancy of the central district in Vienna. We would have been willing to compromise, but because they were so unyielding, we have still held out for the larger Vienna, and our reason for doing that was because we wanted to be sure of air facilities

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[25] For transcript of the trans-Atlantic telephone conference between Ambassador Winant and Gen. George C. Marshall, Chief of Staff, U.S. Army, on April 14, see p. 223.

[26] President Roosevelt died on April 12.

[27] *Post*, pp. 216 and 219, respectively.

[28] See footnote 24, p. 61.

[29] The same as telegram 1162, April 13, midnight, from Moscow, *supra*.

and we further argued that we wanted to share with the Russians, the British and the French the central district in Vienna. You will remember that that small area contains most of the facilities in relation to—so far as hotels are concerned, public buildings, cinemas, and so forth. On the question of the larger district of Vienna, we proposed the following compromise: "The Schwechat Airdrome, together with all installations and facilities pertaining thereto, will be under the administrative and operational control of the occupation forces of the United States for the purpose of serving the requirements of the forces of the four occupying powers. The forces of the four occupying powers will enjoy free and unimpaired access to the Schwechat Airdrome from the city of Vienna." In other words, that would allow us to go back and forth from our area within Vienna, and others to go back and forth from their areas to the Airdrome.

M. You proposed this yesterday, is that correct?

W. We proposed it yesterday.

M. At the EAC.

W. As a matter of fact, we took it up originally on Tuesday,[30] but the Russians refused to consider it.

M. On Tuesday, or yesterday?

W. They refused to consider it either Tuesday or in the intervening time or at our meeting yesterday. Now, we have thought of another compromise in relation to the central district. I think it is fair to remember that Vienna is the central city of the Russian zone and that, therefore, it is reasonable that they have greater facilities than the other occupying countries, since we would manage our zones from central cities lying within those zones, but what we don't want is to have our command put out into the poorer districts out of the central district and be forced to maintain their headquarters in inadequate buildings in the outskirts of the city within our zone district. Therefore, we felt that we could not agree to the Russian proposal of complete control in the central district. We were going to suggest the following compromise formula: "The district of Innerestadt will be occupied by the forces of the Soviet Union and the inter-allied authority (Commander Tourer [*Kommandatura?*]), will regulate the equitable assignment of its facilities among the staffs of the allied commission and the forces of occupation of the four powers." In other words, what we ask is that they give us adequate facilities within that area.

M. You feel that that will give us adequate facilities?

W. Yes, I think it would, but I am certain for the reason for the shift of venire [*venue?*] away from the European Advisory Commission in London to Vienna is simply because we have been unwilling to

[30] April 10.

compromise on what we believe to be minimum needs for our forces in Vienna.

M. You don't think that there would be any more chance of reaching an agreement working out on the spot?

W. My thought was, Doc, that there should be no final agreement reached until we have been able to check back and forth with each other, because we have spent weeks now working on this problem and we have an awareness of what the wants are and also complete knowledge of the position of both the British and the French.

M. You have not yet complete knowledge of what the British and French want?

W. No, we have the complete knowledge.

M. Yes. It was always our thought that anything worked out, of course, out there would be referred to the EAC and possibly having someone on the spot would be helpful to you.

W. Yes, it might be, provided there is that contact.

M. There must be. The decision would depend, of course, still on EAC. There was never any thought of removing it from that. It was merely the belief that if we had somebody on the spot in Vienna, they might be able to work out some practical solution there quicker.

W. I understand. Now, You've got our thinking on that.

M. Yes, fine.

W. There is another message that has come in. It is 2927 April 14.[30a] It suggests that we would be willing to give way in the control machinery agreement the idea of establishing a Navy as well as an Army and Air Division. I believe it is a mistake to give that away at the moment because I believe they are about to concede it.

M. You think we are about to obtain it?

W. No, I think it is a mistake to give that away at the moment because I think the Russians are about to concede it and I think they would only assume weakness on our part in relation to that particular issue and two or three other issues in which we mean to hold firm.

M. I see. I think the thinking behind that message, which I haven't seen (I was not at the Department yesterday afternoon) was the fact that our Navy Department itself might prefer not to have provision for a Naval Division.

W. I wonder if they realize that they [*there*] are naval installations in Austria.

M. I think they do. I think there is some difference of opinion within that department, but I will be very glad to look into it.

W. Would you do that and send me a clarifying message?

[30a] Not printed; it reported that the Joint Chiefs of Staff perceived no objection to the draft agreement on Allied control machinery in Austria from a military point of view, subject to the deletion of the word "naval" where it occurs in articles 2, 3, 4, and 6 (740.00119 Control (Austria)/4–645).

M. Yes, indeed. Now, the only thing I am not clear on is this subject of your earlier conversation with General Marshall last night. Is there anything that I should know about that?

W. It would be necessary to get in contact with the Secretary and get the whole story because it is a long story.

M. I see. All right. I'll do it that way. Take care of yourself.

W. I will. Can we do anything for you here that we are not doing at this time?

M. I don't think of a thing.

W. All right. Thank you, Doc.

M. Good luck, Chief.

W. Thank you. Good bye.

M. Good bye.

740.00119 EAC/4–1545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 15, 1945—11 p. m.
[Received April 15—10:35 p. m.]

3865. To Erhardt from Winant. In view of Moscow's 54 to Caserta, April 13, midnight,[30b] and Departments 330 to Caserta (Department's 2928 to London April 14, 7 p.m.[31]) I want to bring you fully up to date on the European Advisory Commission negotiations concerning Austria. Some meetings on Austrian problems, the latest being held on April 10, 12, and 14, have narrowed our disagreements with the Soviets to two points regarding zones and two regarding control machinery.

With regard to zones of occupation preliminary agreement has been reached that France will occupy Tirol-Vorarlberg, United States will occupy Salzburg and Upper Austria minus strip north of Danube, and United Kingdom will occupy Carinthia and Styria minus pre-1938 Burgenland strip, while Soviet forces will occupy Lower Austria, Upper Austria north of Danube, and Burgenland, present Gau boundaries being used except in Burgenland. With regard to Vienna area, Soviets insist rigorously on pre-1938 narrow boundaries of Vienna City. While preferring present Gau Vienna boundaries on grounds of administrative convenience in governing Austria and better air and land accomodations for our forces, United States, United Kingdom and France have been willing to explore adjustments needed in case narrower limits are accepted.

[30b] The same as telegram 1162 to the Department, p. 61.
[31] See footnote 24, p. 61.

In order to promote a compromise on basis of narrower limits of Vienna, I advanced following formula April 10: "The Schwechat Aerodrome, together with all installations and facilities pertaining thereto, will be under the administrative and operational control of the occupation forces of the United States for the purpose of serving the requirements of the forces of the four occupying powers. The forces of the four occupying powers will enjoy free and unimpeded access to the Schwechat Aerodrome from the city of Vienna." This formula, which places the four powers on a footing of equality in actual use of Schwechat, gives our forces the necessary control for bringing large transport planes into Vienna. The Soviet representative has been adamant against this or any similar concession, and proposes that United States planes use Aspern Aerodrome under Soviet administrative and operational control. At the close of yesterday's meeting the Soviet representative stated he was wiring his Government concerning the state of the negotiation.

On April 10, I also advanced following preliminary proposal for division of city of Vienna, on assumption that some arrangement would be made to take care of our air needs in return for abandoning our preference in principle for wider limits of "Greater Vienna". Division was as follows: Floridsdorf, Brigittenau, Leopoldstadt and Grossenzersdorf to be under Soviet occupation; Josefstadt, Alsergrund, Ottakring, Hernals, Währing, and Döbling to be under French occupation; Mariahilf, Neubau, Margareten, Meidling, Hietzing, Fünfhaus and Penzing to be under United Kingdom occupation; Landstrasse, Wieden, Favoriten and Simmering to be under United States occupation. I proposed the following tentative formula for the Central District: "the inter-Allied authority (Komendatura) will regulate the occupation of the Innere Stadt and the equitable assignment of its facilities among the forces of occupation". In view of the administrative [apparent omission] and prestige of the United States General participating in control of the Central District, I stood out firmly against the Soviet insistence that it be under sole Soviet occupation. The two points regarding Schwechat Aerodrome and occupation of Innere Stadt are the only questions unresolved.

In order to settle the Innere Stadt question, in case the Russians agreed to let us control Schwechat, I am prepared to advance the following formula: "the district of Innere Stadt will be occupied by forces of the Soviet Union and the inter-Allied authority (Komendatura) will regulate the equitable assignment of its facilities among the staffs of the Allied Commission and the forces of occupation of the four powers". I have not shown this final compromise formula to the Russians because of their unyielding attitude on the question of Schwechat Aerodrome.

With regard to the control machinery agreement the Commission is in agreement on all except two points. The Soviet representative insists on lumping military, naval and air in one division; I have been standing out for three divisions. The Soviet representative insists on inclusion of a "Restitution, Reparation and Deliveries Division"; I have authority from the Department to accept this, but I have held it in reserve as a means of securing the naval and air divisions.

In resisting categorical Soviet demands for acceptance of their proposals without modification, I have fought to secure arrangements for the aerodrome, Innere Stadt, and naval and air divisions which would enable our military authorities to operate effectively and on a footing of equality in carrying out their responsibilities in Austria.

Sent to Caserta as 85 repeated to Department as 3865.

WINANT

740.00119 Control (Austria)/4–1345 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, April 16, 1945—6 p. m.

1512. Please communicate to the French Government the substance of, and report its views on, Marshal Stalin's suggestion that American, British and French representatives proceed to Vienna to consider zones in Vienna, which was received in Harriman's 1162 April 13, midnight, repeated to you by the Department.

This Government would like to carry out this suggestion by having American military officers now engaged at AFHQ, Caserta, in planning for the occupation of Austria proceed to Vienna accompanied by Erhardt. They would examine the actual situation in Vienna and make reports on the factors bearing upon zones of occupation in Vienna for final determination of such zones by inter-governmental agreement through the European Advisory Commission.

Please report urgently whether the French government wishes to send representatives to Vienna for this purpose. If it so desires you may offer to ask General Alexander[32] through Erhardt whether AFHQ could assist with travel arrangements for them.

The Department is awaiting similar information from the British government. It anticipates that the British government will wish also to send representatives from AFHQ, Caserta.

Upon receipt of information that the British and French governments concur, the War Department will issue instructions to General McNarney at Caserta authorizing him or his representative to proceed.

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[32] Field Marshal Sir Harold Alexander, Supreme Allied Commander, Mediterranean Theater.

Repeated to London as Department's no. 2959; to AmPolAd, Caserta for Erhardt as Department's no. 333, and to Moscow as Department's no. 889.

STETTINIUS

740.00119 Control (Austria)/4–1645

Memorandum by Mr. Ware Adams of the Division of Central European Affairs

[WASHINGTON,] April 16, 1945.

Ambassador Winant telephoned Mr. Matthews at the Pentagon yesterday regarding the planning for Austrian zones and control machinery now being negotiated in EAC.

He referred to the Department's telegram 2927 of April 14 [33] regarding the JCS decision to strike the word "naval" from Articles 2, 3, 4 and 6 of the American draft for control machinery, and said he was disturbed about this since he felt sure that we would want to have naval advisers in Austria to advise about the demolition of factories there producing naval equipment. The EAC is meeting again today, April 16, to continue negotiation of control machinery, and Ambassador Winant will no doubt be obliged to take a position one way or the other.

Ambassador Winant also wants to know urgently whether the proposed document in lieu of unconditional surrender for Germany is satisfactory.[34]

He also inquired about the relationship to EAC planning of the proposal to send American and other Allied representatives to Vienna to determine zones in Vienna.

He said that in the EAC negotiations he will continue to try to get the Schwechat airport and all its facilities placed under American administration for use by the forces of all four Powers.

He intends to propose in EAC the following compromise regarding the Innere Stadt:

"The district of the Innere Stadt will be occupied by forces of the U.S.S.R. and the Inter-Allied authority (Komendatura) will regulate an equitable assignment of its facilities among the staffs of the Allied commission and the forces of occupation of the four Powers".

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[33] See footnote 30a, p. 64.

[34] Memorandum by the United Kingdom Representative on the European Advisory Commission, designated E.A.C.(45) 28, dated March 30, p. 208. For documentation regarding the participation by the United States in the European Advisory Commission negotiations relative to the surrender of Germany, see pp. 160 ff.

(Ambassador Winant apparently also talked with General Marshall by long distance telephone yesterday to ask for quick action in Washington on the pending questions regarding zones in both Germany and Austria.[)] [35]

740.00119 Control (Austria)/4–1745

The British Embassy to the Department of State

AIDE-MÉMOIRE

Mr. Eden [36] was about to communicate to Mr. Stettinius the draft of a joint message from the President and the Prime Minister to Marshal Stalin on the subject of Allied control in Austria, when the news was received that Marshal Stalin had raised this question with Mr. Harriman on the 12th [*13th?*].[37] It is understood that Stalin said that now that Vienna had been captured it was urgently necessary to settle the respective zones in Vienna. He claimed there had been much delay in the European Advisory Commission. He thought, however, that the Americans, British and French should send their officers at once to Vienna to work out the necessary arrangements on the spot.

It appears that the Russian invitation is limited to the settlement of the respective zones in Vienna and does not necessarily extend to such further questions as the constitution of the interim control machinery for the whole country, removal of industrial plant and equipment and maintenance of agriculture.

His Majesty's Government accordingly consider that a joint message from the President and the Prime Minister bringing out these further points would be desirable. They think that this method would be more effective than that of dealing through the Chargés d'Affaires in Moscow [38] or through the European Advisory Commission in London, although it is true that Marshal Stalin's accusation of slowness on the part of the European Advisory Commission in dealing with this question is unjust, since the delays have been due to the Soviet Government.

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[35] For the transcript of a trans-Atlantic telephone conversation between Ambassador Winant and General Marshall on April 14, see p. 61.

[36] Then in Washington on a visit.

[37] See telegram 1162, April 13, midnight, from Moscow, p. 61.

[38] George F. Kennan, who became Chargé following the departure for Washington of Ambassador Harriman, and Frank Roberts, Chargé for the United Kingdom.

The text of a proposed message to Marshal Stalin is attached. In the version sent by the President the first sentence would need slight variation.

WASHINGTON, April 17, 1945.

[Annex]

DRAFT MESSAGE FROM THE PRIME MINISTER TO MARSHAL STALIN

I was gratified to learn from the United States Government of your statement to Mr. Harriman that, now that Vienna had been captured, it was urgently necessary to settle the respective zones in Vienna, and your proposal that the United States, British and French Governments should send their officers at once to Vienna to work out the necessary arrangements on the spot.

His Majesty's Government gladly accept this proposal and welcome the statement issued by the Soviet Government on April 8th [39] affirming that the Soviet Government stand firm by the Allied declaration issued at Moscow in 1943.

Besides the working out of the respective zones in Vienna it is urgent that the four powers should arrive at an agreed policy in regard to the establishment of interim control machinery for the whole country, and that the representatives on the European Advisory Commission should be instructed to settle this without delay.

There are other important political and economic questions which will arise in Austria. And I am sure that you will agree that our common purpose might well be prejudiced by unilateral action on the part of any one of the occupying powers in regard to the removal of industrial plant and equipment, regardless of whether or not this was German owned or the elimination without regard to their attitude towards the Nazis of [*or*] Austrians who might prove useful in re-establishing Austrian administration and economy. I propose therefore that the representatives to be sent to Vienna may be empowered to deal with such questions and that your commanders on the spot should meanwhile be instructed to hold their hand. I would also urge the importance of taking all possible steps to maintain Austrian agriculture in full production.

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[39] *Rot-Weiss-Rot-Buch: Gerechtigkeit für Österreich: Darstellungen, Dokumente und Nachweise zur Vorgeschichte und Geschichte der Okkupation Österreichs*, Erster Teil (Wien, 1946), p. 191.

740.00119 Control (Austria)/4–1745 : Telegram

The Secretary of State to the United States Political Adviser on Austrian Affairs (Erhardt), at Caserta

WASHINGTON, April 17, 1945—5 p. m.

341. Subject to the approval of the British Government, the Combined Chiefs of Staff have concurred in Marshal Stalin's suggestion that American, British and French representatives proceed to Vienna to study the question of the zones of occupation in Vienna. Instructions are accordingly going forward through military channels to the British and American Commanders at AFHQ, Caserta, to the following effect:

CCS have already sought directly the British Government's approval which will be communicated to the Department of State by the British Embassy when received in Washington; the Department has requested the views of the French government through Ambassador Caffery in Paris; the American Government has already approved the plan on the premise that the Allied representatives will study on the spot the factors bearing on the problem of zoning in Vienna and will report the facts as they find them there, together with their recommendations, to their respective governments and their representatives in the European Advisory Commission; and that the final agreement for zoning in Vienna will be made by the governments through the European Advisory Commission. When the views of the British and French governments have been received in Washington the Commanders of the British and American elements at AFHQ will then be instructed through military channels to proceed or send representatives to Vienna.

With reference to the Department's 330 April 14, 7 p.m.[39a] suggesting that you accompany the American military representative to Vienna, please coordinate your activities there with Ambassador Winant. You have already received his no. 85, April 15, 11 p.m.[39b] giving you background information regarding the present status of Austrian planning in the European Advisory Commission. Please keep him fully informed and report both to him and the Department the situation as you find it in Vienna, with special reference to factors bearing on the zoning of Vienna, to facilitate his negotiations in EAC where the final inter-governmental agreement on zones will be made.

You will be informed as soon as the views of the British and French Governments have been received.

[39a] See footnote 24, p. 61.

[39b] The same as telegram 3865 to the Department, p. 65.

Repeated to London as Department's no. 2996; to Paris as Department's no. 1528, and to Moscow as Department's no. 896.

STETTINIUS

740.00119 Control (Austria)/4–1845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 18, 1945—3 p. m.
[Received 6 : 43 p. m.]

1935. The substance of the Department's 1512 April 16, 6 p. m. was communicated to Chauvel.[40] He said that he had received a telegram yesterday from Massigli indicating that Stalin's suggestion had been discussed by the European Advisory Commission. Massigli reported that there were considerable differences of opinion in the EAC as to the zones in Vienna between the Russians on the one hand and the Americans and British on the other.

He said that the following three points of dispute had arisen:

(1) The Americans and British wish to have the so-called inner city declared an international zone. Whereas the Russians wish it to be a completely Russian zone.

(2) Insofar as the airfields in the Vienna region are concerned, the Russians wished to turn over only one unsuitable airfield for the use of all the Allies while keeping the other fields solely for the Russians.

(3) The question had arisen as to whether Allied troops other than Russian, would be confined to their own zones in Vienna or whether they would be able to proceed into the country districts outside Vienna and from one zone and [*to?*] another within Vienna. The Russians according to Massigli expressed the opinion that troops should be confined to their own zone.

Chauvel then went on to say that the differences of opinion were already so considerable in the European Advisory Commission in London that "the British are not sure that any useful purpose will be served in sending representatives to Vienna which is completely controlled by the Red Army and where freedom of discussion might be more limited than in London".

According to Chauvel, the French position insofar as sending representatives to Vienna is that if the British and ourselves send representatives the French "will certainly wish to send a delegation also". On the other hand, if either the British or ourselves do not send a delegation, the French will be inclined not to send one at this juncture.

Thus far the French have not organized an "Austrian team". Today, however, General Koeltz is being requested to designate some of

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[40] Jean Chauvel, Secretary General of the French Ministry for Foreign Affairs.

the military staff of his German Planning Mission [41] to be earmarked for Austria. Chauvel added that no "political representative" had as yet been selected by his Government.

In conclusion he stated that the French decision on sending representatives to Vienna would depend largely on the British and American decisions and on reports from Massigli in London.

Repeated to London as 234, Moscow as 50, Caserta as 33 for Erhardt.

CAFFERY

740.00119 Control (Austria)/4–1945

The Department of State to the British Embassy

AIDE-MÉMOIRE

The Department of State is in general sympathy with the views contained in the proposed message from the British Prime Minister to Marshal Stalin appended to the *aide-mémoire* prepared in the British Embassy at Washington on April 17, 1945 regarding the proposal to send Allied representatives to Vienna to work out arrangements for zones of occupation there. It prefers, however, to make its own similar approach to the Soviet Government on this subject through the American Chargé d'Affaires at Moscow along the lines of a telegram of which a paraphrase is attached hereto,[42] rather than in the form of a message from the President.

WASHINGTON, April 19, 1945.

740.00119 Control (Austria)/4–1845 : Telegram

The Secretary of State to the Chargé in the Soviet Union (Kennan)

WASHINGTON, April 19, 1945—11 a. m.

907. Please inform the Soviet Government substantially as follows:

This Government was glad to learn from Embassy's 1162 April 13, midnight, that Marshal Stalin suggests that American, British and French representatives go at once to Vienna to consider arrangements for zones of occupation of Vienna. It welcomes this suggestion. It understands that the British Government also is accepting it. The views of the French Government have been requested and they have also agreed. This Government is holding its representatives in readiness at AFHQ in Caserta to proceed to Vienna.

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[41] French equivalent of the United States Group, Control Council (Germany) and, like it, concerned with planning for the occupation and control of post-surrender Germany.

[42] Paraphrase not printed; for text of the telegram to Moscow, see *infra*.

We agree that it is urgently necessary to settle the zones for Vienna and this Government has accordingly given Ambassador Winant full instructions to enable him to complete EAC recommendations for the protocols now pending in the EAC for (1) control machinery for Austria, and (2) the zoning of Austria, including Vienna, provided there is agreement on their content and adequate facilities can be arranged for the occupation forces.

The principal thing now holding up agreement in EAC on these matters is the question of zoning Vienna, on which the Soviet and American Governments have so far been unable to agree. The Soviet representative has been insisting upon use of the pre-1938 city limits which would place all of the five Vienna airfields within the Soviet zone of occupation, leaving none to the United States, while the United States military authorities are unable to accept any United States zone in Vienna that fails to extend far enough to assure adequate airfield facilities for U.S. forces. It is hoped that the Allied representatives will be able to work out on the spot a suitable arrangement of zones which will accomplish this and furnish the basis for an agreement on zones in EAC.

Since the occupying powers will have an equal interest and responsibility in the management of resources found in Austria and in the denazification of Austria and the reconstitution of an independent democratic state in fulfillment of the Moscow Declaration, this Government relies upon the Soviet Government to provide its forces with appropriate instructions to prevent the removal of industrial equipment or other property from Austria, or other changes which might prejudice our common objectives, until appropriate decisions about them have been made by the four powers acting in concert.

The United States will be glad to give urgent consideration to interim arrangements of the kind proposed by the British representative in the EAC on April 12,[43] as well as to placing the complete control machinery protocol into effect as soon as the text has been agreed and conditions warrant placing it in operation.

Sent to Moscow as Department's 907; repeated to London as 3038, Paris as 1557, and Caserta as 350.

STETTINIUS

740.00119 Control Austria/4–1845 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, April 19, 1945—noon.

1559. The Department has noted from your prompt 1935 April 18, 3 p. m. that the French Government will wish to send a delegation to Vienna if the British and American Governments do.

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[43] See telegram 3800, April 13, from London, p. 60.

Please inform the French Government that both the British and American Governments wish to send representatives, and that instructions are accordingly being issued for them to proceed from Caserta in accordance with Department's 341 April 17, 5 p. m. to Caserta for Erhardt, which was repeated to you as 1528, under travel arrangements it is understood General Alexander is making direct with the Soviet authorities. Presumably the French will also wish to inform the Soviet Government of their agreement.

Sent to Paris as Department's no. 1559; repeated to London as no. 3040; Moscow as no. 909; and Caserta as no. 351.

STETTINIUS

740.00119 Control (Austria)/4–1945 : Telegram

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

CASERTA, April 19, 1945—8 p. m.
[Received April 19—6:15 p. m.]

1631. Department's 341 of April 17, 5 p. m. and previous. The Department's telegrams make it quite clear that mission in Vienna will have authority only to examine situation and make recommendations regarding the zoning of Vienna, including the Innere Stadt. It will have no authority to settle the matter on the spot, the ultimate decision on this to be made through EAC. It is regarded as of importance here that the political and military heads of the British, French and American elements of the mission receive identical instructions on this point, and also that Soviets be informed, in order that there can be no cause for misunderstanding as to precise terms of reference of the mission. I am led to make this comment because this morning I learned that British Chiefs of Staff had notified Marshal Alexander that British Foreign Office has asked Soviet Government to confirm its invitation, and also to confirm that purpose of meeting in Vienna is to negotiate a settlement of points relating to zoning of Vienna, which have not been decided at EAC level.

The British Chiefs of Staff have also suggested that Marshal Alexander go on this mission and remain for a day or two if he can. The former are asking JSM [44] to request United States Chiefs of Staff to send parallel instructions to General McNarney. Harold Mack,[45] who is now in London, will come here to accompany the Marshal.

[44] Joint Staff Mission (representatives in Washington of the British Chiefs of Staff).

[45] William Henry Bradshaw Mack, Deputy Commissioner (Civil) on the Control Commission for Austria (British Element). On May 1 he was appointed Political Adviser to the Commander in Chief of the British Forces of Occupation in Austria.

Meanwhile, the Political Adviser to AFHQ [46] tells me the Marshal is disposed to reply negatively to the suggestion of the Chiefs of Staff.

General McNarney is away now but is expected back tonight and will undoubtedly talk this over with Alexander.

General Flory has tentatively drawn up a list of the United States Element of the mission. It totals 11 officers and 12 enlisted men, and includes 2 air representatives, Dr. Johnson of Research and Analysis in OSS,[47] chief planner Colonel McCaffrey, 2 engineer officers, 1 public utilities expert, 1 public health officer, interpreters, drivers, Signal Corps men, and 3 jeeps with trailers.

In No. 322 of April 5, 8 p. m., [*April 12, 2 p. m.*] [48] the Department outlined the acceptable conditions for an allocation of zones of greater Vienna, including the Innere Stadt. Since then I have received Winant's 3865 of April 15, to the Department, repeated to me as No. 85. This indicates to me that the way has been opened for a compromise for something less than a division of greater Vienna. If this is true, should not the Department have the Joint Chiefs of Staff review the basic United States requirements set forth in the Department's telegram of April 5, 8 p. m. to London and repeated to me as Department's 322, April 13, 9 a. m. [*April 12, 2 p.m.*]

[ERHARDT]

740.00119 Control (Austria)/4–1945 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 19, 1945—8 p. m.

3077. The War and Navy Departments have now considered and approved, through the State-War-Navy Coordinating Committee, official U.S. views regarding control machinery for Austria, following the JCS consideration of them mentioned in Department's 2927, April 14, 7 p. m.[49]

The Committee has approved both (1) a control machinery draft prepared in Washington, the text of which is identical with Annex "A" to the Appendix to SWNCC 30/1 transmitted to you with the Department's third person instruction 5310 of April 6, except for deletion of the word "naval" from Articles 2, 3, 4 and 6 thereof, and (2) a commentary on the British draft, the text of this commentary being

[46] Alexander C. Kirk, Ambassador to Italy, served as United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater. Allied Force Headquarters (AFHQ) was the designation for the Supreme Allied Commander's headquarters.

[47] Office of Strategic Services.

[48] In this telegram to Caserta, the Department repeated the contents of its telegram 2658, April 5, 8 p. m. to London, p. 45.

[49] Not printed, but see footnote 30a, p. 64.

identical throughout (without exception) with Annex "B" to the Appendix to SWNCC 30/1 transmitted to you with the Department's instruction 5310 of April 6.

The Committee, representing the views of the JCS as well as the State, War and Navy Departments, has approved, and requested that you be given for your guidance in presenting the American views in EAC, both (1) the draft prepared in Washington, and (2) the commentary on the British draft, referred to above, and also the following instructions:

Supplementing the Department's telegram Eacom [50] 40 of November 22, 1944,[51] authorizing you to proceed to negotiate a proposal for control machinery for Austria on the basis of the German control machinery modified appropriately for Austria, without awaiting a specific American draft for that purpose, you now have in addition, our comment on the British proposal, and also a draft for control machinery for Austria which has been prepared for your guidance in presenting this Government's position.

We assume that you will continue the discussion of control machinery for Austria in an effort to obtain the most suitable agreed formula that it is possible to achieve in the light of these and our previous comments, for submittal to the Governments for final approval. To this end you may use as a basis for presenting American views in EAC the substance of either (1) the American draft referred to herein (which we prefer), (2) the original protocol for German machinery, or (3) the British draft for Austrian machinery in the light of our comment on it and the American draft, or (4) a combination of all three.

We wish to cause no unnecessary delay in the negotiations arising from any technicalities that might be involved in formal presentation of this new draft to EAC.

STETTINIUS

740.00119 Control (Austria)/4–2045 : Telegram

The United States Political Adviser on German Affairs (Murphy) to the Secretary of State

PARIS, April 20, 1945—9 a. m.
[Received 1:07 p. m.]

1972. As a result of military developments it was decided at SHAEF [52] on Monday [53] that a SHAEF handbook and directive for

[50] Series designation for telegrams to London dealing with European Advisory Commission matters.
[51] *Foreign Relations*, 1944, vol. I, p. 468.
[52] Supreme Headquarters, Allied Expeditionary Force.
[53] April 16.

Austria covering a two or three months' period of SHAEF occupation there would have to be prepared within a few days. This program is based upon the assumption that control will be handed over to SACMED at the earliest possible moment and in any case before the Control Council for Austria commences to function. We were asked to consult on the preparation of the directive. While explaining that Erhardt was the appropriate political officer to consult on this matter, in view of the urgent nature of the talk we sent Knapp [54] to SHAEF (forward) [55] where the draft was done. The following is a summary of the issues which arose and of the action taken. The SHAEF directive referred to below is a draft which Knapp was given upon arrival.

1. The directive forbids fraternization with the civilian population. We suggested that such fraternization "should not be encouraged but need not be prohibited unless you (the military commander) decide otherwise". SHAEF G–1 [56] however, remains in favor of an initial policy of non-fraternization.

2. The SHAEF directive left Italian displaced persons in Austria to be handled by the Austrian authorities along with other enemy nationals. The question was raised of whether these should not be assimilated to nationals of the United Nations but the SHAEF officers stated that they had no instructions from JCS or CCS on this point.

3. The directive left German displaced persons, a category which was not defined, to be handled by the Austrian authorities. Agreement was reached on a definition of enemy displaced persons as any enemy nationals who came to Austria after Anschluss and among the statement of objectives was included the phrase "to repatriate German nationals at the earliest opportunity". The SHAEF officers were not prepared, however, to accept direct military government responsibility for the care and reparation [*repatriation?*] of these persons.

4. The directive contained provisions which would have frozen all church property in Austria and would have subjected financial transactions of the churches to close control and report requirements and in particular would have enjoined the churches to maintain their assets substantially intact. In view of the delicate problem of the Catholic Church in Austria and of the role which it may play in welfare activities deletion of these provisions was suggested and agreed upon.

5. The directive was seriously lacking in any statement of positive economic objectives. A number of changes and additions were agreed

[54] J. Burke Knapp, Assistant Adviser on Austrian Affairs, then on a visit to Europe.

[55] SHAEF forward headquarters located at Reims, France.

[56] Maj. Gen. Ray W. Barker, Chief of the Personnel Division of the General Staff of SHAEF.

upon including a new item in the statement of general objectives worded as follows: "You will take such steps as may be feasible to stabilize economic conditions and will support efforts by the Austrian authorities to restore production, trade and employment".

6. The directive took a very rigid line with respect to relief imports, providing that they should be called for only to prevent disease and such disorder as might endanger or impede military operations. Efforts to obtain a relaxation in this formula were met by insistence that the supply position could not possibly support any more generous treatment. Agreement was reached, however, upon opening the supply section of the directive with the following language "in view of the critical shortage of transport and stocks you will conform to the following policy". It is believed that this provision will make clear to plan commanders that the level of imports is determined on supply rather than on political grounds.

7. A proposal that the directive should contain a positive injunction to promote foreign trade was rejected on the ground that this was not appropriate for the very brief period of SHAEF responsibility.

A copy of a more detailed report on these negotiations is being forwarded by air pouch.[57]

Sent Department as 1972, repeated to AmPolAd, Caserta for Erhardt as 34.

[MURPHY]

740.00119 Control (Austria)/4–1945 : Telegram

The Secretary of State to the United States Political Adviser on Austrian Affairs (Erhardt), at Caserta

WASHINGTON, April 21, 1945—8 p. m.

371. You will have observed from Department's 350 April 19, 11 a. m. repeating its 907 to Moscow that the latter informs the Soviet Government, as suggested in your 1631 April 19, 8 p. m., that our representatives proceeding to Vienna will study and discuss on the spot the factors bearing on the Vienna zoning problem, but that we expect the actual agreement to be made on the inter-governmental level in the European Advisory Commission. We have discussed this with the British Embassy at Washington which assumes that the instructions which London will issue to the British element at Caserta [58] will be in harmony with these premises.

This is not necessarily contrary to the British Chiefs of Staff notification to Marshal Alexander mentioned in your 1631 to the effect that the purpose of the meeting in Vienna is to negotiate (though not to

[57] Despatch 284, April 24, and enclosure not printed.

[58] i.e., the British counterpart to the United States Group, Control Council (Austria).

close) a settlement of points relating to zoning of Vienna which have not (yet) been decided in EAC. It is true that EAC has not yet been able to complete a protocol on the zoning of Austria because of conflicting views regarding the zoning of Vienna. The purpose of an examination and discussion of the situation on the spot would be to find a zoning arrangement mutually satisfactory to all the representatives there which would facilitate completion of the inter-governmental agreement on it in EAC.

Although the American recommendations to EAC, based on the views of the Joint Chiefs of Staff and set forth in Department's 321 April 5, 8 p. m. to you,[59] are framed in terms of "Greater Vienna", they are concerned primarily with the United States zone thereof, and your principal concern in Vienna will of course be to assist the U.S. military representatives in accordance with their instructions to seek an arrangement which will be suitable for the needs of the forces of the United States, whatever may ultimately be agreed regarding the limits of the rest of Vienna. We understand that instructions now going forward to them through military channels discuss U.S. requirements in terms of facilities and make it unnecessary to insist on the Gau line as such on which earlier JCS views were based.

The Soviet proposal would permit allotment to the American zone of the Vienna districts of Landstrasse, Wieden, Favoriten and Simmering, but would leave all five of the Vienna airfields in the Soviet zone. The original American proposal would allot these districts plus the district of Schwechat to the American zone. A proposal which allotted these five districts including Schwechat to American forces and gave them satisfactory access to the facilities of the Innere Stadt might be satisfactory to us regardless of whether the rest of Vienna was zoned on the basis of the pre-1938 city limits or the Gau limits. Our principal concern in insisting on the district of Schwechat was based on our desire to have the control and use of a Schwechat airfield. Whatever compromise may ultimately become necessary, it is imperative that the American forces in Vienna have unrestricted use of an airfield suitable for our big four-engined planes, with adequate space around it and facilities for housing nearby the personnel, work shops, recreational facilities, etc., associated with the airport. We can under no circumstances forego the unrestricted use of adequate airfield facilities for our forces.

The Joint Chiefs of Staff requirements referred to in the last paragraph of your 1631 were framed to meet this requirement. They proposed using the limits of Greater Vienna primarily because this placed the district of Schwechat in our zone, which appeared to be

[59] Telegram 321 to Caserta was actually dated April 12, 2 p. m.; in it the Department repeated the contents of its telegram 2658, April 5, 8 p. m., to London, p. 45.

the most reasonable way of assuring an adequate airfield with facilities for U. S. forces. If the American representatives find that an adequate airfield with supporting facilities can be assured to U. S. forces by some zoning arrangement, whereby there is assured to the U. S. an airfield as a part of its zone preferably in the Schwechat District to meet requirements specified in paragraph 4, JCS will presumably give it favorable consideration.

(Sent to AmPolAd, Caserta as Department's 371 for Erhardt; repeated to London as no. 3149; Paris as no. 1619; and Moscow as no. 929.

STETTINIUS

740.00119 Control (Austria)/4–2145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS [undated].

[Received April 21, 1945—6 : 35 p. m.]

2031. The substance of Department's 1559, April 19 was conveyed to Chauvel last evening. He said in reply that the decision to send representatives to Vienna was officially approved in a Cabinet meeting yesterday morning. He stated that the Russians have not as yet been informed of the French acceptance of Stalin's proposal but indicated that this will be done in the near future. The French political representative who has not as yet been selected will proceed to Caserta as soon as he is designated. I informed him that our representatives intend to proceed to Vienna as soon as possible.

He said that he assumed that the American and British delegations would be small and asked approximately how many people we intend to send. I replied that I would endeavor to ascertain and let him know.

Repeated to London as 243; Moscow as 53 and AmPolAd Caserta as 36 for Erhardt.

CAFFERY

740.00119 Control (Austria)/4–2145

The Counselor of the British Embassy (Makins) to the Director of the Office of European Affairs (Matthews)

WASHINGTON, April 21, 1945.

MY DEAR DOC: With reference to our conversation on April 19th about Austria, we have now heard from London that the Prime Minister has decided, in the circumstances, not to send a message himself to Stalin on this subject. Instead, instructions have been sent to His

Majesty's Chargé d'Affaires in Moscow to approach the Soviet Government through normal channels.

2. I enclose a paraphrase of the instructions which have been issued to Mr. Frank Roberts.[60]

Yours ever, ROGER MAKINS

[Enclosure]

PARAPHRASE OF INSTRUCTIONS SENT TO HIS MAJESTY'S CHARGÉ D'AFFAIRES IN MOSCOW ON APRIL 21ST

His Majesty's Government have learned with pleasure of the statement made by Marshal Stalin to Mr. Harriman that, now that Vienna had been captured, it was urgently necessary to settle the respective zones in Vienna, and of the proposal that United States, British and French Governments should send their officers at once to Vienna to work out the necessary arrangements on the spot.

2. His Majesty's Government gladly accepts this proposal and welcomes the statement issued by the Soviet Government on April 8th affirming that the Soviet Government stands firmly by the Allied declaration issued at Moscow in 1943.

3. Besides working out in Vienna the division of the Vienna zones and airfields, it is urgent that the four powers should arrive at an agreed policy in regard to the establishment of interim control machinery for Austria and that the representatives on European Advisory Commission should be instructed to settle this latter question without delay.

4. There are other important political and economic questions which will arise in Austria. His Majesty's Government are sure that the Soviet Government will agree that our common purpose might well be prejudiced by unilateral action on the part of any one of the occupying powers in regard to the removal of industrial plant and equipment regardless of whether or not this was German owned, or the elimination without regard to their attitude towards the Nazis, of Austrians who might be useful in re-establishing Austrian administration and economy. His Majesty's Government propose therefore that representatives to be sent to Vienna should be empowered to deal with such questions and that the Soviet Commanders on the spot should meanwhile be instructed to hold their hand. His Majesty's Government would also urge the importance of taking all possible steps to maintain Austrian agriculture in full production.

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[60] British Chargé in the Soviet Union.

740.00119 Control (Austria)/4–2245 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, April 22, 1945—7 p. m.
[Received April 22—4:30 p. m.]

1308. Have today addressed letter to Vyshinski along the lines of Department's 907, April 19, 11 a. m. concerning occupation of Vienna.

I would be personally inclined to question the advisability of our representatives proceeding to Vienna before general agreement has been reached on the airport question and before we can be sure that they will be received and treated in a manner entirely consistent with the dignity of their position. If we are later to participate successfully in a joint occupation, I think it important that the local prestige of our representatives not be compromised in advance by their being dependent on the favor of the Russian commander for all facilities, particularly entrance and egress for themselves and their staffs and freedom of movement in the Vienna area, during the initial period.

I must also invite attention to the possible effect on the future value of EAC as a channel for working out such tripartite settlements if the Russians are permitted, without remonstrance on our part, to remove these discussions from that body to a place where they feel themselves in effective control and in a position to back up their views by various forms of local pressure.

Repeated to AmPolAd Caserta as 60.

KENNAN

740.00119 E.A.C./4–2345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 23, 1945—2 p. m.
[Received April 23—11:10 a. m.]

4125. For Mr. Matthews (Washington) Mr. Erhardt (Caserta). Two important factors emerged from Saturday [61] night's long meeting of the EAC on Austria. The Soviet representative stated that he had not been informed by his Government of Marshal Stalin's invitation for US, UK and French representatives to proceed to Vienna to "establish" the zoning of Vienna on the spot. Apparently Gousev first learned of this invitation from Strang just before the meeting. A second factor is that Gousev now has somewhat more flexible instructions.

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[61] April 21.

I have been waiting to report to you until I found out what the British position was. Strang has just informed me that his Government wishes to delay further discussions on Vienna in the Commission until there is a reply from Stalin confirming his invitation to send representatives to Vienna. Think it is important to know whether Stalin's invitation referred only to assignment of area within the city of Vienna or whether it would include a consideration by the military representatives of the larger Vienna Gau.

Since Gousev suggested in Saturday's discussions that Tulln airdrome, which lies outside the boundaries of greater Vienna and in the Russian zone, be substituted for Schwechat airdrome, the representatives who proceed to Vienna should also be able to inspect Tulln or any other suggested air facilities. Neither the British air authorities nor our own feel that Tulln is adequate to meet the joint needs of the three other occupying forces. The British, and I believe also the French, would accept US administrative and operational management of the airdrome assigned to joint use.

With regard to Innere Stadt, Gousev on Saturday accepted provisionally the US formula of April 10 providing for joint occupation and use (text transmitted in my 85 April 15, 11 p. m., to Caserta, repeated to Department as my 3865).

The Russian argument in asking for greater all-round facilities in Vienna is based on their use of Vienna as the administrative center of their zone.

This morning one of Gousev's assistants, Saksin,[62] gave Mosely informally a new Soviet proposal for division of the city of Vienna, drafted on the assumption of joint occupation and use of Innere Stadt. Under this new proposal the Soviet zone would consist of districts of Floridsdorf, Brigittenau, Leopoldstadt, Favoriten and Wieden; French forces would occupy Landstrasse and Simmering; US forces would occupy Döbling, Alsergrund, Währing, Hernals, Ottakring, Josefstadt, Fünfhaus and Rudolfsheim; UK forces would occupy Hietzing, Meidling, Neubau, Mariahilf and Margareten.

On Saturday I further insisted that, if the city of Vienna rather than greater Vienna was to be accepted, facilities for training and recreation should be provided for US forces outside the city itself and in the adjacent areas of the Soviet occupied zone. The British and French joined in supporting this position.

If freedom of inspection is given to the military representatives and they report to the Commission, we would be in a much better position to make final recommendations on the arrangements for Vienna. I

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[62] Georgi Filipovich Saksin, Counselor of the Soviet Embassy in London.

should like to point out that although we appear to be close to agreement on control machinery, this agreement cannot be finally concluded as article II must refer either to "greater Vienna" or to "the city of Vienna".

Sent to Department as 4125; repeated to Caserta as 92.

WINANT

740.00119 Control (Austria)/4–2345

The Counselor of the British Embassy (Makins) to the Director of the Office of European Affairs (Matthews)

WASHINGTON, April 23, 1945.

MY DEAR DOC: I enclose herewith a paraphrase [63] of a telegram which the Foreign Office sent to Mr. Macmillan [64] at Caserta on April 22nd reporting a further move by the Soviet representative at the European Advisory Commission on April 20th [*21st*] about Austria. You probably have received a similar account from Mr. Winant.[65]

As you will see, Monsieur Gousev appeared to be making a move towards reaching a settlement in the European Advisory Commission itself on the questions regarding Vienna which, at Marshal Stalin's suggestion, it was proposed should be dealt with on the spot by American, British, French and Russian representatives.

In spite of this latest development at the European Advisory Commission, the Foreign Office are anxious that the American, British and French representatives should proceed to Vienna as proposed. They think these matters can probably be settled better on the spot, especially if added authority is given to the Allied representatives by the presence of Field Marshal Alexander. They feel also that once the Allied representatives are in Vienna they may be able to discuss other matters besides arrangements for dividing up the City and in fact establish the interim Allied Commission for which we have long been pressing at the E.A.C. At the worst the representatives would be able to report something of what is now happening in Vienna.

The Foreign Office hope that the State Department will share this view and agree that we should both do our utmost to get our representatives to Vienna notwithstanding this latest development.

Yours ever, ROGER MAKINS

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[63] Not printed.

[64] Harold Macmillan, British Resident General at Allied Force Headquarters, Mediterranean.

[65] See *supra*.

740.00119 EAC/4–2345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 23, 1945—10 p. m.
[Received April 23—4:40 p. m.]

4160. At tonight's meeting of the European Advisory Commission the Soviet representative introduced formally his new proposal for the division of the city of Vienna, which I reported in my 4125 to Department April 23, 2 p. m., repeated to Caserta as my 92. The grounds advanced were that a large part of the proposed Soviet area, particularly Floridsdorf, had been destroyed in the capture of Vienna. This new proposal and the reason advanced in support of it seem added grounds for looking over the zoning and facilities at Vienna on the spot. I also hope that an officer from the Air Service will be assigned to the mission.

Sent to Department as 4160; repeated to Caserta as 93.

WINANT

740.00119 Control (Austria)/4–2345

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

No. 6 [CASERTA,] April 23, 1945.
[Received April 28.]

SIR: I have the honor to inform the Department that the planning for the occupation of Austria is in its final stages at the United States Group Control Council here in Caserta. It may be of interest to have a general picture of the progress to date.

Basic Planning Documents for Austria

The basic planning documents for Austria, prepared in the field, consist of the following:

1. AFHQ Detailed Plans for the Military Occupation of Austria, prepared under the general authority granted by the Combined Chiefs of Staff to the Supreme Allied Commander, Mediterranean Theater of Operations, to occupy Austria;
2. Field Handbook on Military Government;
3. Functional Manuals;
4. Basic Plan;
5. Policy Directives.

With the exception of one, which is of a strictly military character, they will be discussed in the order listed above.

Field Handbook on Military Government

The Field Handbook on Military Government in Austria was prepared jointly by the American and British Planning Groups in London. As a matter of fact, about 95% of this Handbook was written by the American planners. The first draft was mimeographed and sent to Washington under date of October 20, 1944.[66] Subsequently, it has been reviewed and approved by AFHQ, with very few changes. The only exception to this is Chapter 5, on De-Nazification, concerning which there existed a divergence of views between the Americans and British. This chapter is now being considered by AFHQ. At the present time, the printed editions of the Handbook are coming off the press in London, with the exception of Chapter 5.

Functional Manuals

The Functional Manuals, of which there are 12,* were likewise prepared by the American and British planners in London, and subsequently reviewed by AFHQ. They are, as the name implies, detailed guides covering the work of each of the Divisions which are likely to be set up under the quadripartite control machinery during the period in which the administration of Austria is under an Allied Commission. Each manual is based on the corresponding chapter in the Handbook, but it goes into the subject more thoroughly, so that it will offer detailed guidance for the specialists in each branch. Four of the manuals, which will be required by all military government officers in Austria, will be printed, viz., "Administration and Local Government", "Public Safety", "Displaced Persons", and "Legal". The other manuals will be mimeographed. A list of the titles of these manuals is enclosed.

Basic Plan

The U.S. Group Control Council—Austria has prepared what is known as the Basic Plan for Military Government in Austria. It is designed solely for possible use during the phase of Allied Commission government in the event that no approved basic policies are received from higher authorities. It should be pointed out that the Basic Plan represents strictly American thinking—the British did not participate in its preparation—and the annexes and appendices to it consist of statements of what each Division Chief conceives to be his primary tasks and how he proposes to accomplish them. Of course, the Basic Plan may never be used at all, and it is subject to modification at all times by approved policies received in the future.

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[66] Not printed.

*This may subsequently be reduced to 11 by the inclusion of Agriculture under Economics. [Footnote in the original.]

The Basic Plan, which is not yet completed, will consist of a general statement of objectives, with 27 annexes and 98 appendices. A list of the annexes is enclosed.

Policy Directives

The U.S. Group Control Council—Austria has undertaken the preparation of a number of policy directives on various subjects along the lines of those prepared by the German Control Council group. These Austrian directives are based on the Moscow Declaration, and on various policies approved for Austria by the Joint Chiefs of Staff, Combined Chiefs of Staff, the Department of State, and the President. The German directives, some of which were approved in Washington, were also used for guidance. At the present time, 29 such Austrian directives have been submitted to the American element of G–5,[67] AFHQ, for comment, and 10 others are in various stages of preparation. After the G–5 MTOUSA comments have been received and discussed, it is planned to submit the directives in final form to General McNarney for approval. When they have been cleared by him, they are to be submitted to the Joint Chiefs of Staff, and copies forwarded to Ambassador Winant in the EAC for his information.

It should be pointed out that these Austrian directives are not interim directives but have been prepared in such form that, if time permits† their consideration and approval by the Governments concerned at the EAC level, they could be issued to each Commander-in-Chief on the Governing Body of the Allied Commission in Vienna.

A list of these 39 directives is enclosed.

Despatch of American Officers to SHAEF for Military Government in Austria

On April 12, a mission from AFHQ was sent to Paris, and subsequently to SHAEF Forward, to discuss military government matters involved in the occupation of Austria by forces under SHAEF. In this group were included Colonel George R. Carey, Chief of Staff to General Flory, and Lt. Col. Charles P. Howard, Assistant Planning Coordinator of the U.S. Group Control Council—Austria. As a result of these discussions, it was decided that certain officers of the task force element now in Caserta should be sent immediately to the SHAEF Theater. Accordingly, on April 22 and 23, some 30 officers and 35 men left here for Paris, where they will be formed into military government teams to enter Austria with SHAEF troops in the event that Austria is occupied from the North. It is planned to send an additional 60 officers and 35 men from this theater about the end of April, to supplement the group leaving tomorrow.

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[67] Civil Affairs Division.

†If time does not permit, these directives can be used for guidance at the Governing Body level on the Allied Commission. [Footnote in the original.]

A part of the military government team for Greater Vienna will remain here. It now consists of 20 officers and about 20 men, and it is hoped to augment this to 64 officers and 128 men through the acquisition of additional personnel from the Balkan areas and from this theater.

School for Military Government Officers at Portici

From February 1 to April 15, there was held under British auspices at Portici, a small town near Caserta, a school for military government officers, who are subsequently to be assigned to Austria. Approximately 50 percent of the lectures were delivered by American officers. Two types of courses were offered; one for men with no experience in military government, who were given one week of general instruction on the theory of military government and one week of background instruction on Austria; while the other course was for men with some experience in military government, who were offered one week to give them a general Austrian background. Approximately 130 American officers, drawn from the Fifth Army, the Allied Commission for Italy, the task force element of the U.S. Group Control Council—Austria, and other sources, went through this school. Some 200 British officers took these courses. After the American officers had finished the school some 50 of them were returned to the Fifth Army; others were sent back to the Allied Commission for Italy, earmarked for future service in Austria, while the remainder came back to the task force element.

Disarmament and Demobilization School.

A joint Air-Ground Disarmament-Demobilization School has been started at the U.S. Group Control Council—Austria in Caserta to give a two weeks' course in general Austrian background and orientation to American officers, who are to serve with the Army Corps and Division staffs of the American occupation forces in Austria. These officers are scheduled ultimately to be moved to the SHAEF Theater to come in with the troops from the North. The first course started April 19, the second is to begin May 3, and the third on May 17. It is contemplated that 90 officers from the Army, 75 from the Air Forces and 15 from the Navy will attend this school. The Political Division has agreed to furnish officers for three of the lectures to cover Austria from the political, economic, and agricultural standpoint.

Transfer of USGCC–Austria to Fifth Army

On April 4, 1945, General Order No. 21, dated January 30, 1945,[68] which established the U. S. Group Control Council—Austria, was rescinded, and this organization, with the exception of Air, Navy, and Political divisions was assigned to the Fifth Army, effective

[68] See footnote 54, p. 18.

April 14, 1945. It will remain in Caserta pending further developments.

Liaison with USGCC—Germany

Arrangements have been made to exchange liaison officers between the Control Council groups of Austria and Germany. In accord therewith, Lt. Dale Clark (USNR [69]) has arrived in Caserta to represent the German group, and Colonel Donald M. Pearson of the Austrian group has departed to take up his liaison duties with the German group in France.

UNRRA[70]

Mr. David H. Sulzberger, UNRRA representative, arrived on April 10, on a permanent assignment to plan with General Flory's group for UNRRA work in Austria. At the present time, consideration is being given to a draft of an UNRRA–SACMED agreement along the lines of the SCAEF model.[71] It is contemplated that UNRRA will furnish assembly center cadres consisting of a director, welfare officer, and a medical officer. Once in Austria these three officials will recruit from among suitable displaced persons an additional seven to nine people, the whole forming an UNRRA team of ten or twelve persons. It is impossible at this stage to know how many such teams will be formed, but the number may go as high as 100.

At present UNRRA is empowered to deal solely with displaced persons but the question has been raised as to whether or not this organization may receive special authorization to engage in relief and rehabilitation work.

Red Cross

At the present time, eight experienced American Red Cross officers, who are now in Northern Italy, have been earmarked for service in the American Zone in Austria. These officers are scheduled to go in with the Task Force—either from the North or the South—and will be prepared to distribute to Austrian civilians 100 tons of selected items of clothing, totaling 240,000 pieces. They expect to have some ambulances. Likewise they will concern themselves with civilian hospitals and general welfare work and, in addition, it is their hope to revive the Austrian Red Cross.

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[69] United States Naval Reserve.

[70] United Nations Relief and Rehabilitation Administration. For documentation regarding the participation by the United States in the work of UNRRA for the year 1945, see vol. II, pp. 958 ff. Regarding the work of UNRRA in Austria, see telegram 315, November 29, to Vienna, and telegram 561, December 12, from Vienna, *post*, pp. 667 and 681, respectively.

[71] For text of agreement to regularize the relations between the Supreme Commander, Allied Expeditionary Force, and UNRRA during the military period, signed by General Dwight D. Eisenhower and Herbert H. Lehman, 25 November 1944, see George Woodbridge, *UNRRA: The History of the United Nations Relief and Rehabilitation Administration* (Columbia University Press, New York, 1950), vol. 3, Appendix 5, 1*a*, p. 180.

In the zone to be assigned to the United Kingdom, the British Red Cross will be used, which in contrast to the American Red Cross, will deal, not only with Austrian civilians, but also with displaced persons.

OSS

According to present plans, the Office of Strategic Services has earmarked a team of 35 men to serve in Vienna, and an additional force of 134 people are to serve in the American zone. If SHAEF troops enter Austria from the north, 30 OSS men, drawn from the above allocations, plan to go in from there.

Personnel on Duty at the USGCC—Austria

On April 23, there were on duty at the U. S. Group Control Council—Austria the following:

	Officers	*E.M.*[72]
Army Ground Forces	94	123
Air	30	35
Navy	10	2

Note: For liaison duties in London there are at present one officer from the Political Division, three from the Air Division, one from the Navy Division, and one officer and two enlisted men from the Army Ground Forces.

An additional 19 officers of special qualifications are expected from Washington to augment the Planning Group in Caserta. General Flory has received authority from the Chief of Staff to General McNarney to recruit twenty more officers for this purpose. General McNarney wishes at least one officer from every division of the Planning Group to enter with the SHAEF forces from the north in order to familiarize themselves with military government problems in Austria at first hand. This will be done, if and when the officers can be spared.

Respectfully yours, JOHN G. ERHARDT

[Enclosure 1]

LIST OF FUNCTIONAL MANUALS PREPARED BY USGCC—AUSTRIA [73]

1. Agriculture
2. Economics
3. Education
4. Finance
5. Labor
6. Monuments, Fine Arts, and Archives
7. Post, Telephone, and Telegraph
8. Property Control
9. Administration and Local Government
10. Public Safety
11. Displaced Persons
12. Legal

[72] Enlisted men.
[73] None printed.

[Enclosure 2]

LIST OF ANNEXES TO BASIC PLAN [75]

1. Military
2. Air
3. Navy
4. Foreign Relations
5. Denazification
6. German Information Services (in Austria) (Propaganda)
7. Public Relations
8. Transport
9. Economics
10. Deliveries & Restitution
11. Finance
12. Administration & Local Government
13. Civil Service
14. Ecclesiastical Affairs
15. Public Safety
16. Public Welfare
17. Public Health
18. Monuments and Fine Arts
19. Archives & Records
20. Administration of Justice
21. Allied Prisoners of War, Allied Civilian Internees, and Displaced Persons
22. Labor
23. Posts, Telegraph & Telephone
24. Civilian Supply
25. Agriculture
26. Education
27. Administration US Group CC

[Enclosure 3]

LIST OF POLICY DIRECTIVES PREPARED BY USGCC, AUSTRIA [75]

1. Censorship of Civilian Communications
2. Control of Works of Art & Monuments in Austria
3. Control of Public Information in Austria
4. Securing & Examining Information & Archives
5. Disposition of German & German Controlled Naval Craft Equipment & Facilities
6. Control of Inland Transport
7. Disposition & Control of Police in Austria
8. Control & Disposal of Nationals, Armed Forces & Property of Enemy Countries other than German
9. Administration of Justice
10. Religious Affairs
11. Elimination & Prohibition of Military Training in Austria
12. Control of P. T. & T. Services in Austria
13. Disposition of German Armed Forces Subsequent to Surrender
14. Disarmament of German Armed Forces & Disposal of Enemy Equipment

[75] None printed.

15. Financial
16. Control of Educational Institutions in Austria
17. Property Control
18. Disposition of Political Prisoners
19. International Agreements
20. Control of Food and Agriculture
21. War Criminals
22. Control of Labor
23. United Nations Prisoners of War
24. Control of Displaced Persons and Refugees
25. Removal of Austrian Officials & Civilians From Territory Formerly under German Control
26. Price Control and Rationing
27. Control of Internal Trade
28. Austrian Foreign Trade
29. Control of Coal Industry
30. Control of Oil Industry
31. Control of Austrian Foreign Relations
32. Display of Emblems and Insignia
33. Control of Public Health
34. Determination of Austrian Nationality
35. Dissolution of Nazi Party & Purge of Nazi Personnel
36. Local Elections
37. Disposition of German & German Controlled Aero Equipment & Facilities
38. Control of Forestry & Forest Products
39. Control of Public Utilities and the Building Industry of Austria

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740.00119 Control (Austria)/4–2545 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State [76]

Moscow, April 25, 1945—7 p. m.
[Received April 25—5 : 35 p. m.]

1348. ReDeptel 907, April 19, 11 a. m. I have received a letter from Vyshinski stating that the Soviet Government has no objection to the dispatch to Vienna of several American officers to participate in the work of the provisional control machinery. Vyshinski states that the Soviet Government considers it extremely important to expedite the delimitation of the zones of occupation in Austria and in Vienna and to discuss plans for the organization of the provisional control machinery in conformity with the proposals advanced from the Soviet side for consideration in the European Advisory Commission.

[76] The text of this telegram was repeated on April 27 to London as Department's No. 3291 and to Caserta as No. 391.

Concerning political and economic questions and particularly questions of the removal of various types of equipment, Vyshinski states that the Soviet Government considers that no obstacles should be placed in the way of the urgent removal of trophy equipment which might be used in the war against Germany.

KENNAN

863.01/4–2645 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State [77]

Moscow, April 26, 1945—6 p. m.
[Received April 26—3 : 50 p. m.]

1361. Communication has just been received from Vyshinski dated April 24 in which he states that he has been directed by the Soviet Government to communicate the following.

"Upon entry of the Red Army onto territory of Austria the former Chancellor of the Austrian Republic and last President of the Free Austrian Council, Karl Renner, addressed himself to the Soviet Command stating that he was prepared to extend every aid to the Allies in liberating and restoring an independent Austrian state.

"After the entry of Soviet forces into the Austrian capital Vienna Karl Renner informed the Soviet command of his desire to form a provisional Austrian government. In this connection Karl Renner stated that he, as the last President of the Free National Council of Austria which had been dissolved by the Germans, had the legal right to form such a government. He proposes to call together the former Deputies of the Austrian Parliament who have remained in the territory of Austria freed by the Red Army and together with them to decide the question of the composition of a provisional Austrian government into which, in his opinion, representatives of all the political parties of Austria and of non-party elements should enter.

"Karl Renner considers that this means of organizing a government is at the present time the only possible one inasmuch as it is not possible at present to conduct elections to the National Assembly in view of the fact that the greater part of Austrian territory is occupied by the Germans and the entire male population and a considerable part of the female population of the Austrian territory freed by the Red Army has been driven off by the Germans.

"On the assumption that the creation of a provisional Austrian government can be of substantial help to the cause of the Allies in the battle for the complete liberation of Austria from German dependence, the Soviet Government considers it possible not to hinder Karl Renner

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[77] The text of this telegram was repeated to Caserta in Department's telegram 393, April 28, to London as Department's No. 3324, and to Paris as Department's No. 1739. The note of the Soviet Government quoted in this telegram was summarized by the Ambassador in the Soviet Union in his telegram 65. April 26, 8 p. m. to the United States Political Adviser on Austrian Affairs in Vienna, not repeated to the Department (Vienna Embassy Files).

and other political figures of Austria in their work of forming a provisional Austrian government.[78]

"I request you please Mr. Chargé d'Affaires, to bring the above to the knowledge of your government.

"I am sending a letter of similar content to the British Chargé as well."

KENNAN

740.00119 Control (Austria)/4–2645 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, April 26, 1945—7 p. m.
[Received April 26—4:10 p. m.]

1363. ReEmbs 1348, April 25, 7 p. m. to Department, repeated to Caserta as 63. With respect to Vyshinski's letter concerning the despatch to Vienna of American officers to participate in the work of the provisional control machinery I wish to invite particular attention to Vyshinski's use of the words "in conformity with the proposals advanced from the Soviet side for consideration in the EAC."

In view of this wording and of Soviet practice as observed on other occasions our officers may expect when they go to Vienna that the Soviet commander will have authority to discuss the questions of delimination of zones of occupation in Austria and Vienna only on the basis of and within the general framework of the Soviet proposals already advanced in EAC.

Sent Department as 1363, repeated to Caserta for Erhardt as 64.

KENNAN

863.01/4–2645 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, April 26, 1945—8 p. m.
[Received April 26—5 p. m.]

1364. ReEmbs 1361 to Department and Embassy's 65 to Caserta for Erhardt.[79] With respect to Soviet communication about formation of provisional government in Austria by Renner, the Depart-

[78] On April 27, 1945, an Austrian Provisional Government headed by Karl Renner as Chancellor was formed and the reestablishment of the Austrian Republic was proclaimed. For the description of the formation and composition of the new government and the text of the proclamation, see *Österreichisches Jahrbuch 1945–1946 Nach Amtlichen Quellen* (Wien, 1947), pp. 7–12.

[79] See footnote 77, p. 94.

ment will note that most of the Austrian left wing elements were concentrated in the Vienna District and of the non-left wing elements there a very large proportion presumably fled out of apprehension over what might happen to them after the entry of the Red Army at the hands not only of the Russian forces but also of Austrian Partisans and Communist elements. It is not to be supposed therefore that many former parliamentary Deputies could be found in the Vienna area today other than those of a radical left wing persuasion. This is further supported by Vyshinski's own statement that the entire male population has been deported. Thus regardless of the extent to which Renner's name and age might inspire respect in Austrian circles it is not likely that he would be able to mobilize under existing conditions anything resembling a representative Austrian government in the territory liberated by the Red Army.

Vyshinski's statement that the entire male population and a considerable part of the female population of the Soviet occupied area have been driven off by the Germans is the first information of any sort this Embassy has had from Soviet authorities on conditions in Austria.

KENNAN

740.00119 Control (Austria)/4–2645 : Telegram

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

CASERTA, April 26, 1945—9 p. m.
[Received April 26—9:20 a. m.]

1733. The Department should read W 72646 of April 25 from Joint Chiefs of Staff for General McNarney [80] in regard to the proposed Allied Mission to proceed to Vienna. General McNarney discussed this subject with Field Marshal Alexander and a message, No. FX–65623 from General McNarney to Joint Chiefs of Staff, is going out tonight.

The Field Marshal is sending a parallel instruction to the British Chiefs of Staff expecting [*excepting?*] that he is urging that the discussions in Vienna be upon Gau Vienna rather than the narrower limits of the city. It has been decided and the British Foreign Office concurs, so I am told, that the Field Marshal will not now proceed to Vienna.

The Department should know that the military representatives in Caserta are, in general, disposed to question the advisability of having

[80] Not printed. The Department of Defense has supplied information that this message, dispatched by the Joint Chiefs of Staff through the War Department, was dated April 24. For a summary of this telegram, see the last paragraph of Department's telegram 3400 to London, May 1, 3 p. m., p. 107.

representatives proceed to Vienna before a general agreement is reached on the equality of status of all occupying forces. What they have in mind includes joint occupation and use of the Innere Stadt, airports, facilities, transit rights and freedom of movement of all personnel. The Field Marshal and General McNarney have always been especially insistent on these points. Even today Alexander argued strongly for Gau Vienna and he wished, until dissuaded by General McNarney's position on the subject, to inform the British Chiefs of Staff that unless equality of status in the Vienna Gau was accepted by the Russians now he felt it would be inadvisable to despatch a mission to Vienna.[81]

Sent Department, repeated London as 171.

[ERHARDT]

740.00119 Control (Austria)/4–2645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 26, 1945—9 p. m.
[Received 9:45 p. m.]

2131. For Erhardt. The Foreign Ministry has just informed me of the composition of the French delegation which will proceed to Vienna with the American and British delegations in accordance with Stalin's proposal. The delegation consisting of seven members is as follows: Philippe Baudet, Chief of the delegation with personal rank of Minister, Robert Luc, Secretary of Embassy, Miss Madelaine Le Breton, secretary, Brigadier General Paul Cherriere, Captain Becque, Lieutenant Pierre Mollet, Miss Andree Marvelle (French WAC).

Baudet has also informed me that the delegation will be prepared to leave Paris for Caserta on Saturday [82] afternoon or Sunday morning if transportation can be arranged. He has requested information as to whether he can obtain the appropriate currency in Italy and Austria for French francs which he will carry with him and he will also appreciate having any available information relating to the communications facilities while in Vienna. He is bringing with him codes and assumes that he may communicate from Vienna with his Government by cipher and that it will also be possible to send diplomatic correspondence from Vienna by pouch.

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[81] In his telegram 1792, April 28, 12 p. m., Mr. Erhardt reported that the British Chiefs of Staff were in accord with Field Marshal Alexander's views as outlined above, and the British Chiefs of Staff directed Alexander to make arrangements with Marshal Tolbukhin regarding the mission to Vienna (740.00119 Control (Austria)/4–2845).

[82] April 28.

The French delegation has indicated that it will be ready to proceed to Caserta on Sunday and I am arranging for them to proceed there by ATC on that day.

Sent Caserta as 41; repeated London as 252.

CAFFERY

740.00119 Control (Austria)/4–2745 : Telegram

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

CASERTA, April 27, 1945—1 p. m.
[Received 8 : 37 p. m.]

1761. I have talked over with Generals McNarney and Flory Moscow's telegrams giving Vyshinski's reply concerning despatch of an American Mission to Vienna, and also the proposal advanced by Renner to form a Provisional Government. It seems reasonable to suppose that if the Soviet Commander in Vienna is to have authority to discuss zoning of Vienna only on the basis and within the framework of Soviet proposals advanced in the EAC, the US and Soviet positions are so divergent that there is offered no prospect for a meeting of minds, since the US cannot forego obtaining an airport and the Soviet proposals in the EAC, so far as I know, do not provide anything for us except the use of Aspern under Soviet control or the allocation to the US, UK and France of Tulln airport, both proposals being unacceptable.

The military view this latest information from Moscow as portending a repetition in Austria of some of the difficulties experienced in the Danubian area generally unless at the very beginning there is firmly established the principle of equality of status among the occupying powers.

Sent Department as 1761, repeated to London as 174. To Moscow as 150.

[ERHARDT]

740.00119 Control (Austria)/4–2745 : Telegram

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

CASERTA, April 27, 1945—11 p. m.
[Received 11 : 59 p. m.]

1762. The Department should see a telegram from the Joint Chiefs of Staff to General McNarney, No. W–73445 of April 26 [83] relative to mission to Vienna. In this connection General McNarney has

[83] Not found in Department files.

given Brigadier General Flory a directive for guidance the main points of which are:

1. Flory, as McNarney's representative, will negotiate with French, Soviets and British on Vienna on zoning of Gau Vienna, and allocating facilities in the inner city. Final action will be taken at each level.

2. As a basis for his negotiations Flory is to be guided by JCS 1169/9 [84] and JCS message WX72646.[85]

3. Flory is to examine proposals presented to him and with Soviet permission look over the Vienna zones. If proposals presented are in full accord with principles laid down in paragraph 2 Flory can agree to them as a basis for McNarney's recommendations to Joint Chiefs for transmission to the EAC. If proposals are not in line with paragraph 2 Flory is to submit counter proposals in writing, including substance of following four points: (*a*) equality between four occupying powers will be the basic principle governing the subdivision of Gau Vienna; (*b*) there will be a satisfactory allocation of the facilities of the inner city; (*c*) the US zone will be districts of Landstrasse, Wieden, Favoriten, Simmering and Schwechat; and (*d*) each of the four nations participating in the occupation will be accorded full rights of transit by ground and air over the zones of the other nations throughout Austria.

Any counter proposal made by Flory was also to include a statement to effect that Allied participation in occupation of Vienna and division of Vienna Gau are based on principle of equality.

4. Flory's counter proposals will be offered as American proposals for American zones and will not include zones of other countries, except that it can be stipulated that facilities of the United States airfield will be available to other three occupying powers on a larger basis until adequate air facilities may be available elsewhere.

5. To arrive at agreement Flory could waive claim to Schwechat district lying beyond Schwechat and Zwolfaxing airfields.

6. Flory is to keep McNarney informed at all times and is to request instructions on matters not covered by this directive.

7. Flory is to advise McNarney if he thinks the latter should come to Vienna himself or if he believes the conversations should be ended at any stage of the negotiations.

8. If other representatives bring up matters outside of scope of negotiations Flory is authorized to discuss such matters but to make no commitment.

Winterton,[86] Flory's opposite number, has just been made a Major General. Mack will accompany Winterton and I of course shall accompany Flory.

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[84] Not printed. The recommendations contained in this Joint Chiefs of Staff document entitled "Acceptance by the United States of Zone of Occupation in Austria", dated March 29, 1945, were transmitted in telegram 2658, April 5, 8 p. m. to London, p. 45.

[85] Not printed; for a summary of this telegram, see the last paragraph of telegram 3400, May 1, 3 p. m., to London, p. 107.

[86] Maj. Gen. T. J. W. Winterton, Deputy Commissioner (Military) on the British Element, Control Commission for Austria.

The French delegation consisting of seven people and headed by Philippe Baudet is arriving in Caserta Sunday.[87]

[ERHARDT]

740.00119 Control (Austria)/4–2845 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 28, 1945—8 p. m.

3343. The Joint Chiefs of Staff do not look with favor upon the French suggestion for a mixed rather than a zonal occupation of Austria. Mixed occupation is difficult of administration especially where differences of languages and legal concepts are involved. With occupation forces of different nationalities in the same area, an unfriendly or uncooperative population is in an ideal position to play one nationality off against the other and will be quick to take advantage of the situation. This suggestion would require submission to and acceptance by both the British and U.S.S.R. as well and could not be agreed to by the United States alone. Furthermore, it would require reopening and revising the entire theory of occupation as developed to date under the existing protocols. On the other hand no military objection is perceived to a French zone of occupation of Vorarlberg and Tirol in Austria. Any occupation of Germany or Austria by the French should be subject to all of the general conditions to which the United States, United Kingdom and the U.S.S.R. have already subscribed.

Sent to London as Department's no. 3343; repeated to Caserta for Erhardt as Department's no. 399.

GREW

740.00119 EAC/4–2945 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, April 29, 1945—6 p. m.
[Received April 29—1:45 p. m.]

1413. When I visited the Foreign Affairs Commissariat this afternoon on another matter the acting chief of the American Section took the occasion to refer to the intention of our Government to send an official group to Vienna to arrange zones of occupation and to participate in establishment of machinery of control and informed me under instructions of his Government that the movement of our party to

[87] April 29.

Vienna "can be carried out after EAC has fixed the zones of occupation for that city". He explained that the Soviet Government considered that the three major Allied Governments had decided that this should be matter for EAC and that until EAC had completed its action on this subject the arrival of our group in Vienna would be premature and undesirable.

He indicated that Gousev now had instructions which would permit him to proceed immediately to the further discussion of this matter in EAC and he thought we would have no difficulty in getting on with the discussions there.

Sent to Department, repeated to Caserta for Erhardt as 70 and to London for EAC as 185.

KENNAN

863.01/4–3045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 30, 1945—7 p. m.
[Received 8:52 p. m.]

4376. In a talk we had with Warner [88] today, Warner said that the Foreign Office not at all pleased with the way the Russians had handled the setting up of the Provisional Government in Austria headed by Karl Renner. He added that the views of the Foreign Office had been made known to the Department through the British Embassy at Washington, and that instructions to the British and American Embassies in Moscow are being worked out in Washington between the Department and the British Embassy.

The Foreign Office, Warner continued, found it particularly disturbing that the Russians, as the British Embassy in Moscow had been told only a few days ago, had been in touch with Renner ever since Russian troops entered Austria. The Russians, he went on to say, must not be left in doubt about the unfortunate impression made by their secretive and unilateral action in setting up and recognizing this Government in Austria.

Renner, Warner said he believed, was selected merely to give the Government an air of respectability. A man of his age could not be expected to take an active part in the Government. The real work, Warner concluded, would be done by young, active Communists.

Repeated to Moscow as 151.

WINANT

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[88] Christopher F. A. Warner, Under Secretary of State in charge of the Northern European Affairs Department of the British Foreign Office.

740.00119 Control (Austria)/5–145 : Telegram

The British Prime Minister (Churchill) to President Truman

No. 25 [LONDON,] April 30, 1945.

I am much concerned about the way things are going in Austria. The announcement of formation of a Provisional Austrian Government, together with refusal of permission to our Missions to fly into Vienna, makes me fear that the Russians are deliberately exploiting their arrival first into Austria to "organise" the country before we get there.

It seems to me that unless we both take a strong stand now we shall find it very difficult to exercise any influence in Austria during the period of her liberation from the Nazis. Would you be willing to join me in sending Stalin a message in terms of my immediately following telegram? [89]

740.00119 Control (Austria)/5–145 : Telegram

The British Prime Minister (Churchill) to President Truman

No. 26 [LONDON,] April 30, 1945.

Following is message referred to in my immediately preceding telegram:

Begins.

We have been much concerned to hear from our Chargé d'Affaires in Moscow that, despite invitation extended to Mr. Harriman on April 13th, the Soviet Government will not agree to Allied Missions proceeding to Vienna until agreement has been reached in E.A.C. regarding respective zones in Vienna and provisional control machinery. We have also been disagreeably surprised by announcement of the setting up in Vienna of a provisional Austrian Government, despite our request for time to consider the matter.

It has been our understanding that treatment of Austria, as of Germany, is a matter of common concern to the Four Powers who are to occupy and control those countries. We regard it as essential that British, American and French representatives should be allowed to proceed to Vienna in order to report on conditions there before any final settlement is reached in E.A.C. on matters affecting occupation and control of the country and especially of Vienna itself. We hope you will issue the necessary instructions to Marshal Tolbukhin in order that Allied Missions may fly in at once from Italy.

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[89] *Infra.*

740.00119 Control (Austria)/4–3045

Memorandum of Conversation, by the Director of the Office of European Affairs (Matthews)

[WASHINGTON,] April 30, 1945.

Participants: The President
Acting Secretary of State Grew
Mr. William Phillips [90]
Mr. H. Freeman Matthews

Mr. Grew told the President that a government had been set up in Austria obviously under Russian instigation. The only information which we had other than that contained in the press was a notification received on April 27 from the Soviet Government to the effect that Renner, a well known Austrian Socialist leader and former Chancellor, was planning to form a government and that the Soviet did not intend to oppose his administration.[91] Mr. Grew continued that the British Foreign Office had already issued a statement declining to recognize the new government (he read the ticker report) and he thought we should get out a statement along similar lines. Mr. Grew then read a draft statement which the President promptly approved (without change) and which was subsequently issued by the Department.[92]

Mr. Grew continued that the Prime Minister proposed to register a strong protest at Moscow and asked the President to join him in a message to Stalin.[92a] Mr. Grew asked whether the President agreed that we should make some representations to Moscow. He outlined briefly to the President the composition of the Austrian Government and the fact that Moscow-trained Communists seemed to hold the key positions of Minister of Interior and Minister of Education and Religion.[93] The President said that he agreed that we should protest against the procedure of the Soviet Government in acting unilaterally without consultation but not to comment on the composition of the Government. He requested that this protest be delivered by our Embassy at Moscow and a copy sent to Winant to communicate to

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[90] Special Assistant to the Secretary of State.

[91] Apparent reference to a communication from Vyshinsky transmitted in telegram 1361, April 26, 6 p. m., from Moscow, p. 94.

[92] *Infra.*

[92a] The reference here is to Churchill's messages Nos. 25 and 26, April 30, to President Truman, *supra.*

[93] Austrian State Secretary for Interior (Staatssekretär für Inneres) Franz Honner and State Secretary for Education and Religious Affairs (Staatssekretär für Volksaufklärung, Unterricht und Kultusangelegenheiten) Ernst Fischer.

Prime Minister Churchill. He told Admiral Leahy [94] to reply to the Prime Minister's personal message to the President merely stating that we were taking it up through our Moscow Embassy and that Mr. Winant was being directed to give him a copy of our telegram. (These directions were carried out this afternoon.) [94a]

H. FREEMAN MATTHEWS

740.00119 Control (Austria)/5–445

Statement by the Acting Secretary of State [95]

[WASHINGTON,] April 30, 1945.

Asked whether the State Department recognized the new provisional government of Austria headed by Dr. Karl Renner as temporary authority in Austria, or whether the Department had received any official confirmation of its formation, the Acting Secretary of State said that he had noted press reports emanating from Moscow that a provisional Austrian government headed by Karl Renner had been formed at Vienna but added that the United States Government has not yet had confirmation of this development. The Acting Secretary also said that on April 27 notification was received by the Soviet Government that the formation of a provisional Austrian government had been proposed by Dr. Renner and the Soviet Government was not disposed to hinder this development. He added that the United States Government does not recognize this provisional Austrian Government and that the whole question is being taken up with the Government of the USSR whose troops are now in occupation of Vienna.

863.01/4–2645 : Telegram

The Acting Secretary of State to the Chargé in the Soviet Union (Kennan)

WASHINGTON, April 30, 1945—9 p. m.

981. After concerting with your British colleague please inform the Soviet Government as follows with reference your 1361, April 26, 6 p. m. and Dept's 972, April 28, 7 p. m.[96]

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[94] Adm. William D. Leahy, Chief of Staff to the Commander in Chief of the U.S. Army and Navy.

[94a] For text of the protest to the Soviet Government, see telegram 981, April 30, to Moscow, below. The reply to Prime Minister Churchill along the lines requested by the President was sent as his message No. 19, not printed.

[95] Typed heading to the statement reads: "For attribution to the Acting Secretary of State but not for quotation."

[96] Telegram 972, April 28 to Moscow, not printed, directed the Chargé to inform the Soviet Government that the communication regarding the proposed establishment of an Austrian provisional government was under study by the United States Government; the United States Government assumed that none of the four powers would recognize an Austrian government until all four had agreed on it (740.00119 Control (Austria)/4–2845).

In the spirit of the Yalta declaration on liberated Europe [97] this Government was preparing with an open mind and in good faith to consult with the Soviet Government about Renner's proposal, when it was surprised to learn through the press that a provisional Austrian government had already been formed in the Soviet-occupied part of Austria. This development could occur in that area only with the full knowledge and permission of the Soviet authorities. Yet they failed to consult us or inform us beyond the meager information conveyed in your 1361, or to allow time for us to concert with them prior to the establishment of Renner's provisional regime, the details of which we have learned solely from the press.

We assume that it remains the intention of the Soviet Government that supreme authority in Austria will be exercised by the four powers acting jointly on a basis of equality, through the inter-allied military government envisaged in the proposals for control machinery now before the European Advisory Commission "until the establishment of an Austrian government recognized by the four powers".

In order that we may collaborate with the Soviet authorities effectively in accordance with the Crimea declaration as far as Austria is concerned it is, in view of this development, all the more necessary that allied representatives proceed at once to Vienna as suggested by Marshal Stalin (Embassy's 1162, April 13, midnight) and that the protocols on zones of occupation and control machinery be completed in EAC without delay.

Repeated to London as no. 3395 with instructions to inform the Prime Minister; repeated also to Paris as no. 1777, and to Caserta for Erhardt as no. 411.

GREW

863.01/4–3045 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, April 30, 1945—9 p. m.
[Received 10:45 p. m.]

1424. With respect to the composition of the Provisional Government which has just been set up in Austria, I wish to invite attention to the significance of the Communist retention of the portfolio of the Ministry of the Interior. It is now established Russian practice to seek as a first and major objective, in all areas where they wish to exercise dominant influence, control of the internal administrative and police apparatus, particularly the secret police. The Russian mind is partial to the belief, founded in the political experience of

[97] Declaration on Liberated Europe, included as part V of the Report of the Crimea Conference, released to the press on February 12, 1945; for text, see *Conferences at Malta and Yalta*, p. 971.

this country, that control of the police establishment, both open and secret, is half the battle won in the struggle for power, and that all other manifestations of public life including elections can eventually be shaped by this authority.

The Department will see this policy reflected, I believe, in every one of the other countries in Eastern and Central Europe in which the Russians have recently sought dominant influence. In Finland the Ministry of the Interior has only recently been taken over entirely by a Communist (Leino).[98] In Poland the administration of public security which controls the police is in the hands of Radkiewicz,[99] a Communist of obscure origin widely believed here to be a direct representative of the Russian NKVD [1] and to exercise a unique authority in his field, independent of his colleagues in the Government. Nosek [2] who was given the Interior Ministry in the new Czechoslovak Government has been a member of the Czech Communist Party since its inception. In Rumania, Georgescu [3] is also a Communist and is backed by a fellow party member, Patrascanu,[4] who holds the Ministry of Justice. The Hungarian Minister of the Interior, Dr. Erdei Ferec is, as I understand it, the strength of the Communist sector of the Hungarian Provisional Government. About Yugov [5] in Bulgaria and Zagevich [6] in Yugoslavia I have no detailed information but I think it will be found that if they are not Communists they are at least regarded by the latter as entirely reliable people.

If, therefore, Moscow has contented itself with only three members of the Austrian Provisional Government openly designated as Communists, this should not be taken as an indication that the Russians would be prepared to accept willingly a permanent Austrian Government in which they would not have what they consider a controlling influence. In the present new regime retention of the Ministry of the Interior together with control of education of the youth and an active and watchful Communist [7] in the chancery of the elderly Premier will be considered here as a solid position. For the future Moscow will charge as usual what the traffic will bear.

Repeated to Caserta for Erhardt as 76.

KENNAN

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[98] Yrjö Leino.

[99] Stanislaw Radkiewicz, Polish Minister of Public Security.

[1] People's Commissariat of Internal Affairs of the Soviet Union (Narodnyi Kommissariat Vnutrennykh Del).

[2] Václav Nosek, Czechoslovak Minister of Interior.

[3] Teohari Georgescu, Rumanian Minister of the Interior.

[4] Lucretiu Patrașcanu, Rumanian Minister of Justice.

[5] Anton Yugov, Bulgarian Minister of the Interior.

[6] Vlada Zečevič, Yugoslav Minister of Interior of the Yugoslav Provisional Government.

[7] Reference is to Johann Koplenig, one of three members of "cabinet-council" (Kabinettsrat) created by Chancellor Renner. For a description, see *Österreichisches Jahrbuch, 1945–1946*, p. 9.

740.00119 EAC/4–445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 1, 1945—3 p. m.

3400. The Joint Chiefs of Staff and the War and Navy Departments have now considered the proposal of the Soviet representative to amend the British proposal in the European Advisory Commission for zones of occupation in Austria described in your 3449 April 4, midnight, Comea 205. The views of this Government are as follows:

1. There are no military objections to the Soviet amendment that the part of the province of Upper Austria north of the Danube River and the Styrian part of Burgenland be made parts of the Soviet zone.

2. However, the Soviet proposal that the area to be occupied by the quadripartite forces in the Vienna area should be limited to the pre-1938 City of Vienna is not acceptable. In consideration of the original Soviet proposal for subdivision of only the City of Vienna, the Secretaries of War and Navy pointed out in a letter of January 4 [8] that the U.S. subdivision in Vienna must extend sufficiently beyond the city limits to provide adequate air facilities for U.S. forces within the U.S. subdivision. They also stated in a letter of April 5 [9] containing comments on the British proposal for subdivision of Greater Vienna that the U.S. subdivision must include adequate air facilities for U.S. forces. This letter included a U.S. proposal for subdivision of Greater Vienna that would provide suitable air facilities for U.S. forces. Division of the pre-1938 City of Vienna will not assure any known air facilities to the U.S. forces in the Vienna area, in as much as the subdivision now proposed for Soviet occupation contains the only known airfield within the area. Such a division would result in all five of the airfields known to be in the Greater Vienna area being under Soviet control. It is believed that the U.S. should press for the division of Greater Vienna as proposed in the letter of April 5 which is mentioned, in as much as such a division would result in a more equitable distribution of airfields.

It is suggested that U.S. agreement to the inclusion of that area of Upper Austria north of the Danube River in the Soviet zone could probably be used as a basis for getting Soviet agreement to the U.S. proposal on the division of Greater Vienna.

The foregoing views were expressed by the Joint Chiefs of Staff prior to a telegram addressed by the War Department to General

[8] For substance of this letter, see views of the Joint Chiefs of Staff quoted in telegram 117, January 5, to London, p. 3.

[9] For substance of this letter, see views of the Joint Chiefs of Staff quoted in telegram 2658, April 5, to London p. 45.

McNarney on April 22 as number 72646,[10] instructing him to go or send a representative to Vienna to arrive at recommendations for submission to the Government for final approval after consideration in the European Advisory Commission of points relating to the zoning of Vienna not yet settled. In that telegram the foregoing views of the Joint Chiefs of Staff were modified to the extent of instructing General McNarney that an airfield with adequate supporting facilities must be an integral part of the United States zone in Vienna, but that in that case it would not be necessary to insist on the entire Gau or the entire district in which the airfield might be located.

Sent to London as Department's no. 3400; repeated to AmPolAd, Caserta, for Erhardt, as Department's no. 415.

GREW

740.00119 E.A.C./5–145 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 1, 1945—10 p. m.
[Received May 1—6:45 p. m.]

1431. The British Chargé having received similar instructions, I am addressing a letter to Vyshinski today along the lines of the Department's 981, April 30, 9 p. m., concerning Russian failure to consult us with respect to the Provisional Government in Austria and our desire that our representative should proceed at once to Vienna.

The Department's telegram under reference does not indicate whether the Department had received my 1413, April 29, 6 p. m. concerning the Soviet decision not to admit our representatives to Vienna until EAC has completed action on zones of occupation. I have today received a note from Vyshinski reiterating this position. In this note Vyshinski states that "the American, British and French officers" may come to Vienna to participate in the work of "the provisional control mechanism" when EAC shall have determined the distribution of the zones of occupation "of Austria and Vienna". He then repeats the reference contained in his note of April 25 (ReEmbs 1348, April 25, 7 p. m.) to the urgency of a decision in this question. He adds that corresponding instructions have been given to Marshal Tolbukhin. I take it that this last means that the Marshal has been directed to make arrangements to admit our representatives as soon as EAC has reached its agreement.

[10] Not printed; see footnote 80, p. 96.

In view of the uncertainty as to whether the Department had seen my 1413, April 29, 6 p. m. at the time when it drafted its instruction under reference, I am stating to Vyshinski in my letter that while I have not had a specific reaction from my Government to the communication made to me orally on April 29 and repeated in his note received today, the instructions which I have received to date indicate that my Government still considers it necessary that the Allied representatives should proceed at once to Vienna.

Sent Department as 1431, repeated to Caserta for Erhardt as 79; London for EAC as 187; and Paris as 89.

KENNAN

740.00119 Control (Austria)/5–245 : Telegram

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

CASERTA, May 2, 1945—9 p. m.
[Received May 2—1 : 25 p. m.]

1866. The French Delegation reached Caserta last Sunday.[11] They have been given offices and facilities by AFHQ in the hut area of the American Planning Group. At Baudet's suggestion a meeting of the French, British and ourselves was held in General Flory's office to discuss the mission to Vienna. The French views expressed were:

1. On the matter of the area to be subdivided in Vienna, the French military prefer Gau Vienna to the narrower limits of the city because it will best meet their requirements for adequate space and facilities for their troops.

2. With regard to terms of reference, the French envisage the mission as one mainly confined to making recommendations in the zoning of Vienna.

3. Mr. Baudet said he was not sure that Paris understood that the American and British missions were on a military level. He believed it wiser for the time being, that Brigadier General Cherriere instead of himself should head the delegation. He is telegraphing Paris for instructions on this point.

4. General de Gaulle[12] had instructed Mr. Baudet to stand for equality of status and treatment.

Sent Department, repeated London as 182, and Paris as 96.

[ERHARDT]

[11] April 29.
[12] Gen. Charles de Gaulle, Head of the French Provisional Government.

863.01/5–245 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 2, 1945—2 p. m.
[Received May 2—10:45 a. m.]

1432. ReEmbs 1431, May 1, 10 p. m., repeated to Caserta, London and Paris. With further reference to the Department's 981, April 30, 9 p. m. and the communication I have made to Vyshinski pursuant thereto and particularly to the passages dealing with the establishment of the provisional government, I wish to say the following.

I assume that this communication is being made for the record and that we are not entertaining any inordinate hopes as to its effect on the Russians. The latter are accustomed to this sort of reaction and probably discount it in advance when they take action they know will be distasteful to us. It is scarcely conceivable that any such expression of views in Moscow or anything our representatives might say or do in Vienna, if and when they get there, would alone suffice to induce the Russians to withdraw support of this provisional regime, as long as they continue to find it to their liking. In this respect, I invite attention once more to my 4214, November 3, 5 p. m., 1944 repeated to Caserta as 18 and to London as 247.[13]

From now on our best chance of making our influence felt on the general political situation in Austria will lie, in my opinion, in the degree of energy, efficiency and singleness of purpose which we are able to develop, together with our western Allies, in the zones of Austria we may occupy, and the extent to which we are able to create creditable conditions there which will permit people to face the future with some sense of confidence and security. A Soviet-ridden provisional regime whose authority was acknowledged only in Vienna and the Russian zone of occupation could hardly be successful for long, particularly if the remainder of the country were to turn out to be more orderly and prosperous.

In these circumstances I think we will wish to consider carefully once again the precise advantages we expect to gain by sending our representatives to Vienna and clinging to the principle of a quadruple control mechanism. In this we should bear in mind that whether our representatives, once arrived in Vienna, accept passively the Russian *fait accompli* or complain ineffectively against it, the result will be equally unhelpful to their local prestige and to their ability to influence the further course of events.

Sent Department as 1432, repeated to Caserta for Erhardt as 80, London as 188 and Paris for Reber as 90.

KENNAN

[13] *Foreign Relations*, 1944, vol. I, p. 467.

740.00119 Control (Austria)/5–245

Memorandum by Admiral William D. Leahy, Chief of Staff to the Commander in Chief of the Army and Navy, to the Director of the Office of European Affairs (Matthews)

WASHINGTON, May 2, 1945.

The following message from Prime Minister Churchill is forwarded for information and for preparation of a draft reply:

"Prime Minister to President Truman, personal and Top Secret, Number 29, your Number 19.[14] (1 May 1945)

1. I have now received from Ambassador Winant a copy of the protest which you have instructed your representative at Moscow to deliver to the Soviet Government after concerting with our Chargé d'Affaires.[14a] I am in entire agreement with this protest and our representative in Moscow is instructed to make a similar protest.

2. He is further to make the following separate communication: *begins*

1. His Majesty's Government are much concerned to hear from the British Chargé d'Affaires in Moscow that despite the invitation you extended to Mr. Harriman on April 13, the Soviet Government will not now agree to the Allied missions proceeding to Vienna until agreement has been reached in the EAC regarding representative zones in Vienna and the provisional control machinery. It is impossible for the EAC to reach any agreement about the zones in Vienna and the provisional control machinery until the Allied missions have reached Vienna and have been able themselves to ascertain the conditions there. The results of the Soviet refusal to allow them to go to Vienna have thus produced a complete deadlock and leave the Soviet Government in sole control of Austria.

"2. We therefore regard it as essential that the Allied representatives should be allowed to proceed at once to Vienna and thus enable a settlement to be reached on matters affecting the occupation and control of the country, and especially of Vienna itself, on the spot. We request that the necessary instructions be issued to Marshal Tolbukhin in order that the Allied missions may fly in at once from Italy. *Ends.*"

3. I trust, Mr. President, that this will be in accordance with your views and that if so you will instruct your Chargé d'Affaires to support his British colleague." [15]

WILLIAM D. LEAHY

[14] Telegram No. 19 not printed, but see footnote 94a, p. 104.

[14a] See telegram 981, April 30, to Moscow, p. 104.

[15] President Truman's reply to Prime Minister Churchill, as suggested by the Department of State, read in part as follows: "1. I agree entirely with your number 29, and the American Chargé d'Affaires at Moscow is accordingly being instructed to deliver the following message to the Soviet Government after concerting with his British colleague." The message to the Soviet Government is contained in Department's telegram 995 to the Chargé in the Soviet Union, May 3, p. 113. President Truman's message to the Prime Minister concluded as follows: "If you will let me know if this is approved, I will send the message to Moscow." (740.00119 Control (Austria)/5–245).

860C.00/5-245

Memorandum of a Meeting Held at San Francisco, May 2, 1945, 11 a. m.[16]

[Extract] [17]

Present:	The Secretary of State	Ambassador Gromyko	[19]
	Mr. Eden	Mr. Sobolev	
	Mr. Molotov	Mr. Pavlov	[20]
	Mr. Dunn	Mr. Podtserob	[21]
	Ambassador Harriman	Mr. Llewellyn E. Thompson	[22]
	Sir A. Cadogan [18]		

. . . . . .

THE SECRETARY said the third problem was that of the Provisional Austrian Government which had been set up without consultation with the British and American Governments.

MR. MOLOTOV said that these Governments had been informed.

MR. EDEN agreed that we had been informed, but said that there had been no consultations.

MR. MOLOTOV inquired if there were any objection to this Government. He said that they had not informed Renner that his Government was permanent.

MR. EDEN said we had asked the Soviet Government not to proceed with the setting up of this Government but to allow consultation.

MR. MOLOTOV asked how the situation could be improved.

MR. EDEN said we desire our people to proceed to Vienna.

MR. MOLOTOV replied that this could be arranged.

THE SECRETARY said that the matter had been before the EAC, but the Soviet Government had proceeded unilaterally.

MR. MOLOTOV said that Vienna had been captured quickly and that it had been necessary to set up an administration.

MR. EDEN said he wished to speak quite frankly on the matter. The Russian position is that our people can not go to Vienna until the EAC

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[16] This was one of a series of meetings held at the Fairmont Hotel between the Secretary of State, the British Foreign Secretary, and the Soviet Foreign Commissar and their advisers, during the United Nations Conference on International Organization, held at San Francisco, April 25–June 26, 1945. For documentation regarding this Conference, see vol. I, pp. 1 ff.

[17] For another portion of this memorandum, dealing with Poland, see vol. V, p. 272.

[18] Sir Alexander M. G. Cadogan, Permanent Under Secretary of State in the British Foreign Office.

[19] Andrey Andreyevich Gromyko, Soviet Ambassador in the United States.

[20] Vladimir Nikolayevich Pavlov, translator and interpreter in the People's Commissariat for Foreign Affairs of the Soviet Union and secretary to Foreign Commissar Molotov.

[21] Boris Fedorovich Podtserob, secretary and translator for Foreign Commissar Molotov.

[22] Political and Liaison Officer to the United States Delegation at the San Francisco Conference.

has agreed upon zones of occupation. We think that is not right and that they should proceed at once.

MR. MOLOTOV said he would inform Moscow and he felt that no obstacles would be raised.

740.00119 Control (Austria)/4–2545 : Telegram

The Acting Secretary of State to the Chargé in the Soviet Union (Kennan) [23]

WASHINGTON, May 3, 1945—noon.

995. After concerting with your British colleague please inform the Soviet Government as follows:

Following Marshal Stalin's suggestion (your no. 1162 April 13, midnight) and Vyshinski's confirmation (your no. 1348, April 25, 7 p. m.) that American, British and French representatives proceed immediately to Vienna to settle the respective zones of occupation, the British and American Governments made plans for their representatives to proceed from Caserta and the French Government sent representatives to join them there en route to Vienna. We were therefore greatly surprised to receive the Soviet Government's subsequent intimation that the arrival of American and Allied representatives in Vienna would be undesirable until after the zones have been agreed to in the European Advisory Commission (your no. 1413 April 29, 6 p. m. and your no. 1431 May 1, 10 p. m.) and are unable to understand the reasons for this change in attitude.

The European Advisory Commission has been unable to agree on the zoning of Vienna, partly through lack of information about conditions there. The Soviet representative has already had occasion to alter his own recommendations in the European Advisory Commission because of the discovery that part of the proposed Soviet zone had been destroyed in battle. It is equally important that we examine on the spot the factors bearing on our own proposals in the European Advisory Commission. Soviet unwillingness to permit this thus is blocking rapid conclusion of the agreements in the European Advisory Commission.

We therefore hope that appropriate instructions will be issued to Marshal Tolbukhin that the Allied representatives may fly to Vienna immediately.

Sent to Moscow as Department's no. 995; repeated to London as no. 3451; to Paris as no. 1827, and to AmPolAd, Caserta for Erhardt as no. 425.

GREW

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[23] Handwritten marginal note reads: "Admiral Leahy telephoned the President's approval of this message. H F[reeman] M[atthews]".

740.00119 Control (Austria)/5-345 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 3, 1945—noon.
[Received May 3—9 : 55 a. m.]

1447. ReEmbs 1431 May 1, 10 p. m. to Department repeated to Caserta as 79, London as 187 and Paris as 89. Communication has just been received from Vyshinski in reply to the two letters which I addressed to him on April 30 and May 1 pursuant to Department's telegrams 972 April 28 7 p. m.[23a] and 981 April 30, 9 p. m.

Vyshinski states that the Soviet forces operating on Austrian territory cannot get along without the organization of an administration composed of local citizens, just such an organization he continues has been created in the form of the Provisional Austrian Government by agreement between leaders of all non-Fascist democratic parties in Austria. It goes without saying, he concludes, that later in accordance with the existing agreement an Allied Control Commission will be set up which will carry out the necessary control over the Austrian Government.

Exact text of Vyshinski's letter is being sent to Department only, in a separate message.[24]

Sent Department as 1447 repeated to Caserta for Erhardt as 85 London for EAC as 193 and Paris for Reber[25] and Murphy as 94.

KENNAN

863.01/5-345 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 3, 1945—10 p. m.
[Received May 3—4 : 35 p. m.]

1453. There follows the text of a letter dated May 2 which I have just received from Vyshinski, as reported in a separate message concerning the organization of the Provisional Austrian Government:

"Acknowledging receipt of your notes of April 30 and May 1, I have to state that the Soviet armies fighting on Austrian territory against the German invaders cannot dispense with organizing on the liberated territory of Austria an administration of local persons.

[23a] Not printed, but see footnote 96, p. 104.

[24] *Infra.*

[25] Samuel Reber, Counselor of Mission, Staff of the United States Political Adviser for Germany (Murphy) from August 14, 1944, until April 25, 1945, when he was reassigned to the Department, Division of Western European Affairs.

According to agreement among the leaders of all existing non-Fascist democratic parties in Austria, such an organization was created in the guise of the Provisional Austrian Government. It goes without saying that later on in conformity with the agreement between our Governments, there will be created on Austrian territory from representatives of the four Governments, an Allied Commission which will effect the necessary control over the Austrian Government."

KENNAN

740.00119 Control (Germany)/5–445

Memorandum of Trans-Atlantic Telephone Conversation Between the Ambassador in the United Kingdom (Winant), in London, and the Director of the Office of European Affairs (Matthews), in Washington, May 4, 1945 [26]

[Extract]

. . . . . .

WINANT: I want to ask you, we have delayed discussing the question of areas in Vienna until after the military mission has gone on.

MATTHEWS: To Vienna, yes.

WINANT: Although two or three times Gousev has raised the question, I still think it wise to delay at present until the military mission has had a chance to look over the ground.

MATTHEWS: Unfortunately, we seem to have struck a snag in that. The Russians have now taken the position that the military mission should not go to Vienna until the question is settled and so we have reached a sort of an impasse. We have taken it up urgently with Moscow but have not yet gotten their answer.

WINANT: Well, I understand through Eden in the Foreign Office that Molotov has recommended to Stalin that they be permitted to go.

MATTHEWS: That is correct.

WINANT: And so I thought we should wait until we get their reply before we pursue that settlement of the Vienna area and the question of the Air Force here in London.

MATTHEWS: I think that's wise unless the delay is too long. If the delay is too long then I think we'd better go ahead and continue discussions in the EAC. Don't you agree?

WINANT: Yes I agree to that.

MATTHEWS: Yes.

WINANT: But I think it is worth waiting four or five days to get it.

. . . . . .

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[26] For other extracts from this trans-Atlantic conversation dealing with German problems, see p. 266.

863.01/5–545 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 5, 1945—5 p. m.
[Received May 5—11 a. m.]

1477. French Ambassador [27] spoke 2 or 3 days ago with Dekanozov [28] concerning establishment of the Renner Government in Austria. He expressed his Government's dissatisfaction with the unilateral action which had been taken by the Soviet authorities and refused to accept as valid Dekanozov's excuses that the Soviet authorities found need of a local administration and of an immediate demonstration of Austrian independence. He pointed out that it would have been quite possible to establish a local administration without establishing a provisional government. He invited attention to the implications which would arise if the authority of Renner Government were not to be recognized in the other zones of occupation in Austria. The Ambassador has stressed to his Government the importance of the maintenance of the principle of collective Allied responsibility in Austria and Central Europe and has urged that a firm line be taken.

KENNAN

740.00119 Control (Austria)/5–745 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 7, 1945—8 p. m.
[Received May 7—5 : 40 p. m.]

1490. ReDeptel 995, May 3, noon, 425 to Caserta for Erhardt. In reply to my letter incorporating the request that instructions be issued to Marshal Tolbukhin that Allied representatives be permitted to fly to Vienna without further delay, I have now received a letter from Vyshinski dated May 6, stating that the Soviet Government does not object as it has not objected previously to our representatives proceeding to Vienna to participate in the control machinery. However, continues Vyshinski, in giving such agreement the Soviet Government was confident that by the time the representatives arrived the necessary agreement would have been reached on the question of zones of occupation and the zones themselves would have been delimited by the EAC. Unfortunately the zones have not yet been delimited. The proposal to transfer the question of zones of occupation for consideration in Vienna is inacceptable in the opinion of the Soviet Govern-

[27] Gen. Georges Albert Julien Catroux.
[28] Vladimir Georgyevich Dekanozov, Assistant People's Commissar for Foreign Affairs of the Soviet Union.

ment since questions of this nature, as was agreed by the leaders of the three states,[29] are entirely within the competence of the EAC.

Vyshinski continues that the statement in my letter to the effect that the conversations in the EAC regarding zones of occupation in Vienna would not be successfully concluded until our representatives arrived in Vienna was unconvincing. It was sufficient to point out, he concluded, that the zones of occupation in Germany and Berlin were set up by the EAC before Allied troops entered German territory.

Sent to Department as 1490, repeated to Caserta for Erhardt as 89 and to London for EAC as 195.

KENNAN

863.01/5–845 : Telegram

The Acting Secretary of State to the Chargé in the Soviet Union (Kennan)

WASHINGTON, May 8, 1945—7 p. m.

1035. Your 1453, May 3, 10 p. m. Please inform the Soviet Government that we have noted Vyshinski's letter explaining the need for an administration of local persons in the Soviet-occupied area of Austria, and wish to take this occasion to review developments in Austria as follows:

We fully appreciate the need to have some native local administration in the areas occupied by the Red Army, as we have found desirable in areas occupied by the American Army. It was not our intention to object to this but rather to the Soviet Government's permitting the establishment of a government claiming to represent all of Austria, including areas occupied by U.S. forces, without prior consultation with us. Effective consultation will be possible only when Allied representatives have arrived in Vienna and joint control has begun.

Until then, while each occupying power is administering alone the area it has cleared, the United States is of course not associated with, and accepts no responsibility for, measures taken in the Vienna area. It will be glad to consider the question of a provisional Austrian national government when the Allied Commission begins to function in the period of joint control.

The occupation of all of Austria is now proceeding so rapidly that it may soon become desirable to place in effect the complete protocols on control machinery and zones of occupation now pending in EAC as soon as they can be agreed.

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[29] For text of the terms of reference of the European Advisory Commission as agreed upon at the Moscow Conference on November 1, 1943, see *Foreign Relations*, 1943, vol. I, p. 756.

The American representative in EAC has already stated the zoning needs of the United States in Vienna as well as they can be described without examining on the spot the actual condition of the area to be zoned following the damage of battle. These requirements appear to be entirely reasonable and justified. A suitable airport with supporting facilities must be an integral part of the U.S. zone in Vienna to assure our independence of communications and make possible the maintenance of our forces in Vienna. Insistence on zoning which would place all five Vienna airdromes in the Soviet zone thus seems to us unreasonable and inexplicable, and were the Soviet Government to persist in this attitude we could only conclude that it desired to delay completion of the agreements.

We have now received (Embassy's 1490 May 7, 8 p. m.) Vyshinski's statement that Allied representatives should not arrive in Vienna until after the zones have been agreed in EAC, thus reversing this earlier letter and Marshal Stalin's original suggestion that the representatives proceed to Vienna to establish the zones.

Vyshinski suggests it should be possible for EAC to zone Vienna as it did Berlin without examination on the spot. All three of the other representatives in EAC have for some time been prepared to do just this, i.e., subdivide the present capital, known as "Greater Vienna" just as "Greater Berlin" was subdivided. It is the Soviet Government alone which has been refusing to do this, seeking instead to subdivide the Vienna of 1938 rather than the Vienna of 1945.

Unless the Soviet Government will make it possible to resume the work on zoning in EAC by giving the Soviet representative sufficient latitude to arrive at a subdivision of the present-day capital "Greater Vienna" which will satisfy the legitimate needs of all the occupation forces there, including an airdrome in the U.S. zone, it is difficult to arrive at agreement in EAC.

Meanwhile, pending consultation among the Allies no government can be considered to represent all of Austria including areas occupied by U.S. forces.

Sent to Moscow as Department's no. 1035; repeated to London as no. 3622; to Paris as no. 1941, and to Caserta for Erhardt as no. 446.

GREW

740.00119 Control (Austria)/5–1245 : Telegram

The British Prime Minister (Churchill) to President Truman

LONDON, 12 May 1945.

43. The latest reply of the Soviet Government about our missions proceeding to Vienna is wholly unsatisfactory. It is quite unacceptable that the Russians should continue in this manner to exclude our representatives from Vienna. I am perfectly willing that the ques-

tion of zones in Vienna should be concluded in the EAC, but I feel that we should insist that our representatives should first be allowed to make a survey on the spot. Field Marshal Alexander holds the same view very strongly. As we have now reached a deadlock on the diplomatic level, would you now be willing to send either a joint or parallel message to Marshal Stalin on the following lines:—

1. "I am surprised to learn that, despite the invitation you extended to Mr. Harriman on April 13th, the Soviet Government are still refusing to allow Allied representatives to proceed to Vienna. The fact, to which M. Vyshinski has drawn attention in a letter to the British Chargé d'Affaires, that the zones of occupation in Germany and Berlin were established on a tripartite basis by the EAC before Allied troops entered German territory seems to me to have no relevance to the refusal of the Soviet Government to allow the representatives of their Allies to proceed to Vienna which has been liberated by Soviet forces. I have no wish, as suggested by M. Vyshinski, to transfer the ultimate decision of the zones question from the EAC to Vienna. But, the Soviet representative on the EAC having had occasion to alter his own recommendations to the Commission because of the discovery that part of the proposed Soviet zone had been destroyed, makes me feel that we too are fully entitled to have the opportunity to examine on the spot the factors bearing on our own proposals in the Commission."

2. "In order therefore to facilitate a rapid conclusion of the agreements in the EAC, which you will I am sure agree to be very desirable, I request that the necessary instructions may be issued to Marshal Tolbukhin so that Allied representatives may fly at once to Vienna."

PRIME

740.00119 EAC/5–1345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 13, 1945—6 p. m.
[Received May 13—5 p. m.]

4786. Comea 247. I have noted the desire expressed in Department's 3627, May 9, noon,[30] repeated to Caserta for Erhardt as 449, that the EAC should now resume negotiation of the two protocols on zones of occupation and on control machinery in Austria. I believe the Commission can resume discussion of these questions in the next few days. Latest instructions received here were contained in Department's 3400, May 1, 3 p. m., repeated to Caserta for Erhardt as 415.

Unless otherwise instructed I shall assume Department does not intend discussion in EAC to be delayed pending Moscow's report on the renewed remonstrances transmitted in Department's 1035, May 8,

[30] Not printed; it stated that the Department hoped that Ambassador Winant would be able to resume negotiations in the E.A.C. in a further effort to complete the protocols on zones of occupation and control machinery for Austria as soon as possible (863.01/5–945).

7 p. m., to Moscow (repeated to London as 3622; to Caserta for Erhardt as 466).

Since the last EAC discussions on zones in Austria reported in my 4125, April 23, 2 p. m., repeated to Caserta as my 92, no new factors have emerged with respect to the Soviet position in EAC except that I have told the Russians privately that all our information about Tulln airdrome indicates that latter is completely inadequate for our needs.

During the past week I have noticed a gradual hardening in the attitude of the UK delegation. Strang indicated informally last night that he now expects his Government to insist on adopting the wider boundaries of Gau Vienna and that probably he will not be prepared to continue discussion on the tentative basis of the narrower boundaries of Vienna City, even on presupposition that the Soviet delegation might agree to accept our requirements concerning (1) a suitable airfield under US control (2) recreation and training facilities outside Vienna City and (3) equitable sharing of Innere Stadt.

As I understand our position set forth in Department's 3400, it is also more unyielding inasmuch as I am instructed to insist that a suitable airfield must form an integral part of the US zone in Vienna. This involves our withdrawing the tentative formula advanced to me on April 10 (my 85, April 15, 11 p. m. to Caserta for Erhardt, repeated to Department as my 3865) which was designed to assure full US control of Schwechat airdrome and unimpeded access to it without including it as an integral part of the US zone, on condition that the Russians meet all our adjustments in other respects.

Under these circumstances and in light of other developments regarding Austrian affairs, I shall be glad to reexplore the zoning question in EAC, but unless the Soviet delegation has some new instructions, the Department should foresee a continuance of the present deadlock so far as the ability of the EAC to resolve the disagreements on Vienna is concerned.

Sent to Department as my 4786; repeated to Caserta for Erhardt as my 109.

WINANT

740.00119 Control (Austria)/5–1445

President Truman to the British Prime Minister (Churchill)

May 14, 1945.

As suggested in your no. 43, I am sending the following message to Marshal Stalin along the lines of your message to him:[31]

[31] For text of Prime Minister Churchill's message to Marshal Stalin, see *Correspondence Between the Chairman of the Council of Ministers of the U.S.S.R. and the Presidents of the U.S.A. and the Prime Ministers of Great Britain During the Great Patriotic War of 1941–1945*, vol. I, *Correspondence with Winston S. Churchill and Clement R. Attlee (July 1941–November 1945)* (Foreign Languages Publishing House, Moscow, 1957), document No. 468, p. 356.

"I am unable to understand why the Soviet authorities are now refusing to permit American and Allied representatives to proceed to Vienna, contrary to the good suggestion you made to Ambassador Harriman on April 13 that representatives go there to establish the Vienna zones of occupation, in order that the agreements on the occupation of Austria now pending in the European Advisory Commission may be completed.

Intelligent arrangement of the Vienna zones would be greatly facilitated by an examination and discussion on the spot by the military authorities who will later be responsible for smooth operation of the inter-Allied administration of Austria. For example, the Soviet representative in the European Advisory Commission has recently proposed that the air communication needs of the American forces be met by placing under American administration the airport at Tulln, 20 kilometers northwest of Vienna, in lieu of an airport in Vienna itself. However, neither he nor we know the precise dimensions or conditions of this airport, and to give his proposal proper consideration we should be permitted to survey it.

Since the area to be zoned is no longer in enemy occupation it seems only reasonable to examine it, as you suggested, in order to facilitate completion of the agreements in the European Advisory Commission. Continued refusal of the Soviet authorities to permit this, in spite of your original suggestion, would not be understood by the American public.

I therefore hope that you will yourself let me know whether you will issue the necessary instructions to Marshal Tolbukhin to facilitate a survey by the Allied representatives of those Vienna areas which are now under discussion in the European Advisory Commission."

In these messages we contemplate having the representatives merely survey and discuss prospective zones, so that the formal zoning and control machinery agreements can be completed in EAC. I consider the latter our primary objective in Austria now and am inclined to think it would be a mistake to have our representatives reside in Vienna or assume any functions or responsibilities there beyond surveying the zones, until full joint control of Austria can be instituted on a basis of full equality among the occupying powers. I fear that the Russians want before then to do things in Vienna that we would not approve, but that they want equally much to do them in our name rather than carry the onus alone. Until we can have equal control it seems desirable to maintain the position that what is done there is done unilaterally; otherwise we might slip there into the uncomfortable position we occupy in the Allied Commissions in Rumania and Bulgaria.[32]

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[32] For documentation regarding the activity of the Allied Control Commissions in Rumania and Bulgaria, see vol. v, pp. 464 ff., and vol. iv, pp. 135 ff., respectively.

740.00119 Control (Austria)/5–1945

Memorandum by Admiral William D. Leahy, Chief of Staff to the Commander-in-Chief of the Army and Navy, to the Secretary of State

WASHINGTON, May 19, 1945.

The following message from Premier J. V. Stalin, dated May 18, 1945,[33] was received this date:

"I have received your message of May 17 regarding the trip of American and Allied military representatives to Vienna. It is true that I agreed in principle to the arrival in Vienna of the said representatives, but, of course, I had in mind that by the time of arrival there of the said representatives a necessary understanding will be reached on the question of the zones of occupation of Austria and that the zones themselves will be specified by the European Consultative Commission.[34]

As it was agreed upon among Mr. Churchill, President Roosevelt and myself such questions are entirely within the competency of the European Consultative Commission. I still adhere to this point of view at the present time. Therefore it would not be possible to agree that the question about zones of occupation and other questions concerning the situation in Austria be transferred for consideration to Vienna.

I do not object, however, against a trip of the American and Allied representatives to Vienna for the purpose of acquainting themselves on the spot with the situation of the city and for preparing proposals regarding the zones of occupation in Vienna. In accordance with this necessary instructions will be given to Marshal Tolbukhin.

Besides, it should be kept in mind that the American military representatives could arrive in Vienna by the end of May or the beginning of June, when Marshal Tolbukhin, who is at present on his way to Moscow, will return to Vienna." [35]

WILLIAM D. LEAHY

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[33] In his telegram 2286, May 21, midnight, the Ambassador in Italy transmitted the text of a telegram from Marshal Stalin to Prime Minister Churchill, dated May 18, which was substantially the same as this message from Stalin to President Truman (740.00119 Control (Austria)/5–2145). For text of Marshal Stalin's message to Prime Minister Churchill, see *Correspondence Between the Chairman of the Council of Ministers of the U.S.S.R. and the Presidents of the U.S.A. and the Prime Ministers of Great Britain*, vol. I, document No. 469, p. 357.

[34] European Advisory Commission.

[35] President Truman's reply to Marshal Stalin's message was dated May 21 and read as follows: "I have received your message of May 18 concerning the dispatch of Allied representatives to Vienna for the purpose of acquainting themselves with the situation there and preparing proposals regarding zones of occupation, and I have informed our representatives of the dates you suggested." (740.00119 Control (Austria)/5–2145).

740.00119 Control (Austria)/5–2545 : Telegram

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

CASERTA, May 25, 1945—midnight.
[Received May 26—7 : 48 a. m.]

2358. Present plans approved by SAC [36] and McNarney for mission to Vienna [37] contemplate that Amer element headed probably by Flory (this has not yet been decided) shall consist of 18 officers and 60 enlisted men. Brit element approx same and is headed by Maj Gen Winterton. In Amer group will be included air, engineer, health, signal, civil, govt officers etc. Is proposed that both Amer and Brit Elements will go in by auto via Klagenfurt and Wiener Neustadt date arrival Vienna about June 3. I understand SAC informing French of these plans.[38]

Mack told me FonOf had advised him that while it would like him go in with Brit group it would leave matter to his judgement and that of AFHQ. Last night he wired FonOf that SAC, Macmillan, Brit Chief of Staff [39] and he all agreed that no FonOf rep should be member of mission. This was for reason that mission is to be strictly military in character has only reconnaissance functions and inclusion civilian rep FonOf would be likely stir up Soviet suspicions.[40] Furthermore it was felt that political rep would find it embarrassing if confronted by requests for interviews by members Renler [*Renner*] regime or other Austrians. Mack thinks FonOf will go along with these views.

[ERHARDT]

740.00119 Control (Austria)/5–2745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 27, 1945—8 p. m.
[Received May 27—7 : 40 p. m.]

5335. For Mr. Matthews. At European Advisory Commission May 24 Gousev stated that practical questions arise in Vienna after libera-

[36] Supreme Allied Commander, Mediterranean Theater (Alexander).

[37] In his telegram 2291, May 22, 1945, 1 p. m., the Ambassador in Italy reported that the War Department had directed Lt. Gen. McNarney or his deputy to proceed to Vienna in accordance with Marshal Stalin's message at a date to be agreed upon with Field Marshal Alexander and coordinated with Marshal Tolbukhin (740.00119 Control (Austria)/5–2245).

[38] In his telegram 2389, May 28, 1945, 5 p. m., the Ambassador in Italy reported that General Cherriere would head the French mission of 17 persons to Vienna (740.00119 Control (Austria)/5–2845).

[39] Lt. Gen. William Duthie Morgan, Chief of Staff to the Supreme Allied Commander, Mediterranean Theater (Alexander).

[40] In telegram 22, May 26, from Florence, Erhardt reported that it had been definitely decided that General Flory's mission to Vienna would be entirely military in composition (740.00119 Control (Austria)/5–2645).

tion and naturally Red Army solves them as appears most expedient in absence of agreed Allied documents on zones and control machinery in Austria. In private conversation Gousev is conciliatory on Austrian matters and appears anxious to avoid future reproaches for unilateral actions.

This attitude suggests that when proposed reconnaissance party arrives in Vienna (Depts 500, May 21, 11 a. m. to Caserta, repeated to London as 3999 and to Paris as 2205 [41]) Soviet authorities there may wish to begin preliminary discussions on current political and economic developments in Austria in addition to furnishing info required to enable EAC to complete agreement on division of Vienna for occupation.

Sent to Dept as 5335 reptd to Paris as 315 (for Erhardt [*Murphy?*][41a]) and to Caserta as 117 (for Erhardt).

WINANT

740.00119 Control (Austria)/5–2945 : Telegram

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

FLORENCE, May 29, 1945—4 p. m.
[Received May 30—6:30 a. m.]

32. Dept's 1, May 26, 7 p. m. to Vienna [*Florence*].[42] I have discussed with Field Marshal Alexander and Genl. McNarney in Caserta and with Genl. Flory here the matter of having a civilian representative of my staff accompany the mission to Vienna. They are all of the same opinion namely that the inclusion of a civilian representative of the Dept in a military reconnaissance party with the resultant necessity of informing Marshal Tolbukhin of this fact might prejudice the success of the mission by arousing Soviet suspicions and affording a pretext to the [apparent omission]. After many false starts they feel that they are on the verge of getting into Vienna at last and desire to avoid any step that might upset plans that seem to be proceeding smoothly at this stage. Consequently they do not favor making any changes at this late date in the composition of the military party some members of which are leaving here by motor early on the morning of the thirtieth. In view of their strong feelings I do not feel warranted in pressing them to act contrary to their best judgment.

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[41] Not printed; it repeated Marshal Stalin's message of May 18 to President Truman (740.00119 Control (Austria)/5–1845).

[41a] Brackets appear in the original.

[42] Not printed; it stated that the Department agreed that the mission to Vienna should be of a military character but considered it desirable for Erhardt or a member of his staff to accompany the mission and report on general conditions in Vienna, if such an arrangement did not in any way prejudice or delay the mission (740.00119 Control (Austria)/5–2645).

This is all the more true since the mission now includes two former officers of the Dept, Lt. Col. Chas. W. Thayer,[43] who has been assigned temporarily to the Fifteenth Army Group for this trip and Lt. Col. Edgar Pallen who is a member of the Political Division.[44]

I have just been told that two Allied officers who were proceeding overland to Vienna with Alexander's message to Tolbukhin[45] were stopped by the Soviet authorities at Corps Headquarters. Later information was received that they are to proceed under Soviet escort at 2 p. m. today.

Sent Dept as 32, rptd to London as 4.

ERHARDT

863.01/6–145 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, June 1, 1945—10 p. m.
[Received June 2—12 : 15 a. m.]

1852. I have received a reply dated May 30 from Vyshinski to our note setting forth the American position regarding developments in Austria based on Dept's 1035, May 8, 7 p. m. repeated AusPolAd Florence for Erhardt as 1). Substance of Vyshinski's letter follows:

1. Soviet Govt has noted that American Govt fully appreciates necessity for local administration in areas occupied by Red Army as in areas occupied by American troops and that American Govt is prepared to discuss question of Provisional Austrian Govt when Allied Commission begins to function in period of joint control.

2. With reference to dispatch of American representatives to Vienna Vyshinski states that this question was settled in correspondence between heads of Soviet and American Govts ending with Stalin's message of May 18. Soviet Govt has no objection to dispatch of American representatives to Vienna to acquaint themselves on the spot with condition of city and to prepare proposals for EAC concerning zones of occupation in city. Vyshinski suggests that American Rep arrive at Vienna at end of May or beginning of June when Marshal Tolbukhin has returned to Vienna. Tolbukhin is now in Moscow.

3. Vyshinski declares that statement in our note to effect that US Govt could not agree that all five airports in Vienna area should be at disposal of Soviet Command is evidently result of a misunder-

[43] With the Office of Strategic Services.
[44] Presumably, of the U.S. Group Control Council (Austria).
[45] Field Marshal Alexander's message to Marshal Tolbukhin regarding the arrangements for the Allied mission to Vienna not found in Department files.

standing since there are no airdromes within Vienna city limits. There can be no question with respect to airdromes outside city limits and therefore within Soviet zone of occupation particularly as Soviet Govt has made no claim to airports in American zone in Austria. To meet wishes of US Govt, however, Soviet Govt agrees to place at disposal of Allies airdrome outside city limits at Tulln 20 kilometers from center of Vienna. Soviet representative on EAC has already made a communication on this subject. Tulln airport is completely equipped and can handle all types of airplanes. Soviet Govt accordingly considers that question raised by US Govt concerning airports is settled.

4. Soviet Govt has already stated that in its opinion most suitable and correct definition of Vienna city limits is area which was fixed by Austrian authorities and existed up to Nazi occupation of Austria, and not area of greater Vienna which was imposed upon Austria by German occupants.

5. Vyshinski refuses to admit contradiction between statements made in his letters of May 6 and April 25 asserting that when speaking of agreement of Soviet Govt to dispatch of American representatives to Vienna he meant in both cases that the zones should first be delimited by EAC.

6. Vyshinski characterizes as completely arbitrary and unconvincing any suggestion that Soviet Govt desired to delay completion of the agreements.

HARRIMAN

740.00119 Control (Austria)/6–645 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

CASERTA, June 6, 1945—9 p. m.
[Received—8 : 05 p. m.]

2504. Our 2502, June 6.[46] Joint Brit, French and Amer plan for reconnaissance of Vienna was submitted to Russians on evening June 4 and at 10 o'clock following morning heads of three missions had further meeting with Russians, Morosov [47] being in charge.

Morosov announced Tolbukhin would receive chiefs of three missions June 10 at which time main work must be completed. Their practical work was to begin that same day and it would not be possible reconnoiter anything outside limits of city.

Question of airfields reconnaissance was raised by Winterton. Morosov stated only Tulln could be seen. Flory stated categorically

[46] Not printed; it reported on a meeting of June 4 in Vienna between Generals Flory, Winterton, and Cherriere and Lieutenant General Blagodatov, the Soviet Commandant in Vienna (740.00119 Control (Austria)/6–645). The U.S.–British–French mission arrived in Vienna on June 3.

[47] Not identified.

they wanted to see all airfields given in joint reconnaissance plan for three missions. Those fields are Tulln, Aspern, Gotzendorf, Munchendorf, Setring, Deutsch Wagram, Zwolfaxing, Ebergassing. Cherriere and Winterton supported this claim. Morosov promised he would submit request to Tolbukhin and answer was expected same day. Flory refused make investigation of Tulln pending reply from Tolbukhin. Winterton supported Flory in this. Americans again asked for permission to fly in courier plane suggesting it should land at Aspern. Winterton did not participate in this suggestion. Understood this request also being submitted to Tolbukhin. Winterton has said he intends to request equal facilities for Brit if Amer request granted.

Satisfactory arrangements were made for general and technical investigations which are now in progress. Russians have not interposed any objection to meetings with burgomeister and Austrian technical officials. Members of missions do not even have to have passes. They have complete freedom of access to all installations and barracks inside city whether or not occupied by Russians. Tour of Vienna by heads of mission under guidance Morosov planned for evening June 5.

Flory made statement toward end of meeting on Amer attitude towards airfields and said his instructions were to reconnoiter Gau as well as city since it had not yet been decided whether it was city or Gau which was to be subdivided. Cherriere did same.

It seems to be apparent that Russian instructions are to set time limit on work of missions, insure it is only city Vienna and not Gau which is to be subdivided, and to try to confine three missions to use of Tulln and no other airfield.

Winterton stated he felt anxiety of Russians to fix time limit might be due to genuine desire on their part to settle matter in view of Tolbukhin's statement re dire need of admin in Austria and his eagerness to have four powers begin their tasks. This sentiment was reiterated more than once and Tolbukhin expressed his pleasure at commencement of investigation of problems.

It is also Winterton's opinion that by June 10 missions will have collected sufficient info provided Tolbukhin's reply on airfield and Gau satisfactory. Winterton has asked whether he may point out to Russians in asking for more time that making of recommendations must inevitably involve discussion with his French and Amer colleagues. He has also asked for instructions on point of informing Russians that his orders are to make recommendations to SAC re areas of joint occupation.

KIRK

740.00119 Control (Austria)/6–745 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State[47a]

CASERTA, June 7, 1945—10 p. m.
[Received June 15—10 : 50 a. m.]

2512. Our 2504, June 6, 9 p. m. Evening June 4 chiefs of missions to Vienna presented to Blagodatov[48] and to Morosov agreed plan of procedure calling for individual survey parties from each mission to examine general conditions and combined parties to investigate technical matters such as communication and public utilities. Russians made some objection to detailed examination all facilities on ground they were tasks for permanent occupation and not reconnaissance parties but eventually agreed to general scheme.

Later same evening Marshal Tolbukhin received chiefs of missions and again opened question of length of visit, saying zoning question is of great urgency not only for Allies but also for Austria which was in great need for rehabilitation, and he hoped missions' work would be finished in 7 days. Gen. Flory did not commit himself to any fixed period but said mission could start work soon as detailed programs were agreed upon. Gen. Winterton stated SAC had requested Winterton to remain until zoning question had been settled. Tolbukhin replied he had orders that when survey was completed all missions could leave.

During discussions Tolbukhin stated casually air experts might begin examination June 5 of airfield designated for three western Allies. When Flory said he was not aware any airfield had been designated Tolbukhin replied that London had named Tulln in the Stonz section. Flory made it clear this was not his understanding.

Morning June 5, missions met with Russians and after preliminary discussions re communications, public utilities, medical and real estate, specialists paired off with Russian opposite numbers to work out details. Morosov made it clear he had no objections to complete inspection of all facilities within the "Stadowein", but stated nothing outside city limits were within competence of missions although airfield at Tulln could be inspected immed. Flory insisted on visiting all airfields in Vienna area to render complete report on existing facilities and also pointed out that question of whether city or land limits were to apply to Vienna zones was still not agreed by our Govts and for this reason Flory could not accept Morosov's limitations on missions' activities to city alone. Morosov stated his instructions were likewise clear and matter would have to be referred to Tolbukhin. Meeting was adjourned pending Tolbukhin's reply.

[47a] Ambassador Kirk was also U.S. Political Adviser on the staff of the Supreme Allied Commander, Mediterranean Theater.

[48] Lieutenant General Blagodatov, Soviet Commandant in Vienna.

During meeting Morosov also brought message from Tolbukhin that latter would see mission chiefs on afternoon of June 10 at which time he expected their basis [*basic?*] work would be completed. Morosov was asked to tell Tolbukhin that Flory and Winterton would give no assurance surveys would be completed by that date.

In subsequent discussion re courier plane flights to Vienna for Mission, Morosov stated request for permits for such flights should be answered at same time as question of airfields was settled.

Sent Dept rptd Moscow as 172 London as 190.

KIRK

740.00119 Control (Austria)/6–745 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

CASERTA, June 7, 1945—midnight.
[Received June 8—7:30 a. m.]

2523. Our 2512 of June 7, mid. [*10 p. m.*]. Winterton has reported to Chief of Staff at AFHQ that a most satisfactory meeting with Russians took place yesterday. Morosov has stated that Tolbukhin has agreed to permit all airfields referred to in our 2504 of June 1 [*6*], 9 p. m., to be inspected by missions except those under Malinovsky's[49] command east of Danube.

According to Winterton's report Gen Flory stated he would not be satisfied unless all airfields could be inspected by AMET's [*sic*] and Winterton supported this position and Morosov replied that in this event the matter would have to be referred back to Govt's for right to inspect fields east of Danube.

Flory went on to say that occupation and control of Austria was to be set up on a basis of equality between four nations involved and that this problem could not be dealt with except on basis of equality. Morosov inquired whether up to present any obstacles had been placed before missions by Russians. Winterton replied in negative and added that on contrary missions were very pleased with freedom of movement and facilities which had been furnished by Russians in city of Vienna. He stated, however, that it seemed an unnecessarily complicated procedure to refer to govts a matter (airfield inspection) which could easily be resolved between Tolbukhin and Malinovksy. By implication Morosov agreed and said he would approach Tolbukhin. When Morosov took this attitude Flory and Tolbukhin [*Winterton?*] agreed to begin an inspection of airfields west of Danube. French Gen Cherriere could not be found and was not present until later on.

[49] Marshal Rodion Yakovlevich Malinovsky, Commander of the 2nd Ukrainian Army.

Winterton then went on to state that it would be necessary to inspect not only Vienna city but also the Gau. Morosov replied that he did not understand what this meant. There were 21 Bezirke in Vienna under old Austrian Govt and Nazis had expanded it to 26. He inquired what Winterton understood as Vienna. Flory and Winterton replied that they interpreted Vienna as including 26 Bezirke. Morosov asserted that the Soviets recognized only 21 Bezirke and that therefore this request for inspection rights outside city limits would have to be referred to Tolbukhin. Winterton argued that this was unnecessary from practical viewpoint. Missions merely wished to visit outside Vienna in order to estimate training facilities available and accommodations in case there should not be adequate space in Vienna.

Head of Brit mission also pointed out that permission to visit airdromes automatically gave opportunity to reconnoiter greater Vienna and that since no detailed reconnaissance was desired outside city he could see no reason why missions should be kept from visiting country around Vienna. Morosov agreed in general and said that in fact there were no control posts and really nothing to stop missions from going wherever they liked. He added, however, that he would have to discuss matter with Tolbukhin and then forthwith invited heads of missions to visit Vienna Woods.

Question of training facilities was then raised by Morosov who explained some of problems about cultivation, etc. Morosov added that he wished to know, at risk of being tactless, how many troops Brit contemplated having in Vienna. Winterton replied that rank and importance of Brit Commander in Chief in Austria would require a brigade group in area of Vienna. Flory and Cherriere made same estimates. Russians according to Morosov had few troops in Austrian capital as it was Russian policy to maintain in towns only sufficient soldiers to guard HQ and installations and to quarter larger groups outside in country. Winterton said Brit agreed with this fully and that this was reason why he wished to inspect area outside Austrian capital.

Morosov then set forth that on June 10 Tolbukhin would receive three heads of mission, would then entertain them at dinner and after dinner would bid them farewell. From June 11 therefore, work of missions would be considered as completed.

Winterton immediately stated to Morosov that his instructions were to remain in Vienna (our 2507, June 7 [50]) until Brit Govt ordered him to leave since Brit Govt might wish to prefer to him any points not covered in his report. Morosov said he would mention this to Tolbukhin before June 10. In any event Winterton has already made

[50] Not printed.

this point clear to Tolbukhin himself. In this connection, Dept is of course aware that neither Flory nor Cherriere have yet received instructions similar to Winterton's on this point.

At AFHQ this evening we conferred with Chief of Staff who stated that SAC will insist that Winterton remain in Vienna but Gen Morgan pointed out that Alexander had not yet received approval from London on his action in this matter.

Repeated Moscow 174, Paris 163, London 192.

KIRK

[For the message of June 8 from Mr. Harry L. Hopkins in Frankfurt to President Truman, regarding the relationship of the Austrian problem to question of withdrawal of Allied troops to assigned zones of occupation in Germany, see page 333.]

740.00119 Control (Austria)/6–745 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, June 9, 1945—7 p. m.

568. Dept has seen Mat 735 in conjunction with your 2504 June 6 and 2523, June 7 and is gratified by General Flory's excellent conduct of mission to Vienna.

You will have observed Stalin's message Deptel 500 May 21 [51] to Caserta did not refer to any specific area or specific Vienna limits or duration of visit. His original suggestion Moscow's 54, April 13 to Caserta[51a] was obviously that officers on the spot should work towards a mutually satisfactory solution of the points not yet settled in EAC; these include (1) whether the pre-1938 city limits or the Gau should be sub-divided and (2) suitable airport for US forces.

We agree that officers should remain until their specific mission is completed, and that it should be completed as expeditiously as possible.

Dept does not share Brit view your 2496 June 5 [52] that mission should insist on remaining in Vienna after completing on the spot examination. Dept has always been skeptical about feasibility of interim arrangements for control machinery in Austria and is inclined to believe that at this stage they would be apt to place us in an inferior position of sharing responsibility without corresponding share in control.

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[51] Not printed; it repeated Marshal Stalin's message of May 18 to President Truman (740.00119 Control (Austria)/5–1845).

[51a] The same as telegram 1162 to the Department, p. 61.

[52] Not printed.

Dept considers our main objective in Austria now to be completion and entry into force of the formal EAC agreements for zoning and control machinery which would assure us full equality of authority as well as responsibility. War Dept is believed to share this view. Until then it is probably better to maintain the position that each military force is individually responsible in area it occupies.

Dept therefore regards present mission intended solely for reconnaissance to solve problem of Vienna zones, and that it would be preferable thereafter not to insist on remaining in Vienna, pending establishment of the Allied Administration on a basis of equality under the formal control machinery agreement.

Please inform Erhardt.

Sent to Caserta as no. 568; repeated to London as 4631; Paris as 2643; and Moscow 1263.

GREW

740.00119 Control (Austria)/6–945 : Telegram

The British Prime Minister (Churchill) to President Truman

No. 81 [LONDON,] 9 June 1945.

1. Our missions to Vienna have been ordered by Marshal Tolbukhin to leave by June 10th or 11th. They have not been allowed to see anything outside the strict city limits, and only one airfield can be permitted for the Allies. Here is the capital of Austria which by agreement is to be divided, like the country itself, into four zones: but no one has any powers there except the Russians and not even ordinary diplomatic rights are allowed. If we give way in this matter, we must regard Austria as in the Sovietized half of Europe.

2. On the other hand, the Russians demand the withdrawal of the American and British forces in Germany to the occupation line, fixed so long ago in circumstances so different, and Berlin of course is so far completely Sovietized.

3. Would it not be better to refuse to withdraw on the main European front until a settlement has been reached about Austria? Surely at the very least the whole agreement about zones should be carried out at the same time?

4. A telegram has been despatched to the State Department [53] showing the actual situation of our missions in Vienna which, as ordered, will I presume depart on June 10th or 11th after making their protests.

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[53] No telegram answering this description has been found in Department files.

740.00119 Control (Austria)/6–1145 : Telegram

Mr. Cecil W. Gray, Counselor in the Office of the United States Political Adviser on Austrian Affairs (Erhardt), to the Secretary of State

FLORENCE, June 11, 1945—9 a. m.
[Received 7 : 35 p. m.]

61. Genl Flory's latest message dated June 10 states that it is plain that Soviets desire informal discussion of zoning of Vienna to cover only the city within 1938 limits. He says that clearance to inspect airports east of the river can be secured only through Govt channels. Soviets desire to reach an informal agreement re zones in order to speed up the work of EAC. Flory considers that enough information has been obtained to complete mission except matter of air field inspection east of Danube. Reconnaissance he has made indicates that US position outlined in JCS 1169/9 [54] and WX–72646 [55] must be reviewed since Soviet proposal is more favorable to US. Instructions of Cherriere allow him to discuss zones informally with Soviets and Winterton has asked for such instructions. Flory believes that while informal discussion would be helpful US should not enter into them until our position is clear and has received approval of higher authority. He is complying with his instructions not to discuss special locations with Soviets. He concludes the message by stating that, if it is not desired that he should remain until a visit to the eastern air fields is permitted, he requests orders to come back to Italy on June 12.[56] His message was coordinated with Cherriere and Winterton.

Rptd to London as 16.

GRAY

740.00119 Control (Austria)/6–1145 : Telegram

President Truman to the British Prime Minister (Churchill)

[WASHINGTON,] 11 June 1945.

70. Your No. 81. In consideration of the tripartite agreement as to zones of occupation in Germany [57] approved by President Roosevelt

[54] Not printed. The recommendations contained in this Joint Chiefs of Staff document entitled "Acceptance by the United States of Zone of Occupation in Austria", dated March 29, 1945, were transmitted in Department's telegram 2658, April 5, 8 p. m. to London, p. 45.

[55] Not printed; for a summary of this telegram, see the last paragraph of Department's 3400, May 1, 3 p. m. to London, p. 107.

[56] The mission to Vienna was concluded on June 13.

[57] For text of the protocol between the Governments of the United States, the Soviet Union, and the United Kingdom on the zones of occupation in Germany and the administration of "Greater Berlin", signed at London, September 12, 1944, and the Amending Agreement signed at London, November 14, 1944, see Department of State, Treaties and Other International Acts Series, No. 3071, or *United States Treaties and Other International Agreements*, vol. 5 (pt. 2), pp. 2078–2092.

after long consideration and detailed discussion with you, I am unable to delay the withdrawal of American troops from the Soviet zone in order to use pressure in the settlement of other problems.

Advice of the highest reliability is received that the Allied Control Council cannot begin to function until Allied troops withdraw from the Russian zone.

I am also convinced that the Military Government now exercised by the Allied Supreme Commander should, without delay, be terminated and divided between Eisenhower and Montgomery,[58] each to function in the zone occupied by his own troops.

I am advised that it would be highly disadvantageous to our relations with the Soviet to postpone action in this matter until our meeting in July.[59]

I therefore propose to send the following message to Stalin:

"Now that the unconditional defeat of Germany has been announced and the Control Council for Germany has had its first meeting, I propose that we should at once issue definite instructions which will get forces into their respective zones and will initiate orderly administration of the defeated territory. As to Germany, I am ready to have instructions issued to all American troops to begin withdrawal into their own zone on 21 June in accordance with arrangements between the respective commanders, including in these arrangements simultaneous movement of the national garrisons into Greater Berlin and provision of free access by air, road, and rail from Frankfurt and Bremen to Berlin for U. S. forces.

As to Austria, it seems that arrangements can be completed more quickly and satisfactorily by making our commanders on the spot responsible for determining the definition of zones both in Austria itself and in the Vienna area and the readjustment of forces, referring to their respective Governments only those matters that they are unable to resolve between themselves. I consider the settlement of the Austrian problem as of equal urgency to the German matter.

If you agree with the foregoing, I propose that appropriate instructions be issued at once to our respective commanders."

740.00119 Control (Germany)/6–1545 : Telegram

The British Prime Minister (Churchill) to President Truman [60]

[LONDON,] June 14, 1945.

87. Your No. 70. Obviously we are obliged to conform to your decision, and necessary instructions will be issued.

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[58] Field Marshal Sir Bernard L. Montgomery, Commander in Chief of the 21st Army Group under SHAEF.

[59] For documentation regarding the Potsdam Conference, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, in two volumes.

[60] This paraphrase of a message sent by Prime Minister Churchill to President Truman was transmitted under cover of a letter from the British Minister (Balfour) to the Under Secretary of State (Grew), dated June 15, 1945, not printed.

It is not correct to state that tripartite agreement about zones of occupation in Germany were the subject of "long consideration and detailed discussion" between me and President Roosevelt. References made to them at OCTAGON [61] were brief and concerned only the Anglo-American arrangements which the President did not wish to be raised by correspondence beforehand. These were remitted to Combined Chiefs of Staff and were certainly acceptable to them.

As to Austria I do not think we can make the Commanders on the spot responsible for settling outstanding questions. Marshal Stalin made it quite plain in his message of May 18th that agreement on occupation and control of Austria must be settled by E.A.C. I do not believe he would agree to the change and in any case our Missions may already have left Vienna. I suggest for your consideration the following re-draft of the penultimate paragraph of your message to Marshal Stalin.

Begins. "I consider that settlement of the Austrian problem is of equal urgency to the German matter. The re-distribution of forces into the occupation zones which have been agreed in principle by E.A.C., the movement of national garrisons into Vienna and establishment of Allied Commission for Austria should take place simultaneously with these developments in Germany. I therefore attach the utmost importance to settling outstanding Austrian problems in order that the whole arrangement of German and Austrian affairs can be put into operation simultaneously. I hope the recent visit of American, British and French missions to Vienna will result in E.A.C. being able to take the necessary remaining decisions to this end without delay." *Ends.*

I for my part attach particular importance to the Russians evacuating part of the British zone in Austria that they are now occupying at the same time as the British and Russian [*American*] forces evacuate the Russian zone in Germany.

I sincerely hope that your action will in the long run make for a lasting peace in Europe.

740.00119 Control (Germany)/6–1445 : Telegram

President Truman to the Chairman of the Council of People's Commissars of the Soviet Union (Stalin) [62]

[WASHINGTON,] June 14, 1945.

288. Now that the unconditional defeat of Germany has been announced and the Control Council for Germany has had its first meet-

[61] Code name for the Second Quebec Conference, September 11–16, 1944. The documentation regarding this Conference is scheduled for publication in a subsequent volume of *Foreign Relations*.

[62] This message was repeated in President Truman's No. 71 to Prime Minister Churchill.

ing, I propose that we should at once issue definite instructions which will get forces into their respective zones and will initiate orderly administration of the defeated territory. As to Germany, I am ready to have instructions issued to all American troops to begin withdrawal into their own zone on 21 June in accordance with arrangements between the respective commanders, including in these arrangements simultaneous movement of the national garrisons into Greater Berlin and provision of free access by air, road, and rail from Frankfurt and Bremen to Berlin for U.S. forces.

I consider the settlement of the Austrian problem is of equal urgency to the German matter. The redistribution of forces into occupation zones which have been agreed in principle by the EAC, the movement of the national garrisons into Vienna and the establishment of the Allied Commission for Austria should take place simultaneously with these developments in Germany. I therefore attach utmost importance to settling the outstanding Austrian problems in order that the whole arrangement of German and Austrian affairs can be put into operation simultaneously. I hope that the recent visit of American, British and French missions to Vienna will result in the EAC being able to take the necessary remaining decisions to this end without delay.

If you agree with the foregoing, I propose that appropriate instructions be issued at once to our respective commanders.

740.00119 Control (Austria)/6–1545 : Telegram

The British Prime Minister (Churchill) to President Truman

[LONDON,] June 15, 1945.

90. I have received your message No. 71 [63] giving the text of your message to Marshal Stalin about withdrawal into our respective zones in Germany and Austria. I am grateful to you for meeting our views about Austria. As I have already told you we are conforming to your wishes and I have sent the following message to Marshal Stalin:

"I have seen a copy of President Truman's message to you of June 14th, regarding withdrawal of all American troops into their own occupation zone, beginning on June 21st in accordance with arrangements to be made between the respective Commanders.

I also am ready to issue instructions to Field Marshal Montgomery to make the necessary arrangements, in conjunction with his colleagues for similar withdrawal of British troops into their zone in Germany, for simultaneous movement of allied garrisons into Greater Berlin, and for British forces by air, rail and road to and from British Zone to Berlin.

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[63] See footnote 62, p. 135.

I entirely endorse what President Truman says about Austria. In particular, I trust you will issue instructions that Russian troops should begin to withdraw from that part of Austria which European Advisory Commission has agreed in principle should form part of British Zone, on the same date as movement begins in Germany."

740.00119 Control (Austria)/6–1645 : Telegram

The Chairman of the Council of People's Commissars of the Soviet Union (Stalin) to President Truman

[Moscow,] 16 June 1945.

I have received your message regarding the expediting of removal of Allied troops into appropriate zones in Germany and Austria.

To my regret I have to say that your proposal to begin the removal of the American troops into their zone and the entry of American troops into Berlin on June 21 meets with certain difficulties, as, beginning with June 19, Marshal Zhukov [64] and all of our other troop commanders are invited to Moscow to the session of the Supreme Soviet as well as for the organization of a parade and for the participation in the parade on June 24. Not mentioning the fact that not all the districts of Berlin have been cleared of mines and that this clearing cannot be finished before the end of June. As Marshal Zhukov and other commanders of Soviet troops are not able to return from Moscow to Germany before June 28th–30th, I would like to request that the removal of the troops begin on July 1 when the commanders will be back and the clearing of mines completed.

As regards Austria—the above-stated in respect to the summons of Soviet commanders to Moscow and the date of their return to Vienna applies to them as well. Besides it is necessary that in the nearest future the European Consultative Commission complete its work on the establishment of zones of occupation of Austria and Vienna as this work has not been completed up to the present time. In view of the stated circumstances the allocation of appropriate troops to their zones in Austria should also be postponed until July 1.

Besides, in respect to Germany as well as to Austria it would be necessary, right now, to determine the zones of occupation by the French troops.

On our part all necessary measures will be taken in Germany and Austria in accordance with the above-stated plan.[65]

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[64] Marshal of the Soviet Union Georgy Konstantinovich Zhukov, Supreme Chief of the Soviet Military Administration, Commander in Chief of the Soviet Forces of Occupation.

[65] In a message to Marshal Stalin dated June 18, President Truman stated that he had issued instructions to the American commanders to begin their redeployment on July 1. For text of message, see *Conference of Berlin (Potsdam)*, vol. I, p. 107, or Truman, *Year of Decisions*, p. 305.

740.00119 Control (Austria)/6–1645 : Telegram

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

FLORENCE, June 16, 1945—9 a. m.
[Received June 17—12 : 15 p. m.]

78. There follows a summary of the highlights of Genl Flory's report on the Vienna mission. A separate telegram will be sent covering his recommendations since this part of his report is not now available. It is being decided in Caserta today.

The mission was granted almost complete freedom of movement with the exception of a refusal of permission for an air expert to visit the three airfields east of the Danube. Members of the mission proceeded freely throughout the area of greater Vienna south and west of the Danube and they even went beyond the Gau limits, into lower Austria. They also made some trips east of the River without any difficulty. Survey parties were given access to practically every building they wished to see including plants, factories, arsenals and even barracks occupied by Soviet Army. Local Soviet commanders and technicians also showed the greatest cooperation in arranging for the mission specialists to visit utility installations, in arranging interviews with local engineers, public health and municipal officials and in obtaining desired information and statistics. In their contacts the Soviet authorities were most hospitable and friendly both toward the officers and the enlisted men. The friendliness shown by the Soviet officers was in keeping with the warmth with which the Soviet rank and file greeted the American soldiers. Officers of Flory mission with previous knowledge of Soviets were of the opinion that the cordiality and cooperation of Soviet Army during this visit to Vienna was almost without precedent in their previous experiences.

The inner city is one of most seriously damaged areas of the city. Accommodations and facilities in useable condition there other than the hotels will probably be sufficient only to provide for the requirements of the Austrian authorities and the excess if any available for use by the occupying powers will not be very great [apparent omission] Dept, rptd to London as 25).

The US zone proposed by the British on Feb 28 embracing Districts 8, 9, 14, 15, 16, 17, 18, 19, 26 [66] contains some of the finest accommodations and facilities in Vienna. Good housing and billeting facilities

[66] For the identification of numbered districts, see Map "B" annexed to the Agreement Between the Governments of the United States of America, the Union of Soviet Socialist Republics, and the United Kingdom and the Provisional Government of the French Republic on Zones of Occupation in Austria and the Administration of the City of Vienna, signed July 9, 1945, printed in Department of State, Treaties and Other International Acts Series (TIAS) No. 1600, or 61 Stat. (pt. 3) 2679.

exist there for officers and enlisted men. It contains large buildings suitable for headquarters and recreational facilities. However its useable installations are scattered over a large area and the principal buildings suitable for large headquarters consist of hospital facilities in operation. There are no adequate parade grounds for ceremonies. It contains nothing comparable to District 13 the facilities and accommodations of which are considered the most desirable in the city.

The US zone proposed by the Soviets on April 23 is identical with the zone proposed by the British except that it does not include the areas beyond the 1938 city limits namely District 26 and the greater portion of District 14.

American zone proposed by JCS 1169 slash 9 embracing districts 3, 4, 10, 11 and 23 contains some fashionable residential buildings and a number of office buildings adequate for housing large headquarters by dividing installations among adjoining buildings. There are no villas suitable for genl officers and the only suitable residential section is in a highly congested district which has been severely damaged by bombing. It contains no suitable barracks or training areas and recreational facilities are nonexistent. Excepting for two small severely damaged districts this zone consists principally of devastated industrial plants.

From point of view of training areas greater Vienna provides ample facilities during winter months for small unit training and extensive maneuvers. However, when crops are standing few areas are suitable for maneuvers except in district 25 and probably in districts 19 and 26. Small unit training can be carried out in almost any district winter or summer.

Brit and US have proposed subdivision of greater Vienna while Soviets have stood for the zoning of the city on the basis of pre-1938 limits. At present the temporary Austrian administration recognizes pre-1938 city limits. In private conversations with members of mission some of the Austrian officials maintained that since it took the Germans a year to integrate greater Vienna with the city as it existed up to 1938 it would only add to the present confusion if an attempt were made at this time to go back to old city limits. On the other hand, it appears to be the view of majority of city officials that while it is a sound principle to expand the boundaries of a growing city, the problem of reconstructing Vienna after the great damage it has suffered is so great that there would be little time or energy available to devote to extending city limits for some years to come. It is, therefore, uncertain whether Austrians themselves would look with favor on retention of Gau limits.

There are some advantages to be gained from extending zone to Gau limits. For example, several airports and airfield sites, training

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areas and recreation grounds would become available. Against these advantages the administrative problem of occupying areas in which the civil authorities are subordinate to a provincial govt in another zone of occupation. Furthermore air facilities and all season training areas within Gau limits are inadequate to meet the needs of the three western occupying powers. The latter would therefore have to go out of the Gau anyway to fulfill their needs. It is also possible that if the western Allies insisted on the Gau limits it could be made to appear that they were exerting pressure on the Austrians to retain against their will a heritage of the Nazi occupation. It is therefore doubtful whether there is any real advantage in insisting upon the zoning of Gau rather than city within 1938 limits.

A number of facilities of Vienna and its environs, some of which are essential to the occupying forces, are distributed geographically in such a way as to prevent their distribution into zones. Other facilities exist which are too few in number to permit a physical distribution. Among these categories may be mentioned the Danube docks, certain railroad stations serving areas to the west and south, radio and cable terminals, sport grounds, bathing beaches, first class hotels, rifle ranges, training areas and especially air fields. Some of these are essential to the economic life of the community as a whole. If these facilities are to be confined to the exclusive use of one or two occupying forces it would require the wisdom of Solomon to divide the total facilities equitably among all the occupying powers. The economic life of the city can only be maintained by permitting the free circulation of the Austrian population and Austrian officials and the same privileges should be granted the Allied occupying forces.

In the case of air fields lying outside the 1938 limits or outside the Gau limits it seems essential that the users of these fields have unrestricted access to them. If for reasons of security road blocks or patrols are required, they should be under international control and preferably composed of troops of the nation most frequently using the highway. Likewise maintenance, improvement and traffic control should be the responsibility of the principal user. It is believed that unless some arrangement is made a complicated pass system and language difficulties would give rise to a never ending series of unnecessary misunderstandings.

Soviet authorities in Vienna were reluctant to express views on any proposed subdivision of the city and they indicated that they were aware of only one proposal, namely that of their own govt in the EAC. At one meeting they refused to comment on the question as to whether they felt that districts 4 and 10 were essential to them. In private conversations they argued that because of the limited accommodations in the eastern area of the city some western districts with

good housing were necessary to them. It is not impossible that the reason for their choosing districts 4 and 10 is to be found in the location in these districts of both road and rail terminals leading to southern Austria. Another indication of the views and preferences of the local Soviet officials was revealed in a question asked privately of an Allied officer by the commander of the Vienna garrison as to whether in this Allied officer's view it would be necessary for high officials of Allied administration to be quartered in their own zone or whether they might be permitted to reside in zones of other nationalities. This question was evidently based on the superiority of villas in 19 district, which the Soviets constantly referred to as the best in town and which they tacitly [agreed?] seemed to come within the American zone.

Soviet representatives made only two comments in replies to direct questions, viz: they believed that a uniform control throughout Austria over all economic and political life was to be desired and striven for; a certain freedom of movement throughout the city including access to some exclusive facilities such as the Danube docks would be most desirable.

In public and private conversations French Mission expressed following views:

1. The zone proposed for them by the Soviets embracing districts 3 and 11 was entirely inacceptable.
2. The French desired a zone with road and rail terminals leading to the west. To accomplish this they proposed for themselves a zone made up of districts 6, 7, 14, 15 and 16; the British to have districts 3, 5, 12 and 13; the Soviets to have 2, 20, 21, 22, 4 and 10; and the US districts 8, 9, 17, 18 and 19.
3. Great importance is attached by the French to the reestablishment of inland waterways connecting French canal system with Danube. For this purpose they wish use of dock facilities in Vienna and rights of access to them.
4. On airfields French position is that they want a field exclusively for themselves only if all other occupying powers will accept lodgers they will content themselves with lodger rights at Tulln but if the power using Tulln will not grant lodger rights then French will be willing to share Schwechat with its principal occupant.
5. French indicated that they would strongly support principle of free transit rights both in city and on highways leading to the airfields. They also feel that suburban training areas are essential.

Brit Mission states that with minor adjustments they can accept Soviet zoning proposal providing training and recreation areas are made available to them outside of towns; if free transit rights are granted British would also recommend abandoning their insistence on zoning greater Vienna. British strongly feel that each occupying power should have a separate airfield but there is some reason to be-

lieve that if necessary they are willing to share Tulln with the US and the French. British consider justified Soviet claims to a zone east of river and canal and they likewise feel that French objections to a zone composed of districts 3 and 11 is reasonable.

ERHARDT

740.00119 Control (Austria)/6–1645 : Telegram

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

FLORENCE, June 16, 1945—1 p. m.
[Received June 17—3:25 p. m.]

80. In my 78 of June 16, 9 a. m. there were given the highlights of Genl Flory's report on the mission to Vienna. This telegram will give his conclusions and a separate telegram will follow giving his recommendations after they have been decided upon at Caserta today. Based on detailed surveys of all aspects of the city including bomb damage the districts of Vienna have been listed in their order of desirability. For this purpose the districts were classified as business, residential and suburban. The business districts include those between the canal and the Beltguertel; the residential districts include those between the belt and the city within the 1938 limits; and the suburban districts include those between the 1938 boundaries and the Gau boundaries. The business districts are closely built up and contain many stores and office buildings. The residential areas chiefly apartment houses, villas, parks and gardens, and some open spaces while the suburban areas are rated largely from standpoint of training and recreational facilities. In the order of desirability the business districts are 3, 6, 7, 9, 8, 4, 5; the residential districts 13, 19, 18, 16, 17, 15, 12, 10, 21, 20, 2, and 11; and the suburban districts 25, 26, 24, 23 and the new portions of 21 and 22.

As previously stated no opportunity was granted to inspect the eastern airfields at Aspern, Seyring and Wagram but it is assumed that these are all all-weather airports. Of the airfields inspected west of the Danube the following are in the order of desirability, Tulln, Schwechat, Zwolfaxing. The other airfields may be disregarded as unsuitable for the purposes envisaged by US occupational air forces.

From the administrative point of view it is believed unnecessary for the zones to extend beyond the 1938 city limits unless the Austrians should desire to do this the zones should be correspondingly extended.

If Greater Vienna is taken as the area to be subdivided, one good but badly damaged airfield, two unsatisfactory airfields and a number

of fair field sites would fall within the southeastern zone district 23. The west and northwestern sections of Greater Vienna contain no airfields.

Since it is probable that troops will not be available for maneuvers of any magnitude, it is believed that the general availability of small unit training areas most of the districts makes it unnecessary to give consideration to training facilities as a major factor in selection of zones. After the arrival of the occupation forces unit commanders on the ground will be able to select adequate locations.

In the inner city there are to be found chiefly govt buildings, shops, hotels and rests. This area has been badly damaged and few of the large buildings will be habitable without extensive repairs. Such buildings as are repaired are logical choices to house permanently Austrian ministries when established. The first class hotels and restaurants are in good condition and can be utilized at once. There are enough of them to permit equitable distribution among the occupying powers. They would be extremely useful because there are few others elsewhere in the city.

Certain essential facilities in Vienna are so unevenly distributed or so limited in number that they cannot be divided up equally among the occupying powers. As previously mentioned all airfields within Greater Vienna west of the Danube are in one district. Likewise, the docks, railroad stations and possible training grounds cannot be split into four zones and if they are to be made available on the basis of equality they will have to be shared with free transit rights granted to them throughout all zones. This is especially essential in the case of airports if the difficult problem of allocating the zones is to be divorced from the equally thorny problem of distributing existing air facilities.

Soviet objections to a zone exclusively east of the river and the canal and French objection to a zone including only districts 3 and 11 are not unreasonable considering the paucity of adequate facilities in the two areas.

Judging from the American missions relations with the local Soviet officials the latter are quite ready to cooperate with Allied representatives within the limits of their instructions. There is good reason to believe that the Soviet officials are not only being pressured from Moscow but also are themselves anxious for the early establishment of an Allied administration.

Sent to Dept as 80, rpt'd to London as 27.

ERHARDT

740.00119 Control (Austria)/6–1645 : Telegram

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

Caserta, June 16, 1945—11 p. m.
[Received June 16—10 : 25 p. m.]

2646. As stated in my cablegram yesterday Gen Flory reported to Gen McNarney at Caserta today his recommendations in zoning Vienna and later in the day at a meeting presided by Gen Lemnitzer [67] with Gens Gruenther,[68] Flory, Winterton and Cherriere present, the subject was discussed. Col. Thayer and I attended meeting at which other Allied groups were liberally represented.

It was informally accepted that prior to actual physical subdivision of area, the adherence of the several Allied govts concerned should be obtained to principle providing for the sharing of facilities which cannot conveniently be divided physically. These principles are:

1. Free and unrestricted transit rights through and above all zones in Vienna and its environs should be granted to each of the occupying powers. In the case of highways leading to airports outside the zones of the occupants of the airports concerned, and training areas outside the city limits, these should be internationally controlled, patrolled and maintained.

2. Public buildings and office space within the Innere Stadt should generally be left for permanent Austrian Govt ministries and agencies which would normally use them. Other facilities, particularly hotels and restaurants in the Innere Stadt, should be equitably divided between the occupying forces by international town command.

3. Adequate training and recreation areas beyond city limits should be provided by mutual arrangements between commanding generals concerned. At the commencement Gen Cherriere in behalf of France refused categorically to accept districts 3 and 11, as proposed in the EAC on April 23. After a good deal of give and take and on the basis of equality, the respective generals agreed to recommend to their Chiefs of Staff the following:

For France districts 6, 14, 15, 16, and in district 13 certain accommodations are to be arranged between French and British. For Britain districts 3, 11, 5, 12 and in district 13 accommodations for the French to be arranged between them.

For the US districts 7, 8, 9, 17, 18 and 19.

It was assumed that Soviets would occupy districts 2, 4, 10, 20 and 21.

In respect to airports the three Gens were in accord that again bearing in mind the principle of equality, each Allied power should

[67] Maj. Gen. Lyman L. Lemnitzer, Deputy Chief of Staff, Allied Force Headquarters.

[68] Lt. Gen. Alfred M. Gruenther, Chief of Staff of the U.S. 15th Army Group; in July he became Deputy High Commissioner for Austria.

have for its exclusive use and operation an airport and facilities as follows:

France Götzendorf

Britain Schwechat.

US Tulln. Until Götzendorf and Schwechat are in usable condition, the US will permit French and Brit to utilize Tulln on a larger basis. Brit have proposed that French and Brit agree to utilize Götzendorf and Schwechat as joint occupants on a reciprocal basis. When Schwechat is ready Brit expect French to utilize that airport until Götzendorf is available.

Gen Flory learned when in Vienna that the Austrian authorities do not wish to extend the city to the Gau limit until city of Vienna itself has been rehabilitated. However, on question of whether or not zones should comprise the Gau or city limits, Gen Flory believes that its solution should ultimately be based on decision of Austrian administration itself as to whether or not it wishes to expand municipality and to provide for an affirmative decision. The zones boundaries should be drawn to Gau limits on understanding that unless or until Austrians expand city, the outer limits of the zone should and will be pre-1938 boundary of Vienna.

However, Gen Winterton will propose to his Chiefs of Staff that since Soviets, in occupying districts 4 and 10 are causing a certain inconvenience, in compensation therefor the Brit should ask for district 25.

This afternoon Gen Winterton remarked that he will be in London at request of Brit Chiefs of Staff when the zones come up for discussion before the EAC. Before he left for Paris Gen Cherriere remarked that he will next proceed to London to be available to the EAC. It is therefore recommended that Amb Winant request presence of Gen Flory, head of our military mission to Vienna and of Gen Snavely,[69] our Air Corps representative in Gen Flory's mission.

The Dept will be advised of date and number of Gen Flory's message to the Chiefs of Staff, which will probably be transmitted tomorrow.

Rptd to London as 200.

KIRK

740.00119 Control (Austria)/6–1745 : Telegram

The United States Political Adviser on Austrian Affairs (Erhardt) to the Secretary of State

FLORENCE, June 17, 1945—5 p. m.
[Received June 18—7 a. m.]

86. Dept should see FH 94530 from Genl McNarney to Agwar containing recommendations to JCS based on mission to Vienna.[70]

[69] Brig. Gen. Ralph A. Snavely, Commander of Air Task Force for Austria.

[70] For text of General McNarney's message of June 17, see p. 147.

This is the message referred to in the last paragraph of my telegram to Dept from Caserta on June 16.

Certain impressions gathered from the meetings and conversations in Caserta may be of interest.

Cherriere was unalterably opposed to a French zone embracing 3 and 11 from a prestige standpoint and because these districts were heavily damaged and hence inadequate. It was obvious that concessions would have to be made to them and the French are now satisfied with their zone as agreed at yesterday's meeting. District 13, Hietzing, which will be the British zone is the best residential district in Vienna. It contains Schönbrunn Palace which the British are pleased to get. However, the British agreed to allow the French to occupy some suitable villas and other desirable housing in this district.

Cherriere readily accepts the Soviet position on the city limits as the Gau limits for the zoning of Vienna but Winterton went along reluctantly. Flory's proposal is a compromise between them. Winterton's proposal to his chiefs of staff to ask for district 25 is another way of getting territory outside the 1938 city limits and if this goes through in the EAC presumably the other govts will expect similar treatment. Winterton is not hopeful and the American military do not believe that the extension of our proposed zone to the Gau limits is important if we get free access to the US air field.

In requesting Tulln as an airport Genl Flory and Genl Snavely our air officer realize that the airport will be very useful for occupational purposes but will have no value in post-war air development. The Brit and French in proposing to utilize Schwechat and Götzendorf as joint tenants may have post-war developments in mind since in private conversations it was stated that the French can hardly expect to improve Götzendorf.

A Brit. Col. remarked: These are tiring discussions but then you should try to get adequate quarters.

ERHARDT

740.00119 Control (Austria)/6–1945

Memorandum by the State–War–Navy Coordinating Committee to the Secretary of State

WASHINGTON, 19 June 1945.

The Secretaries of War and the Navy and the Joint Chiefs of Staff concur in the recommendations of General McNarney in the attached copy of his cable on the subject of the Subdivision of Vienna and rec-

ommend that it be used as a basis for negotiations in the European Advisory Commission.[71]

For the State–War–Navy Coordinating Committee:
H. FREEMAN MATTHEWS
Acting Chairman

[Annex]

Text of a Telegram From the Commanding General, United States Army Forces, Mediterranean Theater of Operations (McNarney), to the Joint Chiefs of Staff

[CASERTA,] 17 June 1945.

1. Vienna survey by United States mission is subject.

2. Innerestadt is badly damaged and most public buildings will require months to render habitable. Best hotels and restaurants however only slightly damaged.

3. Otherwise southeast badly damaged, west and northwest least damaged. Most desirable areas are in west and northwest.

4. The Gau contains limited recreation and training areas. At present Austrian city administration covers only the pre-1938 city limits. The majority of Austrian officials appear to consider it inadvisable to expand the city limits to the Gau until the city itself has been rehabilitated. It would be inadvisable from an administrative viewpoint to extend the zones into the Gau unless the city limits are also extended.

5. In order of priority airfields are Tulln, Schwechat and Zwolfaxing, although British and French rate Götzendorf their choice over Zwolfaxing. Tulln almost undamaged, has excellent permanent housing and repair and storage facilities.

Schwechat has slightly damaged runway but hardly a building left standing.

Zwolfaxing has no hard runway, practically no facilities, but moderate possibilities for development starting from scratch.

The remaining airfields west of Danube are considered unsuitable.

6. Flory registered energetic protest at Russian refusal to let his expert see Aspern, Seyring or Deutsch-Wagram, stating that he could only report to his government that on basis of available information they are all first class all-weather fields.

7. Aside from question of airfields, the United States zone proposed in JCS 1169/9 (SWNCC 25/2)[72] is entirely unsatisfactory from

[71] Telegram 4933, June 19, to London, informed Ambassador Winant that General McNarney's recommendations had received the concurrence of the State, War, and Navy Departments, and the Joint Chiefs of Staff; Ambassador Winant was directed to proceed with negotiations in the European Advisory Commission for a protocol on zones of occupation on the basis of those recommendations (740.00119 EAC/6–1445).

[72] Not printed; see footnote 54, p. 133.

point of view of housing, office space or facilities as this area has been badly damaged and in normal time, apart from diplomatic quarter, contains chiefly small commercial enterprises, stockyards, slaughter houses, factories and lower class housing.

8. Our proposal also contains condition that an airfield must be an integral part of the United States zone. This position would create administrative difficulties both for ourselves and the other occupying forces and is believed to be unnecessary if the principle of free access enunciated in Para 11 A below is adopted.

9. As a result of lengthy discussions at a meeting at Allied Force Headquarters (AFHQ) yesterday under the chairmanship of General Lemnitzer, Deputy Chief of Staff, AFHQ, the British, French and American missions agreed to submit the following recommendations to their governments for zoning the city:

Districts 7, 8, 9, 17, 18, 19 to the United States.
Districts 6, 14 (that part within city limits), 15, and 16 to French.
Districts 3, 5, 11, 12 and 13 to British.
Districts 2, 4, 10, 20 and 21 to Russians.

The British and French agreed to recommend that a certain amount of housing in District 13 be made available to the French on a bilateral basis.

10. Mission heads also agreed to recommend assignment of one airfield for each power. United States will have Tulln, British Schwechat and French Götzendorf. Pending repairs to Schwechat, British and French will be granted lodger rights at Tulln. Thereafter British will accept Schwechat on joint occupancy basis with French provided French will reciprocate at Götzendorf.

11. The above recommendations are contingent on acceptance by the Russians of the following general principles agreed to in substance by the three heads of mission for the sharing of facilities in Vienna not divisible because of location or scarcity:

A. Free and unrestricted transit rights in ground and air through all zones in Vienna and its environments for all occupying forces. In the case of highways leading to airfields outside the zones of the occupants of the airfield concerned, and training grounds outside the city limits, these should be internationally controlled.

B. Public buildings and office space within the Innerestadt should generally be left for the permanent Austrian ministries and agencies which would normally use them. Other facilities in the Innerestadt, particularly hotels and restaurants, should be equitably divided on the spot between the occupying forces by the multipartite town command.

C. Adequate training and recreation areas beyond the city limits should be provided by mutual arrangements between the commanders concerned.

12. As explained in Para 4 it is considered undesirable to administer zone in the Gau outside the city limits. The question of whether or not the zones should comprise the Gau or city limits should ultimately be based on the decision of the Austrian administration itself, as to whether or not to expand the municipality to the Gau. If and when the city expands the control of the additional districts by the four powers should expand with it. This idea was agreed to by all three missions. The British and French did not consider it necessary to fix the boundaries at this time. Although we desire to fix the boundaries now we do not consider the point one of great importance.

13. Soviet proposals allot Districts 3 and 11 to French. 11 is worthless. French therefore state that this allocation is not acceptable. Their position is reasonable. Districts selected by Russians in Soviet proposal are generally unsatisfactory for offices and living accommodations. They contain industrial installations and bulk of working classes.

Allocation of areas 4 and 10 to Russians is reasonable. However, head of British mission is recommending to his government that these districts be included in British area as bargaining point. This is probably wise since Russian EAC representative may offer objection to allocation of Schwechat and Götzendorf airfields.

British mission also include claims to District 25 for same reason. They suggest that we ask for District 26. We do not require that area but our EAC representative may desire to press for it as a part of bargaining procedure.

14. Conditions in Vienna are generally unsatisfactory. Food rationing is barely above starvation allowance. Critical shortage of medical supplies. Only 3 ambulances in city. No doctor has a car. Russians exercise little control over city administration.

Each district operates as a separate cell with virtually no coordination from above. Business is at a complete standstill. Motor transportation in city non-existent.

Considerable evidence that Russians are stripping city methodically and efficiently. This is especially true of factory machinery. Signal equipment and furniture are also included. Although Russians expect to have a demolished section of Vienna allotted to them their officers are now scattered throughout the city in excellent accommodations. Russians jokingly suggested that it was hoped that suitable living quarters could be retained in United States, British and French areas.

15. It was evident to heads of missions that Russians are extremely eager to have Allies into Vienna at earliest possible date. Situation

in city is deteriorating and Russian prestige is lowered every day we remain away. Russians were most friendly and cooperative within limits of their instructions from Moscow. These instructions were adequate except for prohibition to visit eastern airfields.

It was impossible to induce them to budge from that position. At one time Russians granted authority for United States courier planes to land at Tulln, but authority was withdrawn 6 hours later, probably because of fear we might inspect the three eastern airfields from the air.

16. Recommend that proposal outlined in Para 9, 10 and 11 above, agreed to in substance by three missions, be submitted to the United States delegate at EAC.

Also recommend that we continue to press for right to inspect three eastern airfields on the principle that all Vienna facilities should be shared equally by the four powers.

17. I recommend that General Flory with appropriate staff officers proceed to London to consult with the United States representative on EAC to advise and pass on to him detailed information obtained during recent reconnaissance in Vienna.

General Winterton, Head of British Mission, is departing Italy for London Monday 18th June, to report to British government and British EAC representative.

General Cherriere, Head of French Mission, is likewise expected to report to French EAC representative in London after short stopover in Paris to report to his government.

740.00119 EAC/6–2245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 22, 1945—6 p. m.
[Received June 22—3 : 26 p. m.]

6315. Comea 296. For Erhardt. US delegation EAC has studied intensively Gen McNarney's recommendations rearrangements for Vienna (urtel 4933, June 19 [73]) and consulted Generals Flory and Snavely in detail. Preliminary consultation UK delegation showed Brit intention introduce several subsidiary issues all requiring reference to Moscow. Prolonged consultations UK and French delegations reduced principal new issue to provision of 3 airdromes.

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[73] Not printed.

Today Mosely made detailed review Austrian issues with Soviet delegation. Soviet delegation referring to Moscow tonight proposal for 3 airdromes. EAC meeting Saturday [74] morning on Austria.

Sent to Dept as 6315; rptd AusPolAd as 5.

WINANT

740.00119 EAC/6–2345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 23, 1945—8 p. m.
[Received June 23—6 p. m.]

6372. Comea 298. For Erhardt. Two long EAC meetings today reviewed Austrian questions. Substantial progress toward agreement. On basis of McNarney report US delegation recommended adoption limits city of Vienna and internal division into areas of occupation. This was approved with one exception; UK representative proposed taken [*taking*] Wieden and Favoriten and placing Landstrasse and Simmering in Soviet zone in exchange. Proposal for three airfields for US, UK, and France met Soviet objections and is referred to Moscow. Para 5 of EAC 45/8 Jan 31 [75] revised as follows: "The present agreement will come into force as soon as it has been approved by the four govts" on US suggestion.

Following two provisions approved for inclusion in covering report: [76] (1) "Personnel of the forces of occupation in Austria, including those allotted for the occupation of Vienna and Personnel of the Allied Commission will have freedom of movement and communication throughout Austria in the execution of their duties or when travelling on leave in accordance with regulations to be established by the Allied Council"; (2) "The use of the facilities located in the district of Innere Stadt will be regulated equitably by the inter-allied authority." Similar provisions with regard to training facilities outside Vienna and use of transport and other facilities in Vienna left open for final textual agreements.

Re control machinery agreement Soviet representative accepted provision for military, naval and air divisions in article IV and for naval representatives in article II (A) of EAC 45/7 on condition other delegations approve inclusion restitution reparation and deliveries division article IV without reservation. US delegation main-

[74] June 23.

[75] Not printed; for a summary of this document, the United Kingdom draft agreement on zones of occupation in Austria, see telegram 1064, January 31, from London, p. 17.

[76] The draft covering report to accompany the agreement on zones of occupation had been introduced by the United States Representative.

tain desirability of inclusion in report following para: "In recommending in article IV of the draft agreement the establishment of a restitution reparation and deliveries division the Commission also recommends that the four govts give consideration to the form and amount of such reparation as well as to the study of Austria's capacity to provide reparation." Gousev alleged final twelve words of this formula rejudge [*prejudge*] negatively Austria's capacity to furnish reparation. Next EAC meeting set tentatively for June 25.

Repeated AusPolAd as 6.

WINANT

[The "Directive to Commander in Chief of U.S. Forces of Occupation Regarding Military Government of Austria," part I, General and Political, prepared by the State-War-Navy Coordinating Committee and approved by the Informal Policy Committee on Germany on June 23, 1945, was transmitted to General Mark Clark on June 27, 1945. Part II, Economic, and part III, Financial, of the Directive were approved by the Informal Policy Committee on Germany on July 25, 1945. For text of the entire Directive, see Department of State *Bulletin*, October 28, 1945, pages 661 ff.]

740.00119 EAC/6–2945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

[Extracts]

LONDON, June 29, 1945—10 p. m.
[Received June 29—7:35 p. m.]

6584. Comea 307. Mytel 6372, June 23; repeated AusPolAd 6. Re proposal Tulln, Schwechat and Götzendorf airfields near Vienna be under US, UK, French control, respectively. Soviet EAC rep today made counter-offer of Tulln and Schwechat. US, UK, French delegations continued urge provision three airfields and reserved comment on Soviet counter-proposal. French delegation consulting Paris tonight.

Gousev accepted UK proposal place Wieden and Favoriten districts in UK Vienna area and place Landstrasse and Simmering in Soviet Vienna area. This completes zoning of Vienna City.

Two additional provisions approved for inclusion in report transmitting control machinery agreement:[77] (1) "the Soviet Commander-in-Chief will allocate areas in the territory of the Soviet zone neces-

[77] Reference is in error; it should be to the report transmitting the agreement on zones of occupation. See correction in telegram 6761, July 5, from London, p. 154.

sary for the small unit training and recreation of the Allied occupation forces stationed in the City of Vienna"; (2) "Living accommodation outside the City of Vienna will be found in special cases for senior officers and officials by arrangements agreed between the respective commanders." Next EAC meeting, June 30.

Sent Dept 6584; repeated AusPolAd 9 (for Erhardt) and Paris 417 (for Murphy).

WINANT

740.00119 Control (Austria)/7–245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, July 2, 1945—8 p. m.
[Received July 2—6:50 p. m.]

6661. Moscow's 2367, July 2 to Dept; rptd London 337.[78] Main zones Allied occupation Austria agreed provisionally in April. US zone includes Salzburg and upper Austria south of Danube. Signature Austrian zones agreement in EAC awaits decision re airfields Vienna for use US, UK, French occupation forces and control staffs located in Vienna. June 23 US proposed assign one airfield each of three forces. June 29 Soviet EAC representative made counteroffer two airfields; in today's EAC meeting position re two versus three airfields remained unchanged. Final conclusion zones agreement now depends only on settlement this question. Until it is settled in EAC and final agreement approved by four Govts, Soviet Govt is technically justified in maintaining that there is no agreement on zones in Austria. Question of interim arrangement whereby Allied forces take up assigned zones [apparent omission] seems mainly military question of provisional arrangements pending official conclusion zones agreement. We believe EAC can conclude two agreements Austrian zones and Austrian control machinery during current week.

Sent Moscow 231 (secret for Harriman), rptd Dept 6661.

WINANT

[An agreement between the Governments of the United States of America, the Union of Soviet Socialist Republics, and the United Kingdom and the Provisional Government of the French Republic on control machinery in Austria was signed *ad referendum* at a meeting of the European Advisory Commission at London on July 4, 1945.

[78] In this telegram, Ambassador Harriman reported that the Soviet commanders in Austria had refused to allow American troops to enter the proposed zones of occupation and requested urgent advice as to the status of the E.A.C. decisions regarding the occupation zones for Austria. For text of telegram, see *Conference of Berlin (Potsdam)*, vol. I, p. 348.

Notification of approval by the respective signatories was given by their representatives on the Commission on the following dates: the United Kingdom, July 12; France, July 12; the Soviet Union, July 21; and the United States, July 24, 1945. For text of the agreement see *Conference of Berlin (Potsdam)*, volume I, page 351. For documentation regarding the agreement on control machinery, see *ibid.*, pages 347–356, and *ibid.*, volume II, pages 668–685.]

740.00119 EAC/7–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, July 4, 1945—7 p. m.
[Received July 4—3 : 20 p. m.]

6739. Comea 317. Today EAC discussion re Vienna airfields UK representative proposed French forces use UK controlled Schwechat Field. French representative accepted. Three delegations continued press for inclusion in report [79] of specific provision re freedom of transit for supplies and common use Vienna municipal services. Soviet representative apparently lacks specified authorization to include them but again stated his delegation considers these principles "obvious". Next meeting EAC July 5.

Sent Dept 6739; reptd AusPolAd 15 and Paris 434, secret for Murphy.

WINANT

740.00119 E.A.C./7–545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, July 5, 1945—4 p. m.
[Received July 5—11 : 35 a. m.]

6761. Urtel 5416, July 4.[79a] Full text EAC agreement zones in Austria was sent Dept mytel 6713 Comea 313, July 3 [80] with single exception Article 5 regarding Vienna airfields. I hope EAC can agree Article 5 tomorrow. Meeting set for today (mytel 6739 Comea 317, July 4) postponed till tomorrow at Soviet request. Only formula under discussion for Article 5 is original US proposal made at

[79] Reference is to the report which would accompany the agreement on zones of occupation for Austria.

[79a] Not printed.

[80] Not printed; it reported that the European Advisory Commission had agreed on July 3 to the text of the agreement on zones of occupation, except for article 5 (740.00119 EAC/7–345). For the final text of the agreement, see Department of State, Treaties and Other International Acts Series No. 1600, or 61 Stat. (3) 2679.

EAC meeting June 23 for assignment three airdromes to US, UK and French forces, each to be under administrative and operational control of the respective forces. Proposal also provides that forces "will enjoy free and unimpeded access to airdromes assigned to their respective occupancy and use". In view British proposal July 4 (mytel 6739) I believe French will be satisfied with lodger rights at Schwechat.

Draft covering report to zones agreement begins: "In submitting text of agreement on zones of occupation in Austria for consideration and approval by the four govts, EAC recommends that the four govts issue directions to their respective commanders-in-chief in Austria as follows". Four articles of report agreed thus far were transmitted mytels 6372 Comea 298, June 23, and 6584 Comea 307, June 29. (Comea 307 erroneously mentioned two of these articles were for inclusion in report transmitting control machinery agreement; please read zones agreement) EAC still considering additional article freedom of transit throughout Austria for supplies and common use Vienna municipal facilities.

Mytel 6546 Comea 305, June 28 [81] reported all amendments to original text control machinery agreement transmitted my despatch 20639, Jan 26.[82] No covering report is attached to this agreement. Only question considered for inclusion in such report was statement regarding reparation for Austria (see my Comea 298). That matter has now been handled as reported mytel 6742 Comea 319, July 4.[83]

WINANT

740.00119 EAC/7–745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, July 7, 1945—2 p. m.
[Received 4 : 06 p. m.]

6857. Comea 325. At July 6 EAC meeting Gousev explained that because of mistake in decoding he had not been instructed accept UK proposal exchange Wieden and Favoriten districts for Landstrasse and Simmering in determination areas of occupation in Vienna (my tel 6584 June 29 rptd AusPolAd 9 and Paris 417 for Murphy). UK

[81] Not printed; it also reported that the European Advisory Commission at its meeting on the evening of June 28 had approved the final text of the agreement on Austrian control machinery preparatory to signature (740.00119 EAC/6–2845).

[82] Not printed, but for text of the memorandum by the United Kingdom Representative, E.A.C.(45) 7, January 25, "Allied Control Machinery in Austria," transmitted in that despatch, see p. 8.

[83] For text of this telegram, see *Conference of Berlin (Potsdam)*, vol. I, p. 346.

rep agreed accept this change.[85] Draft agreement zones in Austria (my tel 6713, July 3 [86] rptd AusPolAd 13 and Paris 431 for Murphy) should now be modified to place Landstrasse and Simmering in UK area and Wieden and Favoriten in Soviet area.

July 6 EAC unable complete agreement Austrian zones. Gousev lacks instructions authorizing inclusion in report of specific recognition of principles of free transit for Allied goods and supplies and common use Vienna facilities. Gousev proposed each delegation inform its Govt of discussion this subject and state that each had been unable agree inclusion these provisions. I rejected this procedure as emphasizing failure agree these principles.

In order overcome deadlock and complete agreement I proposed that each delegation have identical communication its Govt as follows: "The question of the working out of practical arrangements to assure free transit throughout Austria by road, rail, air and water for the goods and supplies required by the forces of occupation in Austria including those forces allotted for the occupation of the city of Vienna and by the Allied Commission and for the common use of transport and communication facilities and public utility services in the city of Vienna was considered in the Commission. The latter did not find it necessary to include this point in its report and concluded that it should be referred to the Allied Council." This formula would make clear to Govts and Allied Council that EAC assumed validity these two principles. Soviet delegation accepted US formula for identical communication to Govts.

UK delegation proposed additional sentence to US formula as follows: "The Commission recommends that the Allied Council should be informed that these principles of free transit and common use are accepted by the four Govts and should be invited to make the necessary arrangements for their application and regulation." Soviet delegation rejected this addition.

In view failure reach agreement re transit and municipal facilities UK and French representatives declined to formalize provisional acceptance Soviet proposal of Schwechat airfield for joint use UK French forces (my tel 6739, July 4 rptd AusPolad 15 Paris 434 for Murphy).

Next EAC meeting July 9. Gousev plans leave for Moscow Tuesday.[87]

Sent Dept as 6857; rptd AusPolAd 17; repeated Murphy 21.

WINANT

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[85] The United States and French Representatives also agreed to the change at this time.

[86] Not printed, but see footnote 80, p. 154.

[87] Ambassador Gousev was present for the European Advisory Commission meeting on Tuesday, July 9.

740.00119 EAC/7–945

The Ambassador in the United Kingdom (Winant) to the Secretary of State

No. 24168 LONDON, July 9, 1945.
[Received July 17.]

SIR: With reference to the Embassy's telegram No. 6742 of July 4, 8 p. m. (Comea 319),[88] reporting the text of the oral statement by the U.S. Representative on the European Advisory Commission at the time of the signature of the Agreement on Control Machinery in Austria, and with reference to telegram No. 6891 of July 9, 2 p. m. (Comea 328),[89] reporting the receipt of a letter dated July 5 from M. Massigli stating parallel French views on the question of Austrian reparations and the nature of M. Massigli's communications on this subject to his Government, I have the honor to enclose a translation of M. Massigli's letter of July 5. The text of the British Representative's communication to his Government on the same question was reported to the Department in the Embassy's telegram No. 6858 of July 7, 2 p. m. (Comea 326).[90]

Respectfully yours, For the Ambassador:
E. ALLAN LIGHTNER, JR.
Secretary, U.S. Delegation
European Advisory Commission

[Enclosure—Translation]

The French Ambassador in the United Kingdom (Massigli) to the American Ambassador in the United Kingdom (Winant)

LONDON, July 5, 1945.

MY DEAR AMBASSADOR: The European Advisory Commission in discussing the question of the creation of a Division "Reparations, Deliveries and Restitution" in the Control Commission in Austria, has not explored the heart of the problem of Austrian reparations. I desire, however, to recall that at different times I have had occasion to state that if the French Government recognized the principle of the obligation for Austria to furnish reparations, it believed that the form and amount should be examined by the four occupying Powers,

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[88] *Conference of Berlin (Potsdam)*, vol. I, p. 346. For documentation regarding reparations from Austria, see *ibid.*, vol. I, pp. 342–347, and vol. II, pp. 663–667.
[89] Not printed.
[90] *Conference of Berlin (Potsdam)*, vol. I, p. 347.

in the light of the general position and future prospects of the Austrian economy, as well as in the light of the necessity of maintaining the independence of Austria. An analogous point of view has, moreover, been expressed by other Delegations.

You have been so good as to state to the Commission that you have informed your Government of the views so expressed. I have the honor to inform you that, on my part, I have not failed to advise my Government of the various opinions expressed in the course of the discussion.

Please accept [etc.] R. MASSIGLI

740.00119 EAC/7–945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, July 9, 1945—4 p. m.
[Received 4 : 59 p. m.]

6894. Comea 329. At request Soviet rep EAC met this morning to complete text agreement on zones in Austria. Re pgh 2 my tel 6857 July 7, rptd AusPolAd 17, Murphy, 21, Gousev has now recd authorization his govt for inclusion in report of free transit for Allied goods and common use Vienna facilities. Agreement on zones to be signed 9 p. m., tonight.

[Here follow changes to be inserted into final text of agreement on zones of occupation in Austria. See the bracketed note *infra*.]

Full text of covering report to zones agreement begins:

(*Title*) Report by EAC to Govts of USA, UK and USSR and Provisional Govt of French Rep.

Beginning of text. In submitting text of agreement on zones of occupation in Austria and administration of City of Vienna for consideration and approval by Govts of USA, UK, USSR and Prov Govt of French Rep, the EAC recommends that the four govts issue directions to their respective C-in-C in Austria as follows:

1. Personnel of the forces of occupation in Austria, including those allotted for occupation of Vienna and personnel of allied commission will have freedom of movement and communication thruout Austria in execution of their duties or when traveling on leave in accordance with regulations to be established by Allied Council.

2. Allied Council will make necessary arrangements for transit in Austria by road, rail, air and water for goods and supplies required by the forces of occupation in Austria, including those forces allotted for the occupation of the City of Vienna and personnel of Allied

Commission and likewise for common use of transport and communication facilities and public utility services in City of Vienna.[91]

3. Use of facilities located in the district of Innerestadt will be regulated equitably by inter-Allied governing authority (Komendatura). The Soviet C-in-C will allocate areas in territory of the Soviet zone necessary for small unit training and recreation of Allied occupation forces stationed in City of Vienna.

4. Living accommodation outside the City will be found in special cases for senior officers and officials by arrangements agreed between respective C-in-C. *End of text.*

This complete final text of report supercedes texts transmitted my tel 6761, July 5; my tel 6372 June 23 and my tel 6584 June 29.

Repeated AusPolAd 20 and Murphy 28.

WINANT

[An agreement between the Governments of the United States of America, the Union of Soviet Socialist Republics, and the United Kingdom and the Provisional Government of the French Republic on zones of occupation in Austrial and the administration of the City of Vienna was signed *ad referendum* at a meeting of the European Advisory Commission at London on July 9, 1945. Notification of approval by the respective signatories was given by their representatives on the Commission on the following dates: the United Kingdom, July 12; France, July 16; the Soviet Union, July 21; and the United States, July 24, 1945. For text of the agreement and annexed maps, see Department of State, Treaties and Other International Acts Series (TIAS) 1600, or 61 Stat. (pt. 3) 2679. For documentation regarding the agreement on zones of occupation in Austria and the problem of the occupation of the western zones and of Vienna,

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[91] This article was a redraft by the Soviet Delegation of an earlier draft article approved by the United States, British, and French Delegations on June 23 and reading as follows: "There shall be freedom of transit throughout Austria by road, rail, and water for the goods and supplies required by the forces of occupation in Austria, including those forces allotted for the occupation of Vienna, and by the Allied Commission, in accordance with regulations to be established by the Allied Council". (European Advisory Commission Files: Lot 52 M 64)

According to the United States Delegation minutes of the Commission's meeting of July 9, the following exchange followed Gousev's presentation of the Soviet redraft of the article:

"LORD HOOD noted that the Soviet draft did not mention 'free transit' but only stated 'transit.'

"DR. MOSELY commented that in practice this did not seem to make any great difference as the statement that arrangements for transit would be worked out surely meant that there would be all necessary transit rights.

"M. MASSIGLI also felt that the Soviet draft covered the point satisfactorily and he stated that his Delegation therefore now withdrew its reservation regarding the tentative agreement on the airdromes." (European Advisory Commission Files: Lot 52 M 64)

see *Conference of Berlin (Potsdam)*, volume I, pages 347–356, and volume II, pages 156, 164, 167, 175–176, 181–182, 244, 310–311, 316–317, 368, 393, 553, 603, 668–683, 1489–1490, and 1507.]

II. NEGOTIATIONS RELATIVE TO THE INSTRUMENT OF SURRENDER; CONTROL MACHINERY, ZONES OF OCCUPATION, AND POSSIBLE DISMEMBERMENT OF GERMANY; CONSULTATION WITH OTHER ALLIED POWERS[92]

740.00119 Control (Germany)/1–245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 2, 1945—11 p. m.
[Received January 2—9 : 17 p. m.]

57. Personal for the Secretary and Assistant Secretary Dunn. I find that I have failed to give a final reply to your 10506 (December 16, midnight) [93] after sending you my 11326 (December 20, 8 p. m.).[94] The day Mr. Eden [95] returned from Athens I asked him to take up this matter with the British Chiefs of Staff as it was blocking our acceptance of the protocol on zones in Germany and was probably responsible for the delay in acceptance by our Government of the agreement on control machinery.[96] I reminded him that on his return from the last meeting at Quebec [97] he had told me of the President's generosity in agreeing to the British occupation of the northwestern zone. I told him I thought it was a poor return, in view of this concession, not to grant us control of Bremen and Bremerhaven and the necessary rail, highway and canal facilities to supply our

[92] For previous documentation regarding the negotiations in the European Advisory Commission relative to the Instrument of Surrender, the Agreement on Zones of Occupation, and the Agreement on Control Machinery, see *Foreign Relations*, 1944, vol. I, pp. 100 ff. For previous documentation regarding the consultation by the European Advisory Commission with Other Allied Powers, see *ibid.*, pp. 40 ff.

[93] Not printed; it stated *inter alia* that the War Department would appreciate the Ambassador's personal intervention to expedite British action to complete agreement on zones of occupation in Germany (740.00119 EAC/12–1644).

[94] Not printed; it stated that the Ambassador would be glad to take action to protect United States interests with regard to the zones of occupation in Germany (740.00119 EAC/12–2044).

[95] Anthony Eden, British Secretary of State for Foreign Affairs.

[96] For text of protocol between the United States, the United Kingdom, and the Soviet Union on the zones of occupation in Germany and the administration of "Greater Berlin", signed at London, September 12, 1944, and the amending agreement signed at London, November 14, 1944, see Department of State, Treaties and Other International Acts Series (TIAS) No. 3071, or *United States Treaties and Other International Agreements* (UST), vol. 5 (pt. 2), p. 2078. For text of the agreement between the United States, the United Kingdom, and the Soviet Union on Control Machinery in Germany, signed at London, November 14, 1944, see TIAS No. 3070, or 5 UST (pt. 2) 2062.

[97] Documentation relating to the Second Quebec Conference, September 11–16, 1944, is scheduled for publication in a subsequent volume of *Foreign Relations*.

forces in the southern zone. Eden told me he would take the matter up at once and try to get immediate action. I did this following receipt of a cablegram (War 84027, Hilldring[98] to Peabody for Meyer,[99] December 29, subject: Control Zones) stating that the British Chiefs' counter-proposal was unsatisfactory to the United States Joint Chiefs of Staff.

WINANT

740.00119 EAC/1–245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 2, 1945—11 p. m.
[Received January 2—9 : 45 p. m.]

59. Comea [1] 141. My 11575, December 30, 8 p. m.[2] At tonight's meeting of the European Advisory Commission Massigli [3] discussed briefly his memorandum on French participation in occupation and control of Germany.

The basic French demand is to be placed on a footing of equality with the other three powers with regard to German affairs. Massigli urged strongly an early decision in principle on this issue in order to speed the work of the Commission. He implied strongly that, if a favorable decision is made in principle, the detailed working out of arrangements for French participation could be done gradually, without disrupting the consideration of other urgent matters before the Commission. In general Massigli has so far taken a helpful and constructive part in the discussions of the Commission. With regard to assignment of a zone of occupation, Massigli set forth two alternatives. One would be to give France initially a small zone, with provision for later increasing its size; the other would be to assign to the French forces from the beginning a definitive zone of occupation. Massigli stated that he had no preference as between these alternatives. Gousev [4] and I reserved our positions with respect to the French

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[98] Maj. Gen. John H. Hilldring, Director of the Civil Affairs Division of the War Department.

[99] Brig. Gen. Vincent Meyer, Military Adviser to the United States Representative on the European Advisory Commission (Winant).

[1] Series designation for telegrams from the Embassy in London dealing with the work of the European Advisory Commission.

[2] Not printed; it reported the circulation in the European Advisory Commission by the French Representative of a memorandum setting forth the views of the French Government with respect to the instrument of unconditional surrender for Germany, the protocol on zones of occupation, and the agreement on control machinery (740.00119 EAC/12–3044). For text of the memorandum, see *Foreign Relations*, 1944, vol. I, p. 427.

[3] René Massigli, French Ambassador in the United Kingdom and Representative on the European Advisory Commission.

[4] Fedor Tarasovich Gousev, Soviet Ambassador in the United Kingdom and Representative on the European Advisory Commission.

proposals. The British Representative [5] stated that his Government had considered the French memorandum and that it approved in principle the French proposals, including equal French participation in the signature of the surrender instrument, occupation of a zone and in the control machinery, but that it reserved its final position until it had examined the draft amendments to the agreements, which Massigli has promised to present. Please furnish paraphrases of this message to Generals Hilldring and Strong.[6]

WINANT

740.00119 EAC/1–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 4, 1945—5 p. m.
[Received 5:10 p. m.]

108. Personal for the Secretary and Assistant Secretary Dunn. My 11575, December 30, 8 p. m.; [7] my 59, January 2, 11 p. m. I hope that the Department is giving careful consideration to the French request for equal participation in the occupation and control of Germany. As soon as the three Governments decided to admit France without reservation to full membership in the European Advisory Commission, ultimate French participation in German affairs on a footing of equality with the other three powers, it must be supposed, became only a question of time.

An early decision on principle on the French request will, I am sure, greatly facilitate the work of the Commission. It is gratifying to be able to report that the French have taken a constructive attitude in the EAC. Massigli implied strongly that if the three Governments agree in principle to modify the agreements on the surrender instrument, on zones of occupation and on control machinery so as to include France, his Government does not plan to present amendments of substance to these basic documents. The United Kingdom Government has already expressed its approval in principle of the French request.

If our Government wishes to avoid being last to accede in principle to the French request, it is urgent for me to make some informal arrangement with Gousev to move together on this question. I think Gousev would agree, if so requested, to inform me of his Government's decision prior to informing the Commission, but I cannot ask him to

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[5] Sir William Strang, British Representative on the European Advisory Commission.

[6] Maj. Gen. George V. Strong, senior Army Representative on the Joint Post-War Committee.

[7] See footnote 2, p. 161.

unduly delay transmitting a formal decision of his Government unless there is strong expectation of early action in Washington. I should like to have your immediate reactions as to the desirability of some such informal arrangement for synchronizing American and Russian action in this matter.[8]

WINANT

740.00119 Control (Germany)/1–545

Memorandum by the Secretary of State to President Roosevelt[9]

[WASHINGTON,] January 4, 1945.

The Embassy at London reports that the French representative on the European Advisory Commission has circulated a memorandum[10] giving the views of his Government concerning the instrument of surrender for Germany,[11] the protocol and amendment on the zones of occupation in Germany, and the agreement on control machinery. The memorandum expresses approval of these agreements but specifically advances the following five proposals:

(1) French participation in the Supreme authority for Germany.
(2) French participation in signing the instrument of surrender.
(3) Allocation to the French Army of a zone of occupation in Germany and a part of greater Berlin.
(4) Substitution of quadripartite for tripartite agencies in the agreement on control machinery.
(5) Preparation of a French text of the instrument of surrender to be equally authentic with the Russian and English texts.

Subject to the approval of the military authorities, it is recommended that this Government approve the French requests. The following reasons suggest this course.

It is in the interests of the United States to assist France to regain her former position in world affairs in order that she may increase her contribution in the war effort and play an appropriate part in the maintenance of peace. The Dumbarton Oaks proposal that France should in due course become one of the five permanent members of the Security Council was a natural corollary of this policy.[12]

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[8] Telegram 149, January 6, to London, stated that urgent consideration was being given to the French proposals and that the chances of early acceptance in principle were sufficiently good to warrant Winant's speaking to Gousev along the lines suggested (740.00119 EAC/1–445).

[9] Returned to the Secretary of State by President Roosevelt with the marginal hand-written notation: "OK FDR".

[10] Memorandum by the French Representative on the European Advisory Commission (Massigli), designated E.A.C. (44) 47, dated December 29, 1944, *Foreign Relations*, 1944, vol. I, p. 427.

[11] For text of the Instrument of Surrender, agreed to by the European Advisory Commission in London on July 25, 1944, see *ibid.*, p. 256.

[12] For text of the proposal, see chapter VI, section A, Dumbarton Oaks Proposals, October 7, 1944, *ibid.*, p. 893.

Furthermore, France's vital interest in the solution of the German problem and the realization of the part she will inevitably play in maintaining the future peace of Europe were acknowledged in the statement made on November 11, 1944 by the Acting Secretary of State when France was invited to become a full member of the European Advisory Commission.[13] In the circumstances it was obviously only a question of time when France would put forward the requests now under consideration.

There is every likelihood that the British and Soviet Governments will support the French. Consequently, disapproval by this Government would probably result in our being placed in the position of being the only Government to stand in the way of French aspirations. It would seem the part of wisdom to accept the proposals now, when credit can be obtained for that action, rather than to wait until it is made to appear that the concessions are won from us grudgingly.

Acceptance of full French participation will probably prove popular with the other small countries of Europe which profess to fear the results of a peace imposed by non-European powers.

Acceptance of the proposals now may help to create a cooperative spirit among the French who may as a consequence be less inclined to raise objections to many of the arrangements which have already been agreed to.

This Government may well wish, after the early period of occupation, to withdraw a considerable proportion of its troops from Germany. It would be logical to assume that they would be replaced by French forces and this replacement is likely to be facilitated if the French are fully associated with plans for the occupation from the outset.

It can be justifiably argued that the French requests are out of all proportion to France's power today and that the acceptance of a fourth country on an equal basis may only serve to make more complicated an already complex problem. It is not believed, however, that these considerations can outweigh the arguments in favor of the move. In the long run this Government will undoubtedly gain more by making concessions to French prestige and by treating France on the basis of her potential power and influence, then [*than?*] we will be [*by?*] treating her on the basis of her actual strength at this time.[14]

E. R. Stettinius, Jr.

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[13] For text of the statement, see Department of State *Bulletin*, November 12, 1944, p. 583.

[14] For documentation regarding French views on the occupation and treatment of Germany, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, pp. 292–309.

740.00119 Control (Germany)/1–545 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 5, 1945—7 p. m.

116. There is no doubt of Joint Chiefs of Staff and War Department's strong dissatisfaction with British proposals for control of Bremen area which has been communicated informally to British representatives here. Formal action has not been taken only because of desire to avoid sharp issue and in hope that attempts to work out solution would be successful. Yesterday at conference with Lord Halifax[15] and General Macready[16] War Department officials and Joint Chiefs of Staff representatives worked out formula which British stated they would recommend to London. If this is agreed to by London War Department advise that they will remove objections to signing protocol. The formula follows:

"The Bremen and Bremerhaven enclave as described will be under complete American control including military government but will be generally administered as a subdistrict of a larger British controlled area. It is understood that the American military government will conform to the general policies pursued in the administration of the larger district subject always to the right of the American commander to vary the administration of the enclave in any particular that he may find necessary on military grounds.

"The United States interest in transit passage from the Bremen area to the southwestern zone is so dominant and the British interest in possible movement through the American zone to Austria so evident that obligation to carry stores and personnel for the one Government through the zone controlled by the other is mutually recognized. To better achieve responsible service, it is proposed that each military zone commander will accept a deputy controller of movement and transport from the other to assist in the coordination of the movement and transport involved in such essential traffic."

We will have large army deep in enemy country with a great redeployment problem to deal with. It is vital therefore that we have the full use of the port which in turn involves authority over labor telephone traffic and other communication systems within the area. There is no half way point of control that can be worked out certainly not at high level. In view of our predominant and important interest as well as of the fact that we relinquished control of the northwest zone on this condition real control is essential. As Halifax and Macready are in accord we hope that matter can now be quickly disposed of on above basis.

STETTINIUS

[15] British Ambassador.

[16] Lt. Gen. G. N. Macready, Head of the British Army Staff Delegation, British Joint Staff Mission in Washington.

740.00119 EAC/1–545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 5, 1945—9 p. m.
[Received January 5—8:47 p. m.]

188. Comea 143. As reported in my 11080 of December 14, 8 p. m.,[17] (Comea 135), the European Advisory Commission has established an Allied Consultation Committee to consult with representatives of six European Allied governments [18] concerning German surrender terms. The chairman by seniority of rank is Sobolev, Soviet Minister-Counselor. I have appointed Mosely [19] and General Meyer. At an organization meeting the Committee decided to ask the Commission to define its mandate more fully.

On Tuesday [20] the EAC instructed the Committee to hand to the other Allied representatives a summary of the provisions of the surrender instrument (copy forwarded by air).[21] The Committee was also instructed to state that the text of the surrender instrument must be withheld at this stage because of strategic and security factors and that the question of whether it will be shown at a later date to the Allied Governments is being considered by the four governments.

As to zones of occupation and control machinery, it was agreed that the Committee, if asked, may say that the Allies intend to occupy Germany and to establish control over it, but may not inform the Allied representatives of tentative arrangements concerning occupation and control since the agreements recommended by the EAC have not as yet been approved by all four governments.

The United Kingdom representative on the EAC asked the United States, French and Soviet Governments consider whether the text of the surrender instrument should be communicated to the chiefly interested United Nations governments prior to its signature. The British feel strongly that the text should be communicated some weeks prior to the foreseeable time of German surrender, allowing time for study and comment by the Allied Governments. When at one point Strang reverted to his phrase about signature "on behalf of the United Nations", I insisted strongly on adherence to our agreed formula of

[17] *Foreign Relations*, 1944, vol. I, p. 84.
[18] The Governments of Czechoslovakia, Belgium, Luxembourg, the Netherlands, Norway, and Greece.
[19] Philip Mosely, Political Adviser to the United States Representative on the European Advisory Commission.
[20] January 2.
[21] *Post*, p. 168.

"acting in the interests of the United Nations", and Strang at once disclaimed any desire to amend the text as approved.

Massigli gave strong support to the British proposal but also insisted that the text should not be modified as a result of comments by the other Allied Governments.

Strang and Massigli felt that the question of consultation has great significance for those Allies who have suffered from German aggression, and that a mere belated notification of the text would leave resentment. They believed that, if the four governments should decide in principle to communicate the text at a later time for examination and comment, a statement now to the Allies of this intention would allay many of their anxieties, while determination of the appropriate time for communication would naturally rest with the four governments.

In the EAC discussion Gousev stressed particularly the strategic and propaganda advantages which the Germans would derive from a leakage of the surrender instrument through any one of the governments which might receive the text. I also emphasized the importance of restricting the distribution of the surrender terms and other documents to the smallest possible number of persons. In general I believe we should think twice before giving or even promising to give the text at an early date to any government outside the EAC. The risks of leakage of information affecting military planning for control over Germany are too great to be incurred lightly even though some of the Allied Governments may resent our apparent lack of confidence in their discretion.

If thought is given to communicating the surrender text to certain Allies, the number of governments to be informed of the text in advance of signature should also be considered. Strang has proposed that the United Nations be approached in two categories: one group to receive the terms in advance with an opportunity to comment; the other group to receive the text for information at the time of its signature. Strang and Massigli propose to include the European United Nations and the British Dominions in the first category. Before agreeing to any definite list for the first category we would need to consider whether it should also include such United Nations as China, Brazil and Mexico.

I should appreciate early instructions of [*on*] the question raised above. Gousev is similarly requesting the views of his government.

Please furnish a paraphrase to Generals Hilldring and Strong.

WINANT

740.00119 EAC/1–645

The Ambassador in the United Kingdom (Winant) to the Secretary of State

No. 20232 LONDON, January 6, 1945.
[Received January 12.]

SIR: With reference to telegram No. 188 of January 5, 9 p. m., Comea 143, which reported the establishment of an Allied Consultation Committee in the European Advisory Commission to consult with representatives of certain European United Nations Governments, I have the honor to transmit copies of a Summary of the Instrument of Unconditional Surrender of Germany which has been prepared in the Commission for the purpose of serving as a basis for discussion in the meetings of the new Committee.

Respectfully yours, For the Ambassador:
E. ALLAN LIGHTNER, JR.
Secretary, U. S. Delegation,
European Advisory Commission

[Enclosure]

Summary of Instrument of Unconditional Surrender of Germany

P8/33/44 LONDON, 7 December, 1944.

The Instrument of Unconditional Surrender of Germany, as recommended by the European Advisory Commission to the Three Governments,* is a relatively short document of a predominantly military character.

It is designed to be signed on the Allied side by representatives of the Supreme Commands of the United Kingdom, the United States and the Soviet Union, and on the German side by representatives of the German Government and of the German High Command.

The Instrument consists essentially of three parts:

The first is the preamble which includes an unqualified acknowledgement on the part of Germany of the complete defeat of the German armed forces on land, at sea and in the air, and an announcement by her of her unconditional surrender. The Representatives of the Supreme Commands of the United Kingdom, the United States of America and the Soviet Union, acting by authority of their respective Governments and in the interests of the United Nations, thereupon announce the terms of surrender.

*This document was prepared by the European Advisory Commission before the appointment to it of a representative of the French Provisional Government. [Footnote in the original.]

The second part comprises a series of articles which provide—

(i) for the cessation of hostilities by Germany in all theatres of war against the forces of the United Nations;
(ii) for the complete disarmament and disposal of the armed forces of Germany or armed forces under German control;
(iii) for the standstill of all such forces in their positions at the time of surrender, pending instructions from the Allied Representatives;
(iv) for the evacuation by the said forces of all territories outside the frontiers of Germany as they existed on 31st December, 1937, according to instructions to be given by the Allied Representatives;
(v) for the holding by the German authorities at the disposal of the Allied Representatives, intact and in good condition, of all war material, naval vessels, merchant shipping, aircraft, transportation and communications facilities and equipment, military, naval and air installations, and factories designed to produce the foregoing or otherwise to further the conduct of war;
(vi) for the release of United Nation's prisoners of war and of United Nations' and other nationals who are under restraint for political reasons, and for their protection and maintenance prior to their repatriation;
(vii) for the stationing of forces and civil agencies in any or all parts of Germany by the Allied Representatives as they may determine.

The third part is a General Article setting forth the supreme authority of the Three Powers with respect to Germany, including the power completely to disarm and to demilitarise Germany and to take such other steps as the Three Powers may deem requisite for future peace and security. The General Article further states that the Allied Representatives will present additional political, administrative, economic, financial, military and other requirements arising from the surrender of Germany, and will issue Proclamations, Orders, etc., for the purpose of laying down such additional requirements and of giving effect to the other provisions of the Instrument of Surrender. The German authorities will carry out unconditionally the requirements of the Allied Representatives, and fully comply with such Proclamations, Orders, etc.

740.00119 EAC/1-645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 6, 1945—7 p. m.
[Received 9:30 p. m.]

227. Comea 144. As foreshadowed in my 59 of January 2, 11 p. m., Massigli has presented the French amendments to the instrument of

unconditional surrender for Germany. He proposes to insert "the French Republic" in the second paragraph of the preamble and in Article 12(A), following "the United States of America". In Article 14 French would be added to the three languages. The number of Allied representatives signing the instrument would be increased to 4. Full text follows by air.[23] Please furnish paraphrase to Generals Hilldring and Strong.

WINANT

[On January 10, 1945, the Ambassador in the United Kingdom sent a cable message to President Roosevelt urging him promptly to approve the agreements on control machinery and zones of occupation in Germany. For text of the message, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, page 128.]

740.00119 EAC/1–545 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 11, 1945—midnight.

244. The Department approves EAC instructions to the Allied Consultation Committee as set forth in the first three paragraphs of your 188, January 5, Comea 143.

With reference to the proposals of Strang and Massigli for communication of the text of the surrender terms to the United Nations chiefly interested, the Department fully approves the position you have taken in EAC and in general supports the viewpoint expressed by Gousev. We agree with you that we should not now promise to give the text at a prescribed time to any Government not represented in EAC, and that the risk of leakage in so doing is very great and not to be lightly incurred.

As regards Strang's proposal to treat the United Nations under two categories, the following comment is offered. On the whole, we incline to the view that texts of agreements reached in EAC should not at this stage be given to any other Governments, or at the most only to those United Nations which have been the direct victims of German aggression. If the British Dominions were to be included in the first category, (those to receive the terms in advance with an opportunity for comment) this Government might have to reserve

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[23] Copy of the memorandum by the French Representative on the European Advisory Commission, entitled "Draft Amendments to the Instrument of Surrender", dated January 6, 1945, and designated document No. E.A.C.(45) 2, was transmitted to the Department by the Ambassador in the United Kingdom in his despatch 20275, January 9, neither printed.

the right to accord the same advantage to China, Brazil, Mexico, and perhaps other Latin American states.

We have not been under any pressure here by Latin American or other Governments to reveal the texts of EAC recommendations. There is reason to believe, furthermore, that at least some of the British Dominions are already substantially informed respecting such recommendations.

In the light of the foregoing considerations, we are not inclined to go further in this matter than the action to be taken by the Allied Consultation Committee.

GREW

740.00119 Control (Germany)/1–2945

The Commanding General, European Theater of Operations (Eisenhower), to Brigadier General Cornelius W. Wickersham, Acting Deputy, United States Group, Control Council (Germany)[24]

15 January 1945.

[Here follows a list of references to previous military messages dealing with the United States Group, Control Council.]

1. In furtherance of the above references and prior to the dissolution of Supreme Headquarters, AEF,[25] and in conformity with approved policies promulgated by the European Advisory Commission, your mission is:

a. To develop for approval by the Commanding General, ETO,[26] detailed plans for:

(1) The organization, personnel and equipment requirements of the United States element of the Control Staff (Germany).

(2) The long-range requirement of army, navy and air disarmament, demobilization and related staffs to be employed in the US zone after the occupation is complete.

b. To act as the Theater Commander's agent in carrying out liaison with the US advisors on the European Advisory Commission.

c. To develop for approval by the Commanding General, ETO, policies consistent with approved US views with respect to Germany which will serve as the basis for US conversations as provided below:

(1) Conversations with the United Kingdom and USSR elements of the Control Staff looking to the establishment of poli-

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[24] Transmitted by the United States Political Adviser for Germany (Murphy) in his despatch 99, January 29, 1945; received February 8. The United States Group, Control Council (Germany), was established in August 1944 to act in close liaison with similar British and Soviet groups in preparing for the post-surrender military government of Germany. General Wickersham served as Acting Deputy to the chief U.S. representative on the Control Council and was in charge of organizing the U.S. Group. For documentation on U.S. participation in the Control Council, see pp. 820 ff.

[25] Allied Expeditionary Force.

[26] Commanding General, European Theater of Operations, Gen. Dwight D. Eisenhower, who was at the same time Supreme Commander, Allied Expeditionary Force (SCAEF).

cies on the Control Council level for application in Germany upon assumption of control by the Council.

(2) Conversations with the British elements of the Control Staff with the view to developing recommendations to the Supreme Commander on matters affecting the control of Germany during the period subsequent to defeat or collapse but prior to assumption of control by the Council.

d. To assist the Berlin District Commander (Designate) in the preparation of plans for phasing into Berlin and for the administrative support of the US Group Control Council.

e. To prepare plans for initial functioning of US elements of the Control staff introduced into Berlin during the SHAEF period.

f. To furnish an analysis of the British, United States and Russian views with respect to the control of Germany by the Control Council and to determine:

(1) Known points of agreement between the three powers.

(2) Points on which it is clear that some reconciliation of views is essential together with details of the differences and recommended solutions.

(3) Points on which policy is required and on which early steps must be taken to secure guidance from higher authority. These should be accompanied by a recommendation of the policy to be adopted.

2. In the preparation of plans and policies directed herein you will coordinate with staff divisions of SHAEF, the Commanding General, USSTAF [27] and the Commander U.S. Naval Forces Europe or with the Berlin District Commander (Designate) as appropriate. You should make the maximum practical use of the facilities afforded by the Civilian Federal Agencies represented in the Theater. Within the provisions of references 3 and 5 above, you should give such planning assistance as appropriate to Twelfth Army Group and subordinate headquarters designated by them.

3. In preparing the plan called for in 1 *a* (1) above, you will:

a. Comply with the provisions of reference 4 above.[28]

b. Be governed by the principles established in reference letter 6 above.

c. Consult with the US elements of the appropriate staff division of SHAEF and nominate from personnel available in this Theater a list of officers to be designated by the Commanding General, ETO, to fill key positions in the US element of the Control Staff.

4. The date when combined command will be terminated cannot now be foreseen. Your plans, however, should take into account as possibilities:

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[27] U.S. Strategic Air Forces.

[28] Cable W–58895, from the Joint Chiefs of Staff to General Eisenhower, dated November 7, 1944, not printed, concerned with the composition of the US Group, Control Council (Germany).

a. Termination of combined command simultaneously with, or subsequent to, the establishment of the Control Council in Berlin.

b. Termination of combined command some time prior to establishment of the Control Council in Berlin.

5. In furtherance of para 5, GO 80, Headquarters, ETOUSA, dated 9 August 1944,[29] you will submit reports at least once a month on the status and progress of the plans called for above.

By command of General Eisenhower:

W. B. SMITH
Lieutenant General, US Army,
Chief of Staff

740.00119 EAC/1–1945

Memorandum by the Secretary of State to President Roosevelt [30]

[WASHINGTON,] January 19, 1945.

There is attached hereto a copy of my memorandum of November 25, 1944 [31] recommending that you approve the agreement reached in the European Advisory Commission with regard to control machinery for Germany.

The members of the Commission were formally notified of the approval of this agreement by the British Government on December 5, 1944 [32] and similar approval by the Soviet Government is expected momentarily. It is, therefore, a matter of the utmost urgency that Ambassador Winant be advised forthwith whether this basic document has the approval of the United States, if we are to avoid placing ourselves in an embarrassing position in the European Advisory Commission. It is for this reason that I urge you to give me your decision on this agreement at your earliest convenience.

The Secretary of War and the Secretary of Navy [33] in a letter dated December 27, 1944,[34] which was received by the Department of State on January 5, 1945, have recommended its approval.

E. R. STETTINIUS, JR.

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[29] Not printed; paragraph 5 specified the manner in which the Acting Deputy (Wickersham) of the US Group, Control Council would make progress reports and recommendations for personnel and equipment (740.00119 Control (Germany)/1–2945).

[30] Returned to the Secretary of State on January 23 with the marginal note: "E.R.S. Jr. O.K. F.D.R."

[31] *Conferences at Malta and Yalta*, p. 124.

[32] See telegram 10752, December 5, 1944, from London, *Foreign Relations*, 1944, vol. I, p. 415.

[33] Henry L. Stimson and James V. Forrestal, respectively.

[34] *Post*, p. 175.

740.00119 Control (Germany)/1–645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 23, 1945—1 p. m.

502. Referring to the Department's telegram No. 153, January 6, midnight,[35] the President has now approved the agreement for control machinery for Germany. Accordingly, you are authorized to give formal notification of this Government's approval of the agreement to your colleagues on EAC.[36]

GREW

740.00119 EAC/12–2744

The Secretary of State to the Ambassador in the United Kingdom (Winant)

No. 5023 WASHINGTON, January 25, 1945.

With reference to the Department's telegram No. 502 of January 23, 1 p. m., informing the Ambassador of the approval by this Government of the agreement reached in the European Advisory Commission for control machinery for Germany, the Secretary of State encloses herewith a copy of a letter addressed to the Secretary by the Secretary of War and the Secretary of the Navy under date of December 27, 1944.

It will be observed that both the Secretary of War and the Secretary of the Navy recommended approval of the agreement for control machinery. In addition, they set forth their views on the course of planning for the occupation of Germany under the agreement, with the suggestion that they be placed before the governments of the United Kingdom and the U.S.S.R.[37]

The Ambassador will note that the final approval of this Government of the agreement for control machinery for Germany is given without reservation. The views of the Secretary of War and the Secretary of the Navy are submitted for the Ambassador's information and guidance and for informal discussion with the members of the European Advisory Commission. These views are not, however, to

[35] Not printed; it reported that the agreement for control machinery for Germany had been approved by the Joint Chiefs of Staff and was under consideration by the President (740.00119 Control (Germany)/1–645).

[36] In his telegram 848, January 24, 7 p. m., the Ambassador in the United Kingdom reported having addressed formal notifications to the British and Soviet Representatives on the European Advisory Commission (740.00119-EAC/1–2445).

[37] A marginal note dated April 26 appearing on the Embassy copy of this instruction indicates that Ambassador Winant had discussed informally with the British and the Soviet Representatives on the European Advisory Commission the contents of the enclosure printed below (Mosely Files).

be considered as reservations of this Government to the control machinery agreement as recommended by the Commission.

[Enclosure]

The Secretary of War (Stimson) and the Secretary of the Navy (Forrestal) to the Secretary of State [38]

WASHINGTON, December 27, 1944.

DEAR MR. SECRETARY: The Secretary of War and the Secretary of the Navy have considered the proposed agreement on control machinery for Germany transmitted by your letters dated November 25, 1944 [39] and recommend approval of the agreement. However, they suggest that the Department of State give consideration to the desirability of expressing the following views to the governments of the United Kingdom and the U.S.S.R. on the course of planning for the occupation of Germany under this agreement, at the time that the United States approval is given:

1. The United States does not at present consider it probable that there will be a German government or other central administrative authority in existence at the time of the surrender or for a considerable period thereafter, which it would be practicable or desirable for the Control Council to deal with as the central German authority or administration. Planning, therefore, should not proceed solely on the basis that such an acceptable central authority will exist but should proceed with full recognition that many different circumstances may be encountered.

2. Accordingly, it is desirable that planning be undertaken on the basis that the Control Council, acting under instructions from the three governments, will determine, in the light of conditions as they may exist at the time of surrender or complete defeat:

a. What, if any, central administration or administrative structures in Germany, staffed by Germans, it is desirable and practicable to permit to continue;

b. What, if any, such central administration and administrative structures, not then existing, it is desirable to bring into existence; and

c. The nature and scope of the functions, authority and operations of any such central administration or administrative structures.

3. Although it is highly desirable that agreement be reached as rapidly as possible on the major policy problems of the occupation,

[38] Filed separately in Mosely EAC Lot File.

[39] Not printed; they transmitted copies of the agreement reached in the European Advisory Commission with regard to control machinery in Germany and asked for the approval of the agreement by the War and Navy Departments (740.00119 EAC/11-2544). For a parallel letter to President Roosevelt, see *Conferences at Malta and Yalta*, 1945, p. 124.

planning for the administration of the several zones must proceed during the period while such agreement is being sought. This is necessary because, under the agreement, subject to any policies which may be agreed upon by the Control Council and in the absence of agreement on particular policies, the Commanders in Chief in their respective zones have full responsibility and will exercise authority in all matters. Of course to the extent that agreement in the Control Council is achieved, the agreed policies of the Control Council will be determinative throughout the three zones.

4. To expedite agreement on occupation policies, it is desirable that each of the three governments promptly designate at least temporary members of the Control Council or the Coordinating Committee, as well as the principal members of the Control Staff, and charge them with responsibility for formulating and agreeing upon occupation policies, subject to any agreements upon such policies which may be reached by the governments concerned, in the European Advisory Commission or elsewhere.

Sincerely yours,

HENRY L. STIMSON
Secretary of War

JAMES FORRESTAL
Secretary of the Navy

740.00119 Control (Germany)/1–2645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 26, 1945—2 p. m.

604. Department's telegram 502, January 23, 1 p. m., giving approval of control machinery for Germany. We are fully in accord with an urgent suggestion made by the Secretaries of War and Navy that arrangements be made now to bring the control machinery agreement into operation and to activate the control council. Such an activation of the CC [40] would be more formal and complete than the presently proposed nucleus groups and would constitute the Council immediately as a planning group ready to undertake operational responsibility when called upon to do so by the Governments.

We fear that if the CC is not presently activated and formalized on a tripartite or quadrilateral basis it would not be ready to start functioning for some time after occupation of Berlin and that it would thus be hard for it to organize itself and be ready to assume the position contemplated by the control machinery agreement.

In view of the foregoing considerations, we believe that it would be wise to put the control machinery into effect now and to build it

[40] Control Council.

up. Accordingly, unless you perceive any objections to such a course, we suggest that you propose in EAC that the Commission submit to the governments a recommendation for the immediate activation of the Control Council and that they designate the members of the Council and have those officials not already there proceed to London in order that the Council may commence to function.

Although you are, of course, free to take up this suggestion in whatever way you consider most efficacious, we think that it might be opportune to do so in connection with discussion of French participation in the CC.

The proposed activation of the Control Council does not contemplate any change in the jurisdiction of the EAC.

GREW

740.00119 EAC/1–2645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 26, 1945—9 p. m.
[Received 11:04 p. m.]

948. Comea 161. Luxembourg Foreign Minister Bech has addressed letters to the members of the European Advisory Commission concerning the devastation and pillage inflicted by the Germans in the December invasion of his country.[41] The memorandum points out that the German-created ruin has grievously impaired the recuperative powers of Luxembourg. In view of the experience of countries which claimed reparation after the last war, the Luxembourg Government reserves in principle the right of the Luxembourg people to indemnity by the eventual concession to Luxembourg, whether provisional or permanent, of adjoining Prussian territory.

WINANT

740.00119 EAC/12–3044 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 29, 1945—midnight.

712. (SCOFM[42]) Your 11575 December 30.[43] Please inform your colleagues on the European Advisory Commission that this Gov-

[41] Reference is to the counteroffensive by the German Army against the Allied Armies in the Ardennes region in Luxembourg and southern Belgium during December 1944.

[42] Secret for the Chief of Mission.

[43] Not printed; it outlined the contents of a memorandum circulated in the European Advisory Commission by the French Representative. For text of memorandum, see *Foreign Relations*, 1944, vol. I, p. 427.

ernment is very glad to give its approval in principle to the five proposals advanced by the French representative, the general aim of which is to place the French in a position of equality with the United States, United Kingdom and Soviet Union in handling German matters. It is our understanding that you will concert with the Soviet representative in bringing our views formally to the attention of the Commission.

It will be desirable from the standpoint of planning for the military occupation of Germany if French participation will not operate to disturb unduly agreements already reached on a tripartite basis or to result in major revision of policy decisions already reached.

Please inform Murphy.[44]

Sent to London. Repeated to Paris and Moscow.

GREW

740.00119 Control (Germany)/1–3145

The Assistant Secretary of War (McCloy) to the Assistant Secretary of State (Dunn)

WASHINGTON, 31 January 1945.

DEAR JIM: I think it might be advisable to send Winant a cablegram along the lines of the attached draft on the present status of the protocol defining zones of occupation.

Sincerely, JOHN J. MCCLOY

[Enclosure]

31 JANUARY 1945.

DRAFT OF CABLE TO AMBASSADOR WINANT

Protocol on zones of occupation is being urgently considered by the British and American military authorities. The formula on the control of the Bremen–Bremerhaven Area arrived at as a result of a meeting with Lord Halifax has been agreed to by the British with minor amendments.[45] However, the American military authorities felt that the command channels of the U.S. Bremen–Bremerhaven Area Commander needed additional clarification. The British have queried London on this matter and we are awaiting their reply.

It is the current position of the military that the U.S. Area Commander should be under the command of the U.S. Zone Commander and not under the British Commander of the Northwest Area. In line with this, it is our present position that the British Commander of

[44] Robert D. Murphy, United States Political Adviser for Germany.

[45] See *Conferences at Malta and Yalta*, 1945, p. 199.

the Northwest Zone should keep the U.S. Bremen–Bremerhaven Area Commander currently informed of the general policies pursued in the administration of military government in the British Northwestern Zone and that the U.S. Area Commander will conform with these policies subject always to the right of the American Commander to vary the administration of the area in any particular that he may find necessary on military grounds. Since the main reason for securing the Bremen–Bremerhaven Area was to provide facilities for the use of the U.S. Zone Commander, it appears perfectly logical that his command position should be that of a subordinate to the U.S. Zone Commander.

This remains the only point of difference and I believe that it will be resolved rapidly so that the protocol may be cleared for signature.

740.00119 Control (Germany)/2–145 : Telegram

The Secretary of State to the Acting Secretary of State

MALTA, February 1, 1945.

Cricket [46] 45. Have dispatched the following to Winant after conference which Eden and I had with General Marshall [47] and Field Marshal Sir Alan Brooke.[48]

"You are authorized immediately to inform the European Advisory Commission of this Government's approval of the protocol on zones of occupation for Germany. Eden is likewise telegraphing the British Government's approval."

Please advise McCloy.

740.00119 EAC/2–245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 2, 1945—3 p. m.
[Received 3:45 p. m.]

1155. In accordance with Department's 712, January 29, midnight, I had Mosely inform the acting Soviet representative [49] on evening of January 30 of the United States acceptance in principle of the five French proposals regarding French participation in the surrender,

[46] Series designation for telegrams from the Malta Conference. For record of the conference at Malta, January 30–February 2, 1945, between President Roosevelt and British Prime Minister Churchill, with their advisers, see *Conferences at Malta and Yalta*, 1945, pp. 459–546.

[47] General of the Army George C. Marshall, Chief of Staff, U.S. Army.

[48] Chief of the British Imperial General Staff.

[49] Arkady Aleksandrovich Sobolev.

occupation and control of Germany (my 1058, January 30, 10 p. m. [50]). Sobolev expressed much appreciation of our advance notice, which, he felt, would hasten the formulation of an early decision by his Government, and stated that he was wiring that same evening for instructions.

In informing the European Advisory Commission of our Government's decision in principle, I shall again stress, as I have done informally on several occasions, our hope that French participation will not result in disturbing unduly the basic agreements and decisions already reached by the three Governments. Department will have noted that the proposed French amendments to the German surrender instrument conform to this view of our Government. Accordingly, unless otherwise informed by the Department, I assume that I am authorized to accept the proposed French amendments to the instrument of unconditional surrender (my 227, January 6, 7 p. m.; full text by my despatch 20275 of January 9 [51]).

WINANT

740.00119 EAC/2–245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 2, 1945—7 p. m.
[Received February 2—6 : 12 p. m.]

1173. Comea 170. In accordance with instructions received from the Secretary I have today addressed identic letters to the Soviet and UK representatives on the European Advisory Commission informing them of US approval of the protocol on zones of occupation in Germany, of September 12, 1944, modified and completed by the agreement regarding amendments to the above-mentioned protocol, of November 14, 1944.

WINANT

740.00119 Control (Germany)/1–3145

The Assistant Secretary of State (Dunn) to the Assistant Secretary of War (McCloy)

WASHINGTON, February 3, 1945.

DEAR JACK: In reply to your letter of January 31, 1945, enclosing a suggested cable to Winant with respect to the zones of occupation in Germany, I have not taken any action on this in view of the develop-

[50] Not printed; it reported that Department's telegram 712, January 29, had been received and that Ambassador Winant would concert at once with the Soviet Representative giving him advance notice to enable him to act jointly with Winant in the EAC (740.00119 EAC/1–3045).

[51] Despatch 20275 not printed.

ments on February 1, which were set forth in a cable of that date from the Secretary of State, a paraphrase of which I have sent to you.[52]

Sincerely yours, JAMES CLEMENT DUNN

740.00119 EAC/2–645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 6, 1945—4 p. m.
[Received February 6—11 : 47 a. m.]

1287. Comea 174. Acting Soviet representative on EAC has informed me that his Government has approved the protocol on zones of occupation in Germany and the agreement on control machinery in Germany. I am informing Mr. Stettinius by military channel.

WINANT

740.00119 Control (Germany)/2–845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 8, 1945—1 p. m.
[Received February 8—10 : 05 a. m.]

1355. Department's 955 February 7, 11 p. m.; my 1283 February 6, 2 p. m.[53] Personal for Assistant Secretary Dunn. Upon receipt of the request of the Secretary of State for postponement of any action with regard to the United States position on French participation in German matters pending further instructions[54] I have cancelled the EAC meeting which had been set for February 9.

WINANT

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[52] Cricket 45, February 1, from the Secretary of State at Malta, reporting the U.S. and U.K. approval of the zones of occupation protocol, p. 179. On February 6, 1945, at Yalta, the Combined Chiefs of Staff approved the agreement regarding the Bremen–Bremerhaven enclave. For text, see *Conferences at Malta and Yalta*, 1945, p. 639.

[53] Neither printed. In telegram 1283, February 6, 2 p.m., Ambassador Winant reported that he had called a meeting of the E.A.C. for February 9 at which he proposed to announce the United States acceptance, in principle, of the French request for participation in German affairs (740.00119 EAC/2–645). In response, Department's telegram 955, February 7, 11 p.m., instructed Winant to take no action with regard to the U.S. position on French participation in German questions until further instructions were sent (740.00119 Control (Germany)/-2–745).

[54] The request was made in telegram Argonaut (code name for the Yalta Conference) 51, February 7, from the Secretary of State at Yalta to the Ambassador in the United Kingdom, *Conferences at Malta and Yalta*, 1945, p. 729.

740.00119 EAC/2-845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 8, 1945—9 p. m.
[Received February 8—5 : 46 p. m.]

1400. For Assistant Secretary Dunn. Massigli called tonight at his request to present verbally French proposals regarding French zones of occupation in Austria and Germany. He stated he had presented same proposals today to Strang and would present them tomorrow to Sobolev, Soviet Chargé. At this stage he does not plan to present his proposals in writing in the European Advisory Commission.

French propose that their zone in Germany should include (1) left bank of Rhine from French frontier to Cologne inclusive of latter city and (2) Baden, Hessen-Darmstadt, Hessen-Nassau and Hessen-Kassel on the right bank of the Rhine. Massigli also proposed that province of "Greater Berlin" be enlarged by addition of district of Potsdam.

I pointed out to Massigli that the proposed French zone would, I was sure, meet with strong objections on our part since it would cut athwart our lines of communication between the seaports and the US zone. Massigli then suggested that the omission of Baden from the US zone would cause little inconvenience to the US forces of occupation, but I did not pursue this secondary suggestion further. I gained the impression that the French Government will expect counter-proposals regarding the size of a French zone of occupation. Massigli emphasized that he was advancing this concrete proposal, even in advance of receiving acceptance in principle of the French request for equality of participation in German affairs (my 11575, December 30 [55]) in order to expedite consideration of the French zone proposal by the Commission.

With regard to occupation of Austria [56] Massigli stated that in view of the small size of the country his Government would prefer to see a mixed occupation by contingents rather than an occupation by zone. If this proposal, which he understood had been considered and rejected in the case of Germany, should also be unacceptable in the case of Austria, his Government would ask to have Tirol–Vorarlberg assigned to it for occupation, in line with the British proposal (my 1064, January 31, 3 p. m.[57]). Massigli noted that French occupation of Baden would give French forces access to the Boden See, and across

[55] See footnote 2, p. 161.
[56] For documentation regarding discussion of the occupation of Austria in the E.A.C., see pp. 1 ff.
[57] *Ante*, p. 17.

the international waters of that lake to Vorarlberg, without crossing Bavarian territory, which would be, under the French proposal, in US occupation.

Full substance repeated to the Secretary of State by military channel. Please furnish paraphrase to Generals Hilldring and Strong.

WINANT

[President Roosevelt, British Prime Minister Churchill and Marshal Stalin, Chairman of the Council of People's Commissars of the Soviet Union, with their advisers, met in conference at Yalta in the Crimea, February 4–11, 1945. For the record of this Conference, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, pages 549–965. For the agreements reached at this Conference regarding the zones of occupation and control machinery for Germany and the question of the possible dismemberment of Germany, see the Report of the Crimea Conference, signed February 11, 1945, part II, *ibid.*, pages 970–971, and the Protocol of the Proceedings of the Crimea Conference, signed February 11, 1945, parts III and IV, *ibid.*, page 978.]

740.00119 EAC/2–2145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 21, 1945—1 p. m.
[Received February 21—11 : 47 a. m.]

1778. For Assistant Secretary Dunn. Yesterday Sobolev informed Mosely that Gousev is on his way back to London and is expected by February 23. Gousev has again become chairman of the EAC by rotation and will no doubt be equipped to proceed expeditiously on matters pending before the Commission including the various French proposals.

On the basis of Crimea Conference Communiqué [58] and my conversations with the President,[59] I assume that Department now wishes me to give effect to instruction contained in its 712, January 29, midnight, approving in principle the five French requests for equality in German affairs (my 1355, February 8, 1 p. m.). Unless otherwise instructed I assume that I should also accept the proposed French

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[58] For text of the Communiqué issued at the end of the Crimea (Yalta) Conference, dated February 11, 1945, and released to the press on February 12, see *Conferences at Malta and Yalta*, 1945, p. 968.

[59] Apparently, reference is to conversations held when Ambassador Winant traveled with President Roosevelt on board the U.S.S. *Quincy* from Alexandria to Algiers following the Yalta Conference.

amendments to the instrument of surrender (my 227, January 6, 7 p. m.; full text by my despatch 20275 of January 9 [60]).

The French amendments to the agreement on control machinery (my 1618, February 15, 5 p. m.; full text by despatch 21116, of February 19 [61]) also conform fully to Department's desire to avoid changes of substance in the agreements already approved by the three governments. Unless otherwise instructed shall therefore assume that Department wishes me to concur in these amendments.

With respect to the delimitation of a French zone of occupation in Germany (my 1400, February 8, 9 p. m.) Strang expressed informally to Mosely his personal view that the United Kingdom Government would agree to transfer to French control part of its zone west of the River Rhine extending northwards from the French frontier to a point about midway between Koblenz and Cologne including Saar, Bavarian palatinate and part of Rhine province. Strang felt that the United Kingdom would not want French control extended as far north as Cologne because of the anxiety this would arouse in Belgium. He stated United Kingdom Government contemplates utilizing Belgian forces as an auxiliary contingent within the United Kingdom zone and under United Kingdom command in area adjacent to Belgian frontier. To Strang's suggestion that it would be "reasonable" if Baden or Baden plus Hesse-Darmstadt were transferred from United States to the French zone Mosely made no comment.

WINANT

740.00119 Control (Germany)/2–2145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, February 21, 1945—5 p. m.
[Received February 23—2 : 19 p. m.]

798. Department's 660 February 17.[62] Acting on instructions from the Secretary (contained in a telegram dated February 11 which I re-

[60] Neither despatch 20275, January 9, from the Ambassador in the United Kingdom nor the enclosed memorandum by the French Representative on the European Advisory Commission, E.A.C.(45)2, January 6, 1945, printed.

[61] Telegram 1618, February 15, from London (not printed), reported that the French Representative on the European Advisory Commission had presented two memoranda proposing specific amendments to the protocol on zones of occupation and to the agreement on control machinery. The French proposed that the protocol on zones be amended to provide a new mid-western zone for France and division of Berlin into four zones, but there was no specific proposal for delimitation of boundaries. All other amendments merely required insertion in appropriate places of such phrases as "France", "French Republic", "French language", etc. (740.00119 EAC/2–1545). The two French memoranda, designated E.A.C. (45) 10 and E.A.C. (45) 11, both dated February 15, were transmitted to the Department as enclosures to despatch 21116, February 19 from London; none printed.

[62] Not printed; it requested the Ambassador in France to report the text of any communication made to the French Government regarding the occupation of Germany and the Declaration on Liberated Europe published in the Yalta Communiqué (740.00119 Control (Germany)/2–1745).

ceived through army channels [63]) and accompanied by my British and Soviet colleagues [64] I delivered to de Gaulle [65] on the evening of February 12 the following two telegrams from the three Heads of Government.

First telegram:

"You will observe that the Communiqué [66] which we are issuing the end of this Conference contains a Declaration on Liberated Europe. You will also see that, in the last paragraph of the Declaration, we express the hope that your Government may be associated with us in the action and procedure suggested. Had circumstances permitted we should have really welcomed discussion with you of the terms of this Declaration. The terms are, however, less important than the joint obligation to take action in certain eventualities and we feel that it is of the highest importance, in the interests of Europe, that the Provisional Government of the French Republic should agree, jointly with her three Allies, to accept such an obligation. Signed: Winston S. Churchill, Franklin D. Roosevelt, I. V. Stalin".

Second telegram:

"We have been considering the question of the control of Germany after her defeat and have come to the conclusion that it will be highly desirable for the Provisional Government of the French Republic, if they will, to accept responsibility for a zone of occupation and to be represented on the central machinery of control. We should be glad to learn that the French Government are prepared to accept these responsibilities. Signed: Winston S. Churchill, Franklin D. Roosevelt, I. V. Stalin".

As I reported to the Secretary (through the same army channels which he used) the atmosphere at the meeting with de Gaulle was chilly and after reading the two messages he said "I am taking due note".

CAFFERY

740.00119 Control (Germany)/2–2245 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, February 22, 1945—4 p. m.
[Received 10 p. m.]

510. The Secretary on his departure [67] requested me to endeavor to expedite the arrival in London of the Russian planning group which

[63] Telegram Argonaut 149, February 11, 1945, from the Secretary of State at Yalta to the Ambassador in France, *Conferences at Malta and Yalta*, 1945, p. 948.
[64] Alfred Duff Cooper, British Ambassador in France, and Alexander Efremovich Bogomolov, Ambassador of the Soviet Union in France.
[65] Gen. Charles de Gaulle, Head of the Provisional French Government.
[66] *Conferences at Malta and Yalta*, 1945, p. 968.
[67] The Secretary of State left Moscow on February 14 following a short visit there.

was to proceed there to discuss the operation of the Control Commission for Germany. I mentioned the matter to Molotov on Monday evening and he said that I could inform the Secretary that he would take steps to expedite the prompt arrival of the group.

Repeated to London as 71.

HARRIMAN

740.00119 E.A.C./2–2245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 22, 1945—8 p. m.
[Received 8:47 p. m.]

1852. Department's 1314, February 20, midnight,[68] received suggesting that the European Advisory Commission draw up, for submission to the three Governments, a formal document stating the approval by the three Governments of the German surrender terms, the agreement on control machinery, and the protocol on the zones of occupation, and giving the dates on which each Government gave notice of its approval.

The unconditional surrender instrument, which was submitted to the three Governments by the Commission on July 25, was approved by the United States Government on August 9 [69] by the Soviet Government on August 21,[70] and by the United Kingdom Government with reservations on August 31.[71] The United Kingdom Government withdrew its reservations and gave unqualified approval of the instrument on September 21; [72] the Soviet Government in turn renewed its unreserved approval on December 13.[73]

The protocol on zones of occupation in Germany, which was submitted to the three Governments by the Commission on September 12, together with the agreement amending the protocol on zones, submitted on November 14, was approved by the United Kingdom Government on December 5,[74] by the United States Government on February 2,[75] and by the Soviet Government on February 6.[76] The agreement on control machinery in Germany, which was submitted to the three Governments on November 14, was approved by the United

[68] Not printed.
[69] See bracketed note for August 9, 1944, *Foreign Relations*, 1944, vol. I, p. 266.
[70] See telegram 6763, August 21, 1944, from London, *ibid.*, p. 276.
[71] See telegram 7138, September 1, 1944, from London, *ibid.*, p. 329.
[72] See telegram 7856, September 21, 1944, from London, *ibid.*, p. 341.
[73] See telegram 11085, December 14, 1944, from London, *ibid.*, p. 422.
[74] See telegram 10752, December 5, 1944, from London, *ibid.*, p. 415.
[75] See telegram 1173, February 2, 1945, from London, p. 180.
[76] See telegram 1287, February 6, 1945, from London, p. 181.

Kingdom Government on December 5,[77] by the United States Government on January 24,[78] and by the Soviet Government on February 6.[79]

Thus, in so far as the EAC has jurisdiction, all three documents recommended by the Commission have been submitted to the three respective Governments and have been approved by them through formal acceptances formally acknowledged. We would be glad to forward to the Department certified copies of these acceptances.

Since the French now have full membership in the EAC, it would be impossible for the Commission formally to act on behalf of the three powers unless it can secure the concurrence of the French representative. The French Government has, as you know, presented certain amendments to the three basic documents, which have been reported to the Department and which have been accepted by our Government and the British Government. We understand from the reports of the Crimea Conference that these proposed amendments are also acceptable to the Russians. When formal action has been taken in the European Advisory Commission on the French amendments, the necessary recommendations and documentation of such action will be transmitted to the Department.

It is our understanding that at the Crimea meeting, the three basic papers were again approved by the heads of state without change, except for the addition of a single word [80] in the terms of the unconditional surrender instrument. This action is undoubtedly on record in the Department. We, however, have as yet no authorization to explain to the French the one change which has been made in the unconditional surrender terms by the President, Marshal Stalin and the Prime Minister.

I am also convinced that any move on our part to ask for a further expression of governmental approval of the unconditional surrender instrument, the protocol on zones of occupation in Germany and the agreement on control machinery in Germany, after they have been recommended by the three Governments and now confirmed by the President, Marshal Stalin and the Prime Minister at the Crimea Conference, would arouse serious misunderstanding as to the position of the United States Government in relation to these three basic agreements.

WINANT

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[77] See telegram 10752, December 5, 1944, from London, *Foreign Relations*, 1944, vol. I, p. 415.

[78] See footnote 36, p. 174.

[79] See telegram 1287, February 6, 1945, from London, p. 181.

[80] The word was "dismemberment". For documentation regarding the discussion of dismemberment of Germany at the Yalta Conference, see *Conferences at Malta and Yalta*, 1945, pp. 612–616, 624–628, 633, 656–657, 700–701, 709, 936 947, 978.

728-099—68——13

740.00119 EAC/2–2145 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, February 24, 1945—8 p. m.

1444. On the understanding that such action is in conformity with your conversation with the President, and on the basis of Yalta decisions, the assumption stated in your 1778, February 21, 1 p. m., is correct and you may give effect to the instructions set forth in Department's 712, January 29, midnight, approving in principle the five French requests on German affairs. You may likewise accept the proposed French amendments to the instrument of surrender.

We have not yet received the text of the French amendments to the agreement on control machinery, but on your assurance that these amendments make no changes of substance, you may concur in these amendments.

The Yalta decisions stipulate that a zone in Germany to be occupied by French forces should be allocated to France. This zone will be formed out of the American and British zones and its extent will be settled by the two governments concerned in consultation with the French Provisional Government.

We can not commence our discussions with the American military authorities on the extent of the French zone until we receive specific proposals.

GREW

European Advisory Commission Files : Lot 52 M 64

Memorandum by the United States Chiefs of Staff to the Combined Chiefs of Staff

C.C.S. 786 [WASHINGTON,] 27 February 1945.

FREEDOM OF TRANSIT ACROSS ZONES OF OCCUPATION

1. The enclosed memorandum by the United States Chiefs of Staff is presented for consideration by the Combined Chiefs of Staff. A copy has been presented to the Red General Staff through the U. S. Military Mission to the U.S.S.R.

2. The United States Chiefs of Staff wish to make it clear that the memorandum does not affect or refer to the present transit arrangement between Bremen-Bremerhaven and the Southwestern area.

[Enclosure]

Memorandum by the United States Chiefs of Staff to the British Chiefs of Staff and the Soviet General Staff

United States forces in zones of tripartite occupation will require regular access by air, road and rail to the main United States zones of occupation. In addition, all United States forces of occupation will require access to other parts of Europe across British and Soviet zones of occupation. It appears that similar access will be required by Soviet and British forces.

The United States Chiefs of Staff propose that the general principle of freedom of transit across zones of occupation and zones of tripartite occupation, be accepted. Details of transit shall be worked out between the local commanders.

The foregoing is proposed as an interim military measure pending general agreements as to transit which may be expected from the European Advisory Commission.

Your agreement to the foregoing is requested.[81]

740.00119 EAC/2–2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 28, 1945—10 p. m.
[Received February 28—8 : 20 p. m.]

2092. Comea 189. In connection with French participation in the occupation of Germany the UK representative on the European Advisory Commission has circulated the following proposal for the occupation of "Greater Berlin". Soviet forces to occupy districts of Mitte, Friedrichshain, Weissensee, Lichtenberg, Neukölln, Treptow, Köpenick. French forces to occupy districts of Prenzlauerberg, Pankow, Reinickendorf. UK forces to occupy districts of Wedding, Tiergarten, Charlottenburg, Wilmersdorf, Spandau. U. S. forces to occupy districts of Kreuzberg, Schöneberg, Tempelhof, Steglitz, Zehlendorf.

Please furnish paraphrase to Generals Hilldring and Strong.

WINANT

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[81] British concurrence in these views were set forth in a memorandum by the Representatives of the British Chiefs of Staff, C.C.S. 786/1, March 9, 1945. No answer appears to have been received from the Soviet authorities.

740.00119 Control (Germany)/3 1345 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, March 13, 1945—9 p. m.

583. In your discretion please again urge upon the Soviet ForOf the pressing necessity that the Soviet component of the Allied Control Commission for Germany arrive in London in order that the Commission may begin its work and state that, in view of recent military developments, this Government attaches the highest importance to this question.[82]

GREW

740.00119 EAC/3-1745

The Ambassador in the United Kingdom (Winant) to the Secretary of State

No. 21791 LONDON, March 17, 1945.
[Received March 23.]

SIR: I have the honor to transmit a copy of a report of the Allied Consultation Committee to the European Advisory Commission giving the results of its conferences with the representatives of certain other Allied Governments on questions relating to the surrender terms for Germany. There are also enclosed copies of informal notes of the meetings of the Allied Consultation Committee and an exchange of letters between the Chairman of the Committee and the Chairman of the European Advisory Commission with respect to the functions of the Committee. The Secretary-General,[83] who prepared the notes of the meetings, did not prepare a report of the proceedings at the first meeting of the Allied Consultation Committee which was held on December 18, 1944. To make the record complete it can be stated that that meeting concerned itself with the election of a chairman and a discussion of the manner of handling the consultation with the other Allied Governments. It was decided at that meeting to submit

[82] A note from the Ambassador in the Soviet Union, March 19, 1945, to Soviet Assistant People's Commissar for Foreign Affairs, Vyshinsky, reads as follows:

"When I called on Mr. Molotov on February 20 I mentioned to him that Mr. Stettinius had intended to speak to Mr. Molotov about the urgent necessity of the arrival in London of the Soviet component of the Allied Control Commission for Germany in order that the work of planning could commence at once. Mr. Molotov told me that he would endeavor to expedite the arrival of this group in London and that I should so inform Mr. Stettinius.

"I have now received a cable from Mr. Stettinius inquiring when it is expected that these Soviet representatives will leave Moscow, and again emphasizing the need for early action. I would greatly appreciate receiving this information in order that I may inform Mr. Stettinius." (Moscow Embassy File)

[83] E. P. Donaldson.

certain questions to the Chairman of the European Advisory Commission asking for clarification as to the scope of the functions of the Committee. These questions were submitted in the enclosed letter (P12/26/44).[83a]

A summary of the Surrender Instrument, which was presented to the representatives who met with the Consultation Committee, was transmitted to the Department with the Embassy's despatch No. 20232 of January 6, 1944 [*1945*].

Respectfully yours,

For the Ambassador:
E. ALLAN LIGHTNER, JR.
Secretary, U.S. Delegation
European Advisory Commission

[Enclosure 1]

Report of the Allied Consultation Committee to the European Advisory Commission [84]

P12/60/45

PART I.—INTRODUCTION

In accordance with the instructions of the European Advisory Commission contained in the last paragraph of the Chairman's [85] letter of 6th January, 1945 (P12/35/45),[86] the Committee has the honour to present herewith a First Report on its meetings with the representatives of the Governments of Czechoslovakia, Belgium, Luxembourg, the Netherlands, Norway, Yugoslavia and Greece. The representatives of these countries (whose names are given in Annex A) were received in the above order, which corresponds to that in which the Commission's invitation to engage in consultation was accepted by their respective Governments. The representatives of Belgium, Luxembourg and the Netherlands, whose Governments had submitted a joint memorandum to the Commission, were, at their request, received together.

2. At the first meeting with each group of representatives, two copies (in both the English and Russian versions) of the Summary of the Instrument of Unconditional Surrender in the form approved by the Commission at the informal meeting held on 7th December, 1944 (P8/33/44)[86a] were handed to the representatives of each Government. Assurances were received in each case that the minimum circulation possible would be given to the document, the secret character of which was explained to those present. The representatives of

[83a] *Post*, p. 199.
[84] Adopted at a meeting of the Committee held on March 14, 1945.
[85] Sir William Strang.
[86] *Post*, p. 200.
[86a] *Ante*, p. 168.

Czechoslovakia and of Belgium, Luxembourg and the Netherlands were informed, in reply to questions, that the Committee was not authorised to communicate to them the full text of the Instrument, which, for security reasons, must remain secret for the present.

PART II.—CONCLUSIONS AND RECOMMENDATIONS

3. The Czechoslovak, Netherlands, Belgian, Luxembourg and Greek Governments have confirmed their desire to participate with their armed forces in the occupation of Germany. The Committee considers that their wishes might be taken into account in considering the concrete steps to be taken to give effect to the terms of Article 4 of the Agreement of 12th September, 1944, on Zones of Occupation which provides for the possibility of including auxiliary contingents of the Allied Powers in the composition of the forces of occupation. In the Committee's view, this question could best be answered if the Commission were to authorise it to communicate to the Governments concerned a summary of the Agreement on Zones of Occupation.

4. The Czechoslovak, Netherlands, Belgian, Luxembourg and Greek Governments have confirmed their desire to participate in the machinery of control in Germany. The Committee considers that this question could best be answered if the Commission were to authorise it to communicate to the Governments concerned a summary of the Agreement on Machinery of Control in Germany.

5. All the Allied Governments consulted have expressed a wish to continue the consultations regarding Terms of Surrender for Germany and additional requirements to be imposed under the General Article which are of special concern to those Governments—in particular, economic questions such as restitution and spoliation, repatriation of displaced persons, and disposal of German war material. The Committee considers that this desire could be satisfied by continuing at the appropriate moment consultations with this Committee, or with any other competent body authorised by the European Advisory Commission to continue the discussion.

6. The wishes of the Allied Governments consulted as set out in paragraphs 11, 12, 13, 14, 15, 16, 22, 23, 24, 25, 30, 33 and 34 below could, in the Committee's view, be considered and given appropriate expression in the forthcoming preparation of Orders, Instructions, etc.

7. The Commission may wish to consider whether or not the Allied Consultation Committee should answer the desire of the Belgian, Luxembourg and Netherlands Governments for an explanation of the juridical position of the respective National Authorities in securing the execution of the Terms of Surrender in liberated territory. This request is mentioned in paragraph 21 below. If the E.A.C. authorizes discussion of this subject, the Allied Consultation Committee would

appreciate guidance from the Commission with respect to the answers to be given.

8. The Committee suggests that consideration of the proposals presented by the Norwegian Government, to which reference is made in paragraph 29 below, should be pursued through appropriate military channels and that this Committee should be authorised to inform the Norwegian representatives to that effect.

9. In view of their concrete nature and importance, the wishes of the Czechoslovak Government referred to in paragraph 17 below and set out in Part II of the Memorandum of the Czechoslovak Minister of Foreign Affairs [87] dated 24th August, 1944 [88] and in later documents, merit the special consideration of the European Advisory Commission.

PART III.—VIEWS OF THE ALLIED GOVERNMENTS

10. The following paragraphs set out the points to which the several countries attach special importance and in regard to which the Committee undertook to invite the particular attention of the Commission. These points have been arranged, in the sections dealing with each country or group of countries, as they relate to (*a*) the Instrument of Unconditional Surrender and the Orders, etc. to be issued thereunder, (*b*) the occupation of Germany, (*c*) Allied Control Machinery in Germany, (*d*) further consultation or association between the Allied Governments and the European Advisory Commission.

CZECHOSLOVAKIA

Instrument of Surrender.

11. This Government considers that the Terms of Surrender should stipulate in connection with the evacuation of occupied territory, that all requisitions and other coercive measures should cease immediately, that no damage is to be caused to public or private property, and that all agricultural and industrial plants, installations, services, etc. must be left in good working condition; that nothing must be exported and that persons leaving the country must not carry away anything except their personal goods and chattels.

12. In the view of the Czechoslovak Government, cash reserves of currency of all kinds held on Allied territory by enemy military and civilian authorities (but not German currency held by private persons) should be included among the property to be placed at the disposal of the Allied Representatives. Gold belonging to or held by the German State, public corporations and banks in Germany and

[87] Jan Masaryk.

[88] Not printed. For a summary of views of the Czechoslovak Government, see *Foreign Relations*, 1944, vol. I, p. 72.

in neutral countries should be added to the items to be held at the disposal of the Allied Representatives. If provisions to this effect are not included in the Instrument of Surrender itself, but are imposed by orders issued under the General Article, this Government considers that the necessary orders should be worked out beforehand so that they can be issued simultaneously with the signature of the Instrument or immediately after the capitulation.

13. The Czechoslovak representatives suggest that the Instrument of Surrender should include an acknowledgment of the responsibility of Germany for loss and damage caused to the United Nations by German aggression and should affirm the right of the United Nations whose territories were occupied by Germany to restitution of the identifiable property seized by Germany and to compensation for other property as well as for damage and loss caused during the occupation.

14. A provision is suggested forbidding Germany any intercourse with, or any export to, foreign countries without permission of the Allies. All German or German-held assets in neutral countries should be placed at the disposal of the Allied Representatives by the German authorities.

15. The Czechoslovak Government is interested in securing the release from military service and auxiliary services under military organisation, including the Todt organization,[89] of all Allied nationals (excluding Germans and Magyars). Provisions to this effect should, in its view, be included in the relevant article of the Instrument of Surrender, which should also include a stipulation providing for the best possible treatment of displaced nationals of the United Nations, especially workers, pending repatriation.

16. This Government considers that German authorities should be bound by the Instrument of Surrender to deliver up war criminals to justice, the principal ones being handed over immediately on capitulation.

17. The Czechoslovak representatives expressed a strong desire that provisions dealing with certain political questions in which their Government is interested should be included in the Instrument of Surrender to be confirmed by Germany by the signature of her plenipotentiaries. These questions are the three included in Section II of the *Aide-Mémoire* submitted by the Czechoslovak Foreign Minister on 24th August, 1944 [P12B/3/44] relating to (*a*) political clauses (nullification of certain treaties), (*b*) the date of the beginning of the state of war between the Czechoslovak Republic and Germany and

[89] An auxiliary service of the German Armed Forces charged with the carrying out of certain technical construction work, particularly road, rail, and fortification construction. Organization Todt used forced foreign labor to a considerable extent.

Hungary, and (*c*) the transfer of Germans and Magyars from Czechoslovakia to Germany and Hungary.

Occupation of Germany

18. The Czechoslovak Government reiterates its request to be allowed to take part in the military occupation of Germany.

Allied Control Machinery in Germany

19. The Czechoslovak Government desires to be represented on the various Allied bodies, Commissions and agencies which may be set up for the execution of the Instrument of Surrender and orders issued thereunder.

Further Consultation with E.A.C.

20. The Czechoslovak Government desires to be associated as closely as possible with the drafting of the additional requirements and regulations designed for issue by the Allied Representatives under the General Article. In particular, it wishes to be given the opportunity of making observations and suggestions regarding the restitution of looted property, the question of enemy currency in the occupied countries (including gold), the supply of German goods and services for the economic restoration of Allied countries, and the liquidation of enemy property (including incorporeal property, e.g., patents, copyrights, etc.) in Allied countries.

BELGIUM, LUXEMBOURG AND THE NETHERLANDS

Instrument of Surrender

21. The representatives of these Governments have expressed concern about the use in the Preamble of the Instrument of Surrender of the phrase "in the interests of the United Nations". They wish to be assured that "no expression in the Instrument of Surrender leaves any doubt that all obligations to be imposed thereunder have force for the benefit of each of the United Nations concerned and give each of them the direct right to claim their execution by the enemy". They have asked for an explanation of the juridical position of the respective national authorities in securing the execution of the Terms of Surrender in liberated territory.

22. The three Governments are anxious that provision should be made in the Instrument of Surrender itself for safeguarding the life and property of all Allied nationals in any territory not evacuated by the enemy before capitulation.

23. The attention of the Committee was drawn to the recommendations in Section D of Chapter II of the joint memorandum submitted to the Commission by the three Governments [pp. 7–8 of

P12C/1/44 [90]] regarding disarmament and demobilisation of the German armed forces, the disposal of war material and stores, the demolition of military installations and fortifications, and the allocation to the victorious Powers of ex-enemy munitions and war booty.

24. As regards the release and repatriation of displaced persons of Allied nationality, the three Governments ask that special attention should be given to the views expressed by any of them regarding the priority to be accorded to individuals or categories of citizens whose early return to their respective countries is required for reconstruction and rehabilitation. They ask whether machinery has been set up to deal with this problem and suggest that, if this has not yet been done, the establishment of machinery should be considered without delay. The Belgian Government ask for special consideration for the early return to Belgium of the King of the Belgians [91] and his family.

25. The three representatives have asked for the insertion in the Instrument of Surrender of a provision by which Germany would be bound as regards each Allied State to carry out her pre-war Treaty obligations in so far as she is not expressly released from such obligations by the other party or parties to the treaties or conventions concerned. The Belgian Representative also asked for provision to be made in the Instrument of Surrender for the nullification of the annexation of Belgian territory (Eupen, Malmédy and St. Vith) unilaterally incorporated in the German Reich in 1940.

Occupation of Germany

26. The three Governments attach importance to the inter-Allied character of the occupation. So far as their other military commitments permit (in particular the obligations of the Netherlands Government in the war against Japan), they would wish to be represented by appropriate contingents.

Allied Control Machinery

27. The three Governments have expressed the view that there should be a permanent Central Allied Commission with adequate representation for all States with a direct interest in the fulfilment of the terms of capitulation, including in particular liberated countries.

Further Consultation with E.A.C.

28. The three Governments have expressed their desire to be consulted at the appropriate stage on the economic provisions to be imposed upon Germany by orders issued under the General Article in respect of such matters as the restitution of looted property, repara-

[90] Not printed. For a summary of the views of the Governments of Belgium, Luxembourg and the Netherlands, see *Foreign Relations*, 1944, vol. I, p. 70.

[91] Leopold II.

tions for damage and spoliation, the disposal of German war factories and munitions plant and the allocation of German war material and stores. In addition, further consultation is desired in connection with the surrender of war criminals.

NORWAY

Instrument of Surrender

29. The Norwegian representatives drew the particular attention of the Committee to the proposals which their Government had submitted in their memorandum of 2nd September, 1944 [P12H/3/44].[92] They asked whether consideration had been given to the 14 draft Articles se [*set?*] out in Annex A to that memorandum which had been drawn up for incorporation in the Terms of Surrender to be imposed upon the German authorities in Norway. The first of these Articles reads as follows: "The terms shall be notified to the Germans and their subordinates in Norway by two Allied plenipotentiaries, one of whom shall be appointed by the Norwegian Government". The remaining 13 Articles provide detailed regulations for the control and disarmament of German forces and German-controlled organisations in Norway.

30. The Norwegian Government are especially concerned with the control of German shipping and shipbuilding; their representatives thought that the orders to be issued under the General Article affecting such matters especially affecting Norwegian interests should be issued simultaneously with, or immediately after, the signature of the Instrument of Surrender.

Further Consultation with the E.A.C.

31. This Government's representatives expressed a strong desire to be associated with the Committee or with any bodies set up by the Commission in the future which might be concerned with drafting orders and proclamations for issue under the General Article. They were anxious that there should be an opportunity of discussing matters of particular concern to the Norwegian Government, particularly those relating to naval vessels and merchant ships, before final decisions were reached.

YUGOSLAVIA

32. The representative of this Government attended a meeting of the Committee on 23rd January, when he said that he had no questions to raise at that stage. It would appear from the letter addressed to

[92] Not printed. For a summary of the views of the Norwegian Government, see *Foreign Relations*, 1944, vol. I, p. 73.

the Chairman of the Commission by the Yugoslav Prime Minister [93] of 3rd January (P12G/3/45)[94] that the Royal Yugoslav Government desire to reserve their attitude until after the formation of a single Yugoslav Government in association with the National Committee of Liberation in Belgrade.[95] It may be expected that when this Government has been formed, its fully-considered and documented views will be presented.

GREECE

Instrument of Surrender

33. At the meeting of the Committee held on 15th February, the Greek representatives presented a memorandum emphasising their Government's desire that Greece's claims against Germany should be referred to the Allied Representatives who would receive the capitulation of Germany, with a view to those Representatives considering the compensation to be made for the loss and damage suffered by the Greek nation. In particular, the Greek representatives asked "that from the war material, etc. to be held by the German authorities at the disposal of the Allied Representatives, a quantity be allotted to the requirements of the Greek Army sufficient to place the latter on a war footing of 25 fully-equipped divisions".

34. The further request was made that a demand should be made on the German military forces who might still be in occupation of Greek territory at the time of surrender for the handing over to the Greek military authorities of all war equipment, military installations, etc. in that territory in good condition.

Occupation of Germany

35. Greece desires to be invited to join in the military occupation of Germany.

Allied Control Machinery in Germany

36. Greece wishes to be represented on the Inter-Allied Commission of Control in Germany.

Further Consultation with the E.A.C., etc.

37. The Greek representatives asked that their Government's desire that the surrender of territory and military installations shall be carried out in the particular way proposed (see paragraph 34 above) should be further discussed with those responsible for drafting orders for issue under the General Article.

LONDON, 14 March, 1945.

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[93] Ivan Šubašić.
[94] Not printed.
[95] For documentation regarding the interest of the United States in the formation of a united Yugoslav government, see *Foreign Relations*, 1944, vol. IV, pp. 1330 ff.

[Subenclosure]

ANNEX A

LIST OF REPRESENTATIVES OF ALLIED GOVERNMENTS CONSULTED BY THE ALLIED CONSULTATION COMMITTEE

Czechoslovakia	Dr. J. Spacek, Minister Plenipotentiary
	Dr. Z. Prochazka, Minister Plenipotentiary
Belgium	Monsieur Fernand Van Langenhove, Secretary-General Ministry of Foreign Affairs
Luxembourg	H. E. Monsieur Joseph Bech, Minister of Foreign Affairs
	Monsieur Alphonse Als, Chef de Cabinet of the Minister of Foreign Affairs
Netherlands	Dr. W. Huender, Chief of the Section of Post-War Problems, Ministry of Foreign Affairs
Norway	Mr. C. F. Smith, Minister to Belgium
	Mr. J. Melander, Economic Adviser to Foreign Minister
Yugoslavia	H. E. Dr. Stoyan Gavrilovic, Under-Secretary of State for Foreign Affairs
Greece	H. E. Monsieur Thanassis Aghnides, Ambassador Extraordinary and Plenipotentiary
	Major-General Ventiris
	Lieutenant-Colonel Stathatos

[Enclosure 2]

Copy of a Letter Dated December 27, 1944, From the Chairman of the Allied Consultation Committee (Sobolev) to the Chairman of the European Advisory Commission (Strang)

P12/26/44

DEAR SIR WILLIAM: On behalf of my colleagues [96] at the Consultation Committee I submit to you the attached report for consideration by the Commission.

Sincerely yours, A. SOBOLEV

REPORT

The Committee which the Commission agreed on 7th December to set up to conduct discussions with representatives of the European

[96] Philip E. Mosely (for the United States), Viscount Samuel Hood (for the United Kingdom), and Comte Pierre Marie de Leusse (for France).

Allied Governments would welcome instructions from the Commission on the following points:—

(1) Whilst the Committee proposes to state, in reply to any enquiry from the representatives of the European Allied Governments, that the Instrument of Surrender itself must be withheld at this stage because it is a document of primary military character which has immediate security significance and must accordingly receive very restricted circulation, may the Committee give an assurance that the full text will be communicated to the European Allied Governments in due course prior to the actual surrender of Germany?

(2) Is it within the competence of the Committee to discuss with the representatives of the European Allied Governments the questions of occupation and control machinery and to inform them of the Commission's recommendations on these subjects, if necessary by communicating a summary of the two Protocols?

(3) Are the functions of the Committee—

(*a*) to discuss with the representatives of the European Allied Governments any points raised by the latter on the summary of the Instrument of Surrender whether in regard to the subjects specified in para 2 of the summary or the subjects which will be covered by the further documents mentioned in para 3 of the summary?

(*b*) to discuss any points arising from the memoranda submitted to the Commission by the European Allied Governments on which the representatives of those governments desire to obtain the views of the Commission?

LONDON, 29 December, 1945.

[Enclosure 3]

Copy of a Letter Dated January 6, 1945, From the Chairman of the European Advisory Commission (Strang) to the Chairman of the Allied Consultation Committee (Sobolev)

P12/35/45

As you are aware, I have referred to the Commission the report of the Allied Consultation Committee which you submitted with your letter of the 27th December, 1944. This was discussed at the informal meeting held on 2nd January, 1945, when the Commission agreed on the following answers to the questions in the Committee's report:—

1. The Commission approves the proposal that, if any representatives of the European Allied Governments should ask for the communication of the text of the Instrument of Surrender itself, the reply should be given that it is a document of primary military character which has immediate security significance and must accordingly receive very restricted circulation. The Commission is un-

able to authorise the giving of an assurance that the full text will be communicated to the European Allied Governments in due course, but if the specific question should be asked, the reply may be given that this question is being considered by the Governments concerned.

2. If the questions of occupation and control machinery should be raised by the representatives of the European Allied Governments, the Committee is authorised to inform them that proposals on these subjects have been made by the Commission to the Governments concerned, and are still under their consideration. At this stage the Committee is unable to discuss these questions in any detail. The representatives will see, however, from point (vii) of part 2 of the summary and from the third part of that document that provision has been made in the Instrument of Unconditional Surrender for the military occupation of the whole of Germany and for the creation of control machinery.

3. The functions of the Committee are:—

(*a*) if a question is asked in relation to a subject for which provision has been made in the Instrument of Surrender, to confirm that this is so with reference to the relevant paragraph of the summary;

(*b*) if a question is asked relating to a subject which will require to be dealt with under the general article mentioned in the third part of the summary, the Committee should state that this is the case and that the consideration of it is part of the further programme of the Commission;

(*c*) to hear and report back to the Commission on any question which may be raised by the representatives of the European Allied Governments, to which the Committee is unable itself to give an answer.

Members of the Committee are at liberty to report individually and consult as necessary with the heads of their respective Delegations on any questions on which they do not feel able to reach a conclusion, and if they can reach agreement in this way it will be unnecessary for them to report back to the Commission as a body. The Commission would wish, however, that the Committee should report to it in any case where the Committee considers it necessary, and that it should include in its report, if possible, recommendations as to the course to be adopted.

The Committee should render a general report to the Commission on its transactions with the representatives of each of the European Allied Governments, submitting interim reports if this should be considered necessary.

W. STRANG

LONDON, 8 January, 1945.

740.00119 EAC/3–2245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, March 22, 1945—10 p. m.
[Received March 23—4:20 a. m.]

3002. Comea 196. In conversation tonight with Mosely, De Leusse,[97] Massigli's assistant on the EAC, put forward informally and not as an official proposal the following division of districts in greater Berlin. De Leusse discussed it today with Hood[98] of the Foreign Office and apparently has not presented it to the Soviet delegation.

The informal French proposal is as follows:

French Area:

Tiergarten, Charlottenburg, Wilmersdorf, Zehlendorf.

United States Area:

Kreutzberg, Schoeneberg, Steglitz, Neukölln, Tempelhof, Treptow.

Soviet Area:

Weissensee, Prenzlauerberg, Mitte, Friedrichshain, Lichtenberg, Köpenick.

United Kingdom Area:

Wedding, Pankow, Reinickendorf, Spandau. De Leusse indicated that Hood's reaction was that the proposed British area was not adequate in terms of facilities; De Leusse thought Charlottenburg might be shifted from the French to the British area. Obviously the French are not satisfied with the area proposed by the British for French occupation (my 2092, February 28, 10 p. m., Comea 189) and are seeking some adjustment which would give them better railroad and hotel facilities.

WINANT

740.00119 EW/3–2345 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, March 23, 1945—11 a. m.

2233. Canadian Ambassador[99] has informally reiterated to the Department his dissatisfaction with *a*) the wording of the proposed

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[97] Pierre Marie de Leusse, Second Counselor of the French Embassy in London.
[98] Viscount Samuel Hood, member of the British Delegation to the European Advisory Commission.
[99] Lester B. Pearson.

preamble of Proclamation No. 1 [1] which he was under the impression would be promulgated after the instrument of surrender had been signed by the Germans, and *b*) of the wording of the preamble of the order as it would read if no formal instrument of surrender were signed because of the disappearance of organized authority in Germany. The Ambassador states that the Canadian Government has tried without satisfaction to obtain changes in the form of the instrument of surrender or the draft proclamations based thereon but has been unable to secure amendments satisfactory to it. He finds, however, that the alternate wording in our proposed proclamation (WSC–243) [2] goes beyond anything that has been submitted before in ignoring the participation of other countries in the war against Germany.

It is being explained to the Canadian Ambassador that the General Order was not intended as a proclamation but as an agreement on additional non-military requirements to be imposed by the occupying powers; and further, that a new draft is now being negotiated to replace the "General Order".[3] He is also being advised that, in accordance with standard procedure, his Government should present its views in London for the consideration of the Commission and that Ambassador Winant has been advised that such a *démarche* might be expected.

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[1] Not printed. The revised United States Draft Proclamations and General Order were presented to the European Advisory Commission by the United States Representative under a memorandum designated E.A.C.(44)27, November 14, 1944, transmitted as an enclosure to London's despatch 19456, November 24 (not printed). The preamble to Draft Proclamation No. 1 read as follows: "To The People Of Germany: The German Government and the German High Command have acknowledged the complete defeat of the German armed forces, on land, at sea and in the air, and have surrendered unconditionally to the Supreme Commands of the Union of Soviet Socialist Republics, the United Kingdom and the United States of America. [Alternate wording: Germany has been completely defeated on land, at sea and in the air by the armed forces of the Union of Socialist Republics, the United Kingdom and the United States of America.]".

[2] WSC was the Working Security Committee designation for documentation on proclamations and general orders for Germany. This committee was an interdepartmental group concerned with the preparation and clearance of papers relating to problems before the European Advisory Commission whose functions were assumed by the State-War-Navy Coordinating Committee at the end of 1944. WSC–243 comprehended a number of drafts and commentaries, but the apparent reference here is to E.A.C. (44) 27 of November 14, 1944, described in the immediately preceding footnote.

[3] For documentation regarding the General Order and the Agreement on Certain Additional Requirements to be Imposed on Germany, see pp. 369–558, *passim*, especially the memorandum by the Secretary of the United States Delegation, European Advisory Commission (Lightner), dated February 9, 1945, and printed as annex 2 to the Draft Minutes of a Conference on the Work of the European Advisory Commission, March 13, 1945, p. 447, and the memorandum by the Political Adviser to the United States E.A.C. Delegation (Mosely), dated June 19, 1945, p. 524. See also *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. I, pp. 605–606; *ibid.*, vol. II, pp. 138, 407, 1006–1023. For text of the Agreement on Certain Additional Requirements, signed on July 25, 1945, at a meeting of the European Advisory Commission at London, see *ibid.*, p. 1008.

728–099—68——14

The Department believes that the Minister's views have some merit and considers that the agreement as eventually adopted should be as free as possible from any implication that the contribution of Canada and other nations fighting with the Allies had not been adequately recognized.

The Department is consulting the War and Navy Departments and will advise you of their views. In the meanwhile you may discuss the substance of the Canadian complaint informally with your colleagues.

GREW

740.00119 EAC/3–2345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, March 23, 1945—8 p. m.
[Received March 23—6 : 24 p. m.]

3036. Comea 197. Strang has tonight informed me of official British views concerning the transfer to French occupation of a part of the UK zone in Germany. As foreshadowed in my 1778, February 21, 1 p. m., the UK Government offers to transfer to French control the Saar, Bavarian Palatinate, Rhein Hessen, Regierungsbezirk Trier and Regierungsbezirk Koblenz in its entirety, including its extension east of the Rhine.

Immediately afterwards Strang informed Massigli of the British position. He expects to inform Gousev of it shortly.

Strang states that, according to reports of Steel, UK political adviser to SCAEF,[4] General Eisenhower has been pressing to know what parts of the UK and US zones would eventually come under French control, in order, for the sake of administrative continuity, to begin placing French civil affairs officers in those areas. Strang assumes that the UK Government will shortly inform General Eisenhower of this decision but that no official decision with regard to this communication has yet been taken.

WINANT

740.00119 EAC/3–2945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, March 29, 1945—9 p. m.
[Received—9 : 05 p. m.]

3278. For Assistant Secretary Dunn and Mr. Matthews.[5] Special German Series 2. I want to keep you fully abreast of the work of

[4] Supreme Commander, Allied Expeditionary Force.
[5] H. Freeman Matthews, Director of the Office of European Affairs.

the Committee on Dismemberment of Germany, which was set up by decision of the Yalta Conference. It is now possible to summarize the initial phase of the Committee's proceedings.

In order to facilitate handling, I shall label my telegrams on this potentially explosive subject as "special German series" and address them as above. In London these matters will be handled by me personally, with Mosely's assistance. For purposes of numbering, my 1852, February 22, 8 p. m., should be considered as "Special German Series [1?]".

The Dismemberment Committee has held one meeting, on March 7, attended by Mr. Eden, Gousev, Strang and myself, which was devoted to defining the mandate of the Committee. At the close of the meeting Strang agreed to reduce our understanding of this mandate to writing for submission to the three representatives.

Strang's draft for the Committee was circulated on March 9. Paraphrase follows:

1. In examining the procedure for German dismemberment the Committee will approach its task having in mind following considerations: (*a*) the Allies' primary objective in treatment of Germany after surrender or end of resistance is to prevent German aggression in future; (*b*) in considering how this objective can best be achieved, one question is whether it can be attained by measures such as control and destruction of German industry, as supplement to demilitarization and disarmament, or whether it will be necessary, in addition, to divide Germany; (*c*) if, for attainment of this objective it should be found necessary to divide Germany, inquiry should be made as to (1) in what fashion Germany should be divided, into what sections, with what boundaries for those parts, and what interrelationship to exist among the parts; (2) at what time division should be carried out; (3) what measures the Allies would have to take in order to effectuate and maintain such division.

2. Inquiries of the Committee along lines set forth under (*c*) above will be conducted in the light of subjects set forth in paragraphs (*a*) and (*b*). *End of Paraphrase.*

I objected to paragraph 1 *b* of this draft, asking that instead of the words "destruction and control of German industry" we substitute the words "elimination or control of all German industry that could be used for military production" as set forth in the Yalta Communiqué. Strang accepted this change and Gousev said he had no objection to it. I have written Mr. Eden to say that with this modification I have no objection to Strang's draft.[6]

In reply to Strang's letter of March 9 Gousev has now written Mr. Eden, setting forth his understanding of the mandate of the Committee and stating that he has no objection to the formula contained in Strang's draft.

Beginning of paraphrase of Gousev's statement submitted as "a proposal for consideration of the Committee".

[6] Ambassador Winant's letter to Foreign Minister Eden, dated March 29, not printed.

Soviet Government understands Crimea Conference decision in respect to Germany's dismemberment not as an obligatory plan for dismemberment but as a possibility for exercising pressure on Germany with aim of rendering Germany harmless in case other means should prove inadequate. *End of Paraphrase.*

Gousev's reply has been sent to me informally, and I assume that Mr. Eden will now acknowledge Gousev's letter and will formally communicate to me copies of Gousev's letter and of his own reply.[7]

The Soviet statement of March 26 represents a notable success for the concept that the Committee on Dismemberment is intended to consider not merely the question of "procedure" for effecting dismemberment but also, and in the first instance, the substantive question of the desirability and feasibility of dismemberment. Thus far there is no indication of a fixed Soviet view on dismemberment. Gousev's letter makes it plain that at this stage his Government is not committed in principle to a policy of dismemberment.

I appreciate the indication received from the Department that it sees no objection to enlarging the membership of the Committee to include a French representative. In view of the simultaneous discussions about including France in the Reparations Committee in Moscow,[8] Mr. Eden and I have refrained from raising the question of French membership in the Dismemberment Committee. Meanwhile the formal adherence of France to the Surrender Instrument for Germany is also in abeyance until the three powers decide to inform the French of the addition to article XII of the Instrument as agreed at Yalta (my 1852 February 22, 8 p. m.). Yesterday Massigli made representations to Mr. Eden, urging prompt formal adherence by France to the Instrument. In any case the French would probably be embarrassed if they were asked to join in discussions of dismemberment until they know the attitudes of the other three governments on this question.

In private talks I have asked Gousev if the dismemberment of Germany would not react unfavorably on the amount of reparation which could be secured from the German economy. Gousev professed to see no connection between German economic unity and the total

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[7] In a letter dated April 3, 1945 (not printed), Foreign Secretary Eden transmitted to Ambassador Winant copies of Ambassador Gousev's letter of March 26, his own reply of April 3, and the Draft Directive for the Committee on Dismemberment as amended in accordance with Ambassador Winant's suggestion. In a letter dated April 6 (not printed), acknowledging Mr. Eden's letter, Ambassador Winant stated: "I am glad to inform you that the Soviet Government's interpretation of the Crimea Agreement conforms to the understanding of the United States Government, and to confirm my acceptance of the draft directive for the Committee on Dismemberment in the amended form shown in the enclosure to your letter to Mr. Gousev." Mr. Eden subsequently informed Ambassador Gousev of the contents of Ambassador Winant's letter of April 10 (740.00119 EAC/10–345).

[8] For documentation regarding the Allied Commission on Reparations, see pp. 1169 ff.

amount of reparation obtainable. On another occasion Mosely asked Gousev if his information led him to believe that any strong separatist movements would arise in Germany proper as a result of defeat and if he thought the German people would itself either seek or support partition. To both questions Gousev replied with an unhesitating "no".

WINANT

740.00119 EAC/3–2945

Memorandum of Telephone Conversation, by the Political Adviser to the United States Delegation to the European Advisory Commission (Mosely)

[LONDON,] March 29, 1945.

Sir William Strang called me on the telephone late this afternoon to inform the Ambassador of the preliminary Soviet reaction to a British *démarche*. On March 24 the Foreign Office had instructed Sir Archibald Clark Kerr [9] to present to Mr. Molotov [10] in writing the British concern at the inability of the Commission to advance its work. The communication recalled the Soviet Note of last October [11] which had stated that the Soviet Government wished to see the Commission complete a wide range of work. It went on to list a number of matters awaiting action by the Commission and to point out why a number of those matters required urgent consideration. The communication concluded by urging the Soviet Government to put Mr. Gousev in a position which would enable him to act on these matters.

In response to these representations Mr. Vyshinsky,[12] acting for Mr. Molotov, who was unable to see Sir Archibald, had received the British Ambassador on March 28 and had given him an interim and verbal reply.

Mr. Vyshinsky stated that the Yalta Conference had been responsible for the delay, inasmuch as Mr. Gousev had been taken away from his usual post, that instructions on several of the urgent matters had already been sent to Mr. Gousev in London, and that Mr. Molotov would reply in a few days to the British representations.

Sir Archibald found nothing in Mr. Vyshinsky's attitude to suggest a desire on the part of the Soviet Government to hinder or delay the work of the European Advisory Commission.

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[9] British Ambassador in the Soviet Union.

[10] Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.

[11] See telegram 9851, November 11, 1944, from London, *Foreign Relations*, 1944. vol. I, p. 393.

[12] Andrey Yanuaryevich Vyshinsky, First Assistant People's Commissar for Foreign Affairs of the Soviet Union.

Sir William asked me to report this interim reply to the Ambassador. I thanked him for informing us so promptly of the British representations and of the interim response.

PHILIP E. MOSELY

740.00119 EAC/4–245

Memorandum by the United Kingdom Representative on the European Advisory Commission (Strang) [13]

E.A.C. (45) 28 LONDON, March 30, 1945.

ALLIED DECLARATION FOR USE IN THE EVENT OF THERE BEING NO CENTRAL GERMAN AUTHORITY TO SIGN THE INSTRUMENT OF UNCONDITIONAL SURRENDER

The Instrument of Unconditional Surrender of Germany, prepared by the Commission and approved by the United Kingdom, United States and Soviet Governments, provides for its signature by representatives of the German Government and of the German High Command.

2. During the early discussions in the Commission on the draft Instrument of Surrender, the United Kingdom Delegation suggested that it might be wise to prepare alternative drafts to meet the case in which there would be a central German authority to sign the Instrument and the case in which there would be no such authority. It was, however, decided to proceed on the assumption that there would be a German signature. The U.K. Delegation have, however, continued to hold this alternative hypothesis in mind. It is for this reason that they proposed the insertion, in the Commission's report dated: 14th November, 1944,[14] covering the Agreement on Control Machinery in Germany, of a reference to the possibility that the machinery of control might have to be adjusted to meet conditions in which there would not be a central administration in Germany; and that they have appended to the U.K. draft directives circulated to the Commission notes showing how these directives would apply in the event of the disintegration of the central German administration.

3. It now seems increasingly probable that at the moment of the final German collapse there will be no central German authority, civil or military, capable of speaking for Germany as a whole or of giving

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[13] Transmitted to the Department in despatch 22112, April 2, from London; received April 7. In the course of a telephone conversation with Philip Mosely on March 29, Strang noted that in preparing this draft declaration, he had based it on the text of the Surrender Instrument of July 25, 1944, omitting the word "dismemberment" which had been added in article 12 at the Yalta Conference (Mosely File).

[14] *Foreign Relations*, 1944, vol. I, p. 404.

effect to the requirements of the Allies. In that event the Allies will have to dispense with any German signature to the Instrument of Surrender and will have by unilateral act to declare their terms and assume the necessary authority and powers in Germany.

4. The U.K. Delegation have therefore prepared, and now submit for consideration by the Commission, a draft Declaration (Annex A) which adapts for this purpose, for use in case of need, the Instrument of Unconditional Surrender recommended by the Commission to the United Kingdom, United States and Soviet Governments on 25th July, 1944. In the draft France has been added as a party to the Declaration. I also attach (Annex B), for the convenience of my colleagues, a list showing the places in which the draft Declaration differs from the Instrument of Surrender.[15]

5. A change in the title of the Instrument is necessary to meet the new hypothesis, since no formal surrender by a central German authority would in fact have taken place. Furthermore, the Preamble has been recast in order to provide at the very outset, rather than in the body of the document as is done in Article 12(*a*) of the Instrument of Surrender, for the assumption by the four Allied Governments of the authority and powers which they intend to exercise in Germany and which represent indeed the authority on which the Declaration itself is based. By the Declaration the Allies assume all necessary authority and powers in respect of Germany without effecting the annexation of, or the formal acquisition of sovereignty over, Germany.

6. The articles of the Declaration follow very closely those of the Instrument of Surrender. As the Declaration rests on the assumption that there are no competent central German authorities, the references in the Instrument to "the German authorities" have either been omitted or qualified so as to designate local authorities.

7. When the draft Instrument of Surrender was under discussion in the Commission, the U.K. Delegation proposed that a provision for the surrender of war criminals should be included in it. This proposal was not accepted, on the ground that, since the German signatories might themselves prove to be war criminals, the inclusion of a provision providing for the apprehension of war criminals might make it less likely that German signatures to the Instrument would be obtainable. No such objection would apply to the inclusion of a clause about war criminals in a unilateral Declaration of the kind now in question. The U.K. Delegation therefore now propose that a provision for the surrender of war criminals should be included in the Declaration.

W[ILLIAM] S[TRANG]

[15] Annex B not printed.

ANNEX A

Declaration made at . . . . . on . . . . . regarding the defeat of Germany and the assumption of supreme authority with respect to Germany by the Governments of the United Kingdom, the United States of America, and the Union of Soviet Socialist Republics and the Provisional Government of the French Republic.

The German armed forces on land, at sea and in the air have been completely defeated and Germany is no longer capable of resisting the will of the United Nations. Germany has thereby become subject to such terms and measures as may now or hereafter be imposed upon her.

There is no Government or authority in Germany capable of accepting responsibility for the maintenance of order, the administration of the country and compliance with the requirements of the United Nations.

It is in these circumstances necessary, without prejudice to any subsequent decisions that may be taken respecting Germany, for the United Nations to make provision for the cessation of any further hostilities on the part of the German armed forces, for the maintenance of order in Germany and for the administration of the country, and to announce the immediate terms with which Germany is required to comply.

The Representatives of the Supreme Commands of the United Kingdom, the United States of America, the Union of Soviet Socialist Republics and the French Republic, hereinafter called the "Allied Representatives," acting by authority of their respective Governments and in the interests of the United Nations, accordingly make the following Declaration:—

The Governments of the United Kingdom, the United States of America, the Union of Soviet Socialist Republics and the Provisional Government of the French Republic, hereby assume supreme authority with respect to Germany, including all the powers possessed by the German Government, the High Command and any state, municipal, or local government or authority. The assumption, for the purposes stated above, of the said authority and powers does not effect the annexation of Germany.

The Governments of the United Kingdom, the United States of America, the Union of Soviet Socialist Republics and the Provisional Government of the French Republic will hereafter determine the boundaries of Germany or any part thereof and the status of Germany or of any area at present being part of German territory.

In virtue of the said authority and powers the Allied Representatives issue the following instructions with which Germany shall comply:—

ARTICLE 1

Germany will forthwith cease all hostilities against the forces of the United Nations on land, at sea and in the air.

ARTICLE 2

(*a*) All armed forces of Germany or under German control, wherever they may be situated, including land, air, anti-aircraft and naval forces, the S.S.,[16] S.A.[17] and Gestapo,[18] and all other forces or auxiliary organisations equipped with weapons, will be completely disarmed, handing over their weapons and equipment to local Allied Commanders or to officers designated by the Allied Representatives.

(*b*) The personnel of the formations and units of all the forces referred to in paragraph (*a*) above shall, at the discretion of the Commander-in-Chief of the Armed Forces of the Allied State concerned, be declared to be prisoners of war, pending further decisions, and shall be subject to such conditions and directions as may be prescribed by the respective Allied Representatives.

(*c*) All forces referred to in paragraph (*a*) above, wherever they may be, will remain in their present positions pending instructions from the Allied Representatives.

(*d*) Evacuation by the said forces of all territories outside the frontiers of Germany as they existed on the 31st December, 1937, will proceed according to instructions to be given by the Allied Representatives.

(*e*) Detachments of civil police to be armed with small arms only, for the maintenance of order and for guard duties, will be designated by the Allied Representatives.

ARTICLE 3

(*a*) All aircraft of any kind or nationality in Germany or German-occupied or controlled territories or waters, military, naval or civil, other than aircraft in the service of the Allies, will remain on the ground, on the water or aboard ships pending further instructions.

(*b*) All German or German-controlled aircraft in or over territories or waters not occupied or controlled by Germany will proceed to Germany or to such other place or places as may be specified by the Allied Representatives.

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[16] Schutzstaffel, elite corps of the Nationalsozialistische Deutsche Arbeiterpartei (National Socialist German Workers Party), used for military and police purposes.

[17] Sturmabteilung, Storm Troops of the Nationalsozialistische Deutsche Arbeiterpartei.

[18] Geheime Staatspolizei, German Secret State Police.

ARTICLE 4

(*a*) All German or German-controlled naval vessels, surface and submarine, auxiliary naval craft, and merchant and other shipping, wherever such vessels may be at the time of this Declaration, and all other merchant ships of whatever nationality in German ports, will remain in or proceed immediately to ports and bases as specified by the Allied Representatives. The crews of such vessels will remain on board pending further instructions.

(*b*) All ships and vessels of the United Nations, whether or not title has been transferred as the result of prize court or other proceedings, which are at the disposal of Germany or under German control at the time of this Declaration, will proceed at the dates and to the ports or bases specified by the Allied Representatives.

ARTICLE 5

(*a*) All or any of the following articles in the possession of the German armed forces or under German control or at German disposal will be held intact and in good condition at the disposal of the Allied Representatives, for such purposes and at such times and places as they may prescribe—

(i) all arms, ammunition, explosives, military equipment, stores and supplies and other implements of war of all kinds and all other war material;

(ii) all naval vessels of all classes, both surface and submarine, auxiliary naval craft and all merchant shipping, whether afloat, under repair or construction, built or building;

(iii) all aircraft of all kinds, aviation and anti-aircraft equipment and devices;

(iv) all transportation and communications facilities and equipment, by land, water or air;

(v) all military installations and establishments, including airfields, seaplane bases, ports and naval bases, storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas, together with plans and drawings of all such fortifications, installations and establishments;

(vi) all factories, plants, shops, research institutions, laboratories, testing stations, technical data, patents, plans, drawings and inventions, designed or intended to produce or to facilitate the production or use of the articles, materials and facilities referred to in subparagraphs (i), (ii), (iii), (iv) and (v) above or otherwise to further the conduct of war.

(*b*) At the demand of the Allied Representatives the following will be furnished:—

(i) the labour, services and plant required for the maintenance or operation of any of the six categories mentioned in paragraph (*a*) above; and

(ii) any information or records that may be required by the Allied Representatives in connection with the same.

(*c*) At the demand of the Allied Representatives all facilities will be provided for the movement of Allied troops and agencies, their equipment and supplies, on the railways, roads and other land communications or by sea, river or air. All means of transportation will be maintained in good order and repair, and the labour, services and plant necessary therefor will be furnished.

ARTICLE 6

(*a*) The German authorities concerned will release to the Allied Representatives, in accordance with the procedure to be laid down by them, all prisoners of war at present in their power, belonging to the forces of the United Nations, and will furnish full lists of these persons, indicating the places of their detention in Germany or territory occupied by Germany. Pending the release of such prisoners of war, the said German authorities will protect them in their persons and property and provide them with adequate food, clothing, shelter, medical attention and money in accordance with their rank or official position.

(*b*) The German authorities concerned will in like manner provide for and release all other nationals of the United Nations who are confined, interned or otherwise under restraint, and all other persons who may be confined, interned or otherwise under restraint for political reasons or as a result of any Nazi action, law or regulation which discriminates on the ground of race, colour, creed or political belief.

(*c*) Without prejudice to the foregoing provisions of this Article the German authorities concerned will hand over control of the places of detention there mentioned to such officers as may be designated for the purpose by the Allied Representatives.

ARTICLE 7

The German authorities concerned will furnish to the Allied Representatives:—

(*a*) full information regarding the forces referred to in Article 2 (*a*), and, in particular, will furnish forthwith all information which the Allied Representatives may require concerning the numbers, locations and dispositions of such forces, whether located inside or outside Germany;

(*b*) complete and detailed information concerning mines, minefields and other obstacles to movement by land, sea or air, and the safety lanes in connection therewith. All such safety lanes will be kept open and clearly marked; all mines, minefields and other dangerous obstacles will as far as possible be rendered safe, and all aids to navigation will be reinstated. Unarmed German military and civilian

personnel with the necessary equipment will be made available and utilised for the above purposes and for the removal of mines, minefields and other obstacles as directed by the Allied Representatives.

ARTICLE 8

There shall be no destruction, removal, concealment, transfer or scuttling of, or damage to, any military, naval, air, shipping, port, industrial and other like property and facilities and all records and archives, wherever they may be situated, except as may be directed by the Allied Representatives.

ARTICLE 9

Pending the institution of control by the Allied Representatives over all means of communication, all radio and telecommunication installations and other forms of wire or wireless communications, whether ashore or afloat, under German control, will cease transmission except as directed by the Allied Representatives.

ARTICLE 10

The forces, nationals, ships, aircraft, military equipment, and other property in Germany or in German control or service or at German disposal, of any other country at war with any of the Allies, will be subject to the provisions of this Declaration and of any proclamations, orders, ordinances or instructions issued thereunder.

ARTICLE 11

The Allied Representatives will station forces and civil agencies in any or all parts of Germany as they may determine.

ARTICLE 12

(*a*) The Allied Representatives will take such steps, including the complete disarmament and demilitarisation of Germany, as they deem requisite for future peace and security.

(*b*) The Allied Representatives will impose additional political, administrative, economic, financial, military and other requirements arising from the defeat of Germany. The Allied Representatives, or persons or agencies duly designated to act on their authority, will issue proclamations, orders, ordinances and instructions for the purpose of laying down such additional requirements, and of giving effect to the other provisions of this Declaration. All German authorities and the German people shall carry out unconditionally the requirements of the Allied Representatives, and shall fully comply with all such proclamations, orders, ordinances and instructions.

ARTICLE 13

This Declaration enters into force and effect immediately. In the event of failure on the part of the German authorities or people

promptly and completely to fulfil their obligations hereby or hereafter imposed, the Allied Representatives will take whatever action may be deemed by them to be appropriate under the circumstances.

(Date and year.) (Place.)

(Hours—Central European Time.)

Signed by the Allied Representatives:

(Name) . . . . . (Title) . . . . . .
(Name) . . . . . (Title) . . . . . .
(Name) . . . . . (Title) . . . . . .
(Name) . . . . . (Title) . . . . . .

740.00119 EAC/4–245

Memorandum of Conversation, by the Assistant Secretary of State (Dunn)

[WASHINGTON,] April 2, 1945.

The French Ambassador [19] came in today and stated that his Government was very desirous of having the question of the French zone of occupation settled as soon as possible. He asked where the discussions with regard to the setting up of the zone would take place, and I replied that I expected it would be in the European Advisory Commission in London. I recalled that the French zone is to be made up of parts taken from the United States and the British zones, leaving the Russian zone as it is.

He asked that steps be taken to expedite these discussions as it was necessary to make certain dispositions of the French forces and take other measures on which decisions should be made now as the war comes to an end. (I understand Mr. Matthews is working on this subject right now in conversations with the War Department.)

JAMES CLEMENT DUNN

740.00119 EAC/4–345

Memorandum of Conversation, by the Assistant Secretary of State (Dunn)

[WASHINGTON,] April 3, 1945.

The French Ambassador came in today and left with me the attached memorandum [20] which requests that the matter of adding France to the terms of surrender and including France in the agreement providing for control machinery for Germany and providing France with a zone of occupation all be expedited in the European

[19] Henri Bonnet.
[20] Not printed.

Advisory Commission. He said that his Government was very concerned in view of the rapid developments now in Germany looking toward the early collapse or surrender of that country, and they desired that these matters be concluded and agreed to before such collapse or surrender might take place. I am asking Mr. Matthews to follow this matter up with Mr. Riddleberger [21] and, if he concurs, to have a telegram sent to Mr. Winant asking him to press the matter of completing the inclusion of France in all these matters under the jurisdiction of the European Advisory Commission.

JAMES CLEMENT DUNN

740.00119 E.W./4–345 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 3, 1944—noon.

2547. (SCOFM) In our opinion the French should now be informed of the addition made to Article 12 of the Instrument of Surrender as agreed to at Yalta (your Special German Series 2) and arrangements completed for their formal adherence to the Instrument.

It was likewise agreed at Yalta that the Committee on German dismemberment should give consideration to the desirability of associating with you a French representative. In our opinion you should give active support to the proposal of French participation regardless of the status of the discussions concerning the Reparations Committee in Moscow.

Sent to London as 2547, repeated to Paris as 1308.

STETTINIUS

740.00119 EAC/4–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 4, 1945—noon.
[Received April 4—8:37 a. m.]

3405. For the Secretary, Assistant Secretary Dunn and Mr. Matthews. Document referred to in Department's 2577, April 3, 8 p. m.,[22] forwarded by my despatch No. 22112 of April 2 (EAC 54/28 of March 30).

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[21] James W. Riddleberger, Chief of the Division of Central European Affairs.

[22] Not printed; in it the Department urgently requested a report on a British document presented to the European Advisory Commission (740.0019 EW/4–345). This document was the memorandum by the United Kingdom Representative on the European Advisory Commission, E.A.C. (45) 28, dated March 30, p. 208.

This document has simply been distributed and not placed before the European Advisory Commission. It was an effort on the part of Strang to prepare a proclamation which might be issued by all the Allied Commanders in Chief in the event that there was neither a German Government nor a German High Command available to sign the unconditional surrender. The omission of the words "unconditional surrender" and other modifications of the Surrender Instrument greatly disturbed Gousev as he assumed it was evidence of a change of policy. I made it clear to him last night that there was no change of policy whatsoever as far as we were concerned and that the agreed documents—unconditional surrender instrument, protocol on zones of occupation, agreement on control machinery—stood as binding on our Government.

I am sure there has been no intention of changing the policy as far as the British Government is concerned. I think myself that it was a mistake to circulate such a document at this time without a verbal explanation to the members of the Commission. The intention was to cover a contingency that might face the armed forces in the final stages of German disintegration.

I feel basically that Gousev and possibly his Government is disturbed because the American-British forces are rapidly penetrating the German defense while the Russians are meeting strong resistance in the east. They are therefore sensitive to any apparent change of policy at the moment. In this connection the introduction of the United States memorandum of March 23 [23] has not been an easy matter. I went over the document with Gousev personally before introducing it into the Commission in order to facilitate its early consideration.

WINANT

740.00119 E.W./4–445

Memorandum of Conversation, by the Assistant Secretary of State (Dunn)

[WASHINGTON,] April 4, 1945.

Referring to the visit of the Soviet Ambassador [24] to the Secretary on April 3d, at which time the Ambassador inquired as to the policy of this Government with respect to a document [25] which he stated had been presented to the European Advisory Commission by the British Government proposing a substitution for the unconditional

[23] *Post*, p. 471.
[24] Andrey Andreyevich Gromyko.
[25] Memorandum by the United Kingdom Representative on the European Advisory Commission, E.A.C. (45) 28, March 30, p. 208.

surrender terms which had been agreed upon by the three Governments for application to Germany, I asked the Soviet Ambassador to come in to see me this afternoon. At the time the Ambassador made the inquiry of the Secretary, the Secretary informed Mr. Gromyko that we had no knowledge whatever of the proposal he mentioned as being put forward by the British Government. We immediately telegraphed to Mr. Winant, and this morning received from him a report to the effect that a document had been distributed by the British Government but not placed before the European Advisory Commission as yet. He said that this proposal was an effort on the part of the British to prepare a proclamation which might be issued by all the Allied Commanders in Chief in the event there was neither a German Government or German High Command available to sign the unconditional surrender. Mr. Winant stated that the omission of the words "unconditional surrender" had particularly disturbed the Soviet representative, who had assumed that it was evidence of a change of policy.

I told Mr. Gromyko that we had now received a report of the British proposal from Mr. Winant and described to him what we believed was the purport of this new document. I also informed him that the document had been circulated by the British Government but not yet placed before the European Advisory Commission. I then went on to say that as far as this Government was concerned there was no change whatever in our policy or attitude toward the terms of unconditional surrender of Germany; that we considered that the agreement on unconditional surrender, as entered into by the three Governments as the result of the deliberations in the European Advisory Commission, was binding upon this Government and that we had no thought or idea of any change in that policy. Mr. Gromyko asked me whether he could take it that the attitude of this Government toward the new document put forward by the British Government was negative. I told him that as far as any substitution for the instrument of surrender as agreed upon was concerned we would not favor any proposal which would change that policy, and that we would consider that the terms of that agreement as embodied in the surrender instrument already accepted by the three Governments should be applied to the case of surrender of the German armed forces in the event of there being no German Government left to surrender, and even to the case of there being no over-all command of the German forces left, resulting in the gradual reduction of the German armed forces piece by piece, as the process of grinding Germany down was pursued. I said further that even in the event of there being no one left in Germany to surrender at the termination of this process, that this Government considered that the terms of

the surrender instrument should be carried out by the three Governments in accordance with the agreement embodied in that document.

The Ambassador expressed himself as satisfied with this statement and said he would report it immediately to his Government.

JAMES CLEMENT DUNN

740.00119 EAC/4–545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 5, 1945—4 p. m.
[Received April 5—11 : 45 a. m.]

3456. For the Secretary, Assistant Secretary Dunn and Mr. Matthews. Special German Series 3.

At last night's meeting the European Advisory Commission unofficially approved in principle the request of the French Provisional Government for inclusion in the unconditional surrender instrument (EAC 45/2 transmitted in my despatch No. 20275 of January 9 [26]) and for inclusion in the control machinery agreement (EAC 45/11 transmitted in my despatch No. 21116 of February 19 [27]), final action to be taken later. Formal protocols for signature are being prepared.

With respect to the question raised in Department's 2547, April 3, noon, which concerns the Commission on Dismemberment, I will take this up with Mr. Eden as soon as he returns to London today. I hope no action will be taken by Caffery [28] in Paris until we get Russian and British agreement.

Sent to Department as 3456, repeated to Paris as 183.

WINANT

740.00119 EW/4–545 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 5, 1945—7 p. m.

2662. Substance of Department's 2577, April 3, 8 p. m.[29] and a copy of your 3405, April 4, noon were communicated to the President. In reply he has sent the following directive: "I do not wish any document or proposal changing the unconditional surrender terms".

ACHESON

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[26] Neither printed; for a description of the memorandum by the French Representative on the European Advisory Commission, E.A.C. (45) 2, January 6, regarding draft amendments to the Instrument of Surrender, see telegram 227, January 6, from London, p. 169.

[27] Neither printed.

[28] Jefferson Caffery, Ambassador in France.

[29] See footnote 22, p. 216.

740.00119 EW/4–545

The British Embassy to the Department of State

MEMORANDUM

His Majesty's Government have carefully considered the suggestions put forward by the United States Government in the State Department's memorandum 740.00119 EW/10–444 of the 15th November 1944,[30] and are in a position to accept them subject to certain provisos. Thus, they hold that before any reply is returned by the United States Government and themselves to the Italian Government, the Soviet Government and the French Government as the other governments represented on European Advisory Commission should be informed through diplomatic channel of what is intended. They further hold that the French Provisional Government should be included among those to whom the Italian Government would be invited to submit their views with regard to surrender arrangements for Germany in accordance with the proposals of the United States Government.

His Majesty's Government would be glad to know whether the United States Government agrees and whether it is prepared to instruct the United States Ambassadors at Moscow and Paris [31] to concert with His Majesty's Ambassadors [32] in informing the Soviet and the French Provisional Government of the intentions of the two Governments on the basis of the State Department's memorandum under reference, as modified by paragraph 1 above.

WASHINGTON, April 5, 1945.

740.00119 EAC/4–745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 7, 1945—7 p. m.
[Received April 7—5 : 35 p. m.]

3551. Comea 209. Belgian Ambassador [33] has addressed letters to the members of the European Advisory Commission proposing cession of German territory to Belgium. Full text by air.

Summary follows:

Letter recalls that in its memorandum of August 26, 1944 [34] to the EAC the Belgian Government merely requested restoration of Belgian

[30] *Foreign Relations*, 1944, vol. I, p. 83.
[31] W. Averell Harriman at Moscow, and Jefferson Caffery at Paris.
[32] Sir Archibald Clark Kerr, British Ambassador in the Soviet Union, and Alfred Duff Cooper, British Ambassador in France.
[33] Baron de Cartier de Marchienne.
[34] Not printed.

pre-1940 territorial integrity. Fuller study leads his Government to consider the desirability of making a slight rectification in the German-Belgian frontier as established by decision of the conference of ambassadors of July 22, 1920,[35] which drew the frontier on the basis of articles 34 and 35 of the Versailles Treaty.[36] This settlement left in German hands part of the Eupen–Malmedy Railroad in the German county of Montjoie. To end the abuses and incidents which arose from this transit arrangement the Belgian Government proposes a slight rectification of the frontier.

The letter goes on to cite the ravages inflicted on the Belgian Ardennes during the winter and the destruction caused by flying bombs in Belgian cities. The Belgian Government is studying the possibility of securing reparation for these damages by requesting the assignment of natural resources located in German territory near the Belgian frontier and in a region which in part belonged to the Belgian provinces prior to 1816. Such reparation would mean transferring to definitive or temporary Belgian sovereignty certain neighboring territories outside the Montjoie zone. The Belgian Government reserves the right to present proposals to this effect at an opportune time. *End of Summary.*

The frontier area referred to above is the Monschau area discussed in divisional memorandum H–16 of June 15, 1943 and illustrated in Department's Belgian series cartogram LA of June 10, 1943 and Belgian series map 1 of June 22, 1943 which are available here.[37]

WINANT

740.00119 EW/4–1045 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 10, 1945—7 p. m.

2795. We conveyed the contents of your Special German Series No. 2 to the President, who has made the following comment: "I think our attitude should be one of study and postponement of final decision." [38]

The Department believes that this memorandum from the President will indicate the line you should follow in any discussions of the Committee on Dismemberment.

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[35] See annotation of part II, article 27 of the Treaty of Peace between the Allied and Associated Powers and Germany, signed at Versailles, June 28, 1919, *Foreign Relations*, The Paris Peace Conference, vol. XIII, p.124.

[36] *Ibid.*, pp. 140 and 142.

[37] None printed.

[38] In his memorandum to the Secretary of State, April 6, 1945, from which the quotation is taken, President Roosevelt also stated: "My original thought, which I still maintain, is with the purpose of elimination of the word 'Reich'. This question goes beyond payments which deeply affect the problem of what Germany will be ten or twenty years from now." (740.00119 Control (Germany)/4–645).

We fully approve of the position you took as reported in your Special German Series No. 2 with respect to the substitute language you advanced for Strang's draft.

STETTINIUS

740.00119 EAC/4–1245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 12, 1945—2 p. m.
[Received April 12—10 : 12 a. m.]

3714. For the Secretary, Assistant Secretary Dunn and Mr. Matthews. Special German Series 5.

At my request Mr. Eden called a meeting late Wednesday of the Committee on Dismemberment of Germany (Department's 2547, April 3, noon). I raised the question of informing the French of the inclusion of the word "dismemberment" in article 12 of the Instrument of Unconditional Surrender for Germany and of French participation in the discussions on dismemberment. Eden and Gousev both said they would consult their Governments. Eden said he was very sure his Government would support informing the French of this addition to the Instrument.[39]

WINANT

740.00119 E.A.C./4–1345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 13, 1945—2 p. m.
[Received April 13—11 : 03 a. m.]

3780. Comea 219. Before last meeting of the EAC Massigli pressed very hard for an early reply to the French proposal concerning a French zone to be carved out of the United States zone in Germany, reported in my 1400, February 8, 9 p. m. I have refrained from reporting numerous previous inquiries and urgings realizing that the Department was doing all it could to expedite an answer.

I must now report that the French are very seriously concerned at this apparent indifference to a question which affects national inter-

[39] In a memorandum dated October 3, 1945, which reviewed the work of the Committee on Dismemberment, transmitted in despatch 25876, from London, October 3, 1945, the following statement is made: "The Ambassador [Winant] was informed later in the day of April 12 that Ambassador Caffery had informed the French, presumably on April 11, of the additional word in Article 12(*a*) of the Surrender Instrument and of the existence of the Committee on Dismemberment. This was brought to Mr. Eden's attention by M. Massigli. Mr. Eden advised the French Ambassador not to get excited, to give no publicity to the question and to give the British and Americans time to bring about the inclusion of France in the Committee on Dismemberment." (740.0 119 EAC/10–345)

ests and prestige of France to a high degree. They cannot understand why a decision announced by the President over 2 months ago [40] has not been implemented. Practical problems are also involved inasmuch as SHAEF wishes the French Army to provide civil affairs teams to work in the areas which will later form the French zone of occupation. I hope you can make whoever is responsible for the delays understand that untoward postponement of our reply becomes a political factor in itself and may affect other matters in which we must seek agreement.

WINANT

740.00119 E A C/4–1445

Memorandum by the Assistant Chief of Staff, Operations Division, War Department General Staff (Hull), to the Department of State

WASHINGTON, 14 April 1945.

1. Attached is transcript of an X-ray [*sic*] telephone conversation held today, 14 April, between General Marshall and Ambassador Winant in London, at Mr. Winant's request. The transcript of this conversation is self-explanatory.

2. The question raised by Mr. Winant in this conversation has been discussed with the Secretary of War and with General Marshall, and I am forwarding it to you on General Marshall's instructions and in his temporary absence from the city. The Secretary of War and General Marshall both feel that this is a question for action by the State Department and that from the military viewpoint there is no objection to the action Mr. Winant desires to take. The Secretary of War and General Marshall feel that a situation may arise in which there will be no German Government or German High Command to deal with.

J. E. HULL

[Annex]

Memorandum of Trans-Atlantic Telephone Conversation Between the Chief of Staff of the United States Army (Marshall), in Washington, and the Ambassador in the United Kingdom (Winant), in London

14 APRIL 1945.

MARSHALL: Yes, Mr. Ambassador, this is General Marshall.

WINANT: This is Winant, General. I wanted to talk to you about a matter that has to do with the unconditional surrender terms.

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[40] Apparent reference to the message regarding the control of Germany from the Heads of Government of the United Kingdom, the United States, and the Soviet Union to General de Gaulle, the text of which is contained in telegram 798, February 21, 5 p. m., from Paris, p. 184.

MARSHALL: Yes.

WINANT: You remember that when you were here with the Chiefs of Staff we went over those terms. I am calling you today because I thought that you were the only one whom I could catch at the Pentagon Building. I sent over the Military Advisors to the European Advisory Commission to see General Eisenhower and General Smith [41] this past week, and they have returned, and I think you know about the Bern incident.[42]

MARSHALL: Yes, the Bern; I know that.

WINANT: Just at that time, Sir William Strang, who represents the British on the European Advisory Commission, introduced a paper which suggested that we should be prepared to issue a proclamation to take the place of the unconditional surrender terms, provided there was no German political authority or military authority in Germany to agree to surrender. Unfortunately in that paper Strang did not use, or the British did not use the phrase "unconditional surrender". They also so changed the unconditional surrender terms as to include other matters on which we had not come to complete agreement. That added to a feeling of distrust on the part of the Russians, and they felt that we meant to change our general policy.

MARSHALL: That we meant to change our general policy. They, being the Russians?

WINANT: Yes. That they thought that the British meant to change their general policy. For that reason I sent a message to the State Department explaining the situation, and I got a reply from them quoting a message to me from the President. It was a single sentence. It reads as follows: "I do not wish any document or proposal changing the unconditional surrender terms."

MARSHALL: I have that.

WINANT. In talking with Ambassador Gusev, the Russian Ambassador, I had previously explained that the United States had no intention of changing the unconditional surrender terms. All military advisors who have been talking with General Eisenhower and General Smith. . . .

MARSHALL: All military authorities who have been talking with General Eisenhower and General Smith——

WINANT: and with General Smith tell me that they believe that we should get agreement within the European Advisory Commission

[41] Lt. Gen. Walter Bedell Smith, Chief of Staff, Supreme Headquarters, Allied Expeditionary Force.

[42] Reference is to the negotiations for the surrender of German military forces in northern Italy. For documentation on this subject, see pp. 717 ff.

with the British, the Russians and the French, that if conditions are such that there is no political or military authority in Germany to accept the responsibility of surrender, we should be in a position to issue a proclamation on which all are agreed, calling for, or rather, declaring an unconditional surrender. The urgency of this matter is from a negotiation point of view, and not from an immediate military operational point of view. If there are changes, to be made in the unconditional surrender terms, we want to keep them to a minimum. The details of changes in bringing the unconditional surrender terms document into alignment with a proclamation document I shall forward to the Department of State. I wanted to talk to you only on the changes in substance. One of those changes will be the following:

"And Germany having been rendered powerless to continue organized resistance."

That is one of the additions that we would make to the preamble. And then there is another substitute [*substantive?*] change. It's to be added the end of Article I, the following:

"Further resistance to the Forces of the United Nations or failure to comply with such requirements or orders will be considered as violations of the laws of war and will be dealt with accordingly."

Now it is our idea that this document should be issued by the four governments after consultation with and after attaining the consent of the Soviet Supreme Command and SHAEF.

MARSHALL: Are you making a distinction there between the Soviet Government and the Soviet Supreme Command?

WINANT: Yes, I am.

MARSHALL: All right.

WINANT: The document should not be issued in our opinion until these two Supreme Commanders have agreed that the military situation permits. The document calls for "complete defeat". If you issue the document, before organized resistance was destroyed, we believe it would have a bad effect on the morale of our troops and the whole . . . on morale at home, and it might also affect war production at home. All three of these. The reactions would be equally true in Great Britain. I want to tell you what my problem is. All I have to date is the President's direction to me, stating: "I do not wish any document or proposal changing the unconditional surrender terms." What I would like to do is to follow the recommendations, the suggestions from SHAEF that I negotiate a proclamation document in line with the unconditional surrender terms already agreed upon which were recommended by the European Advisory Commission and accepted by the three governments. The Russians, the British and ourselves. Now, we also are instructed to include the French

Republic and we have got agreement so far as the amendment of unconditional surrender terms are concerned. Therefore, I would negotiate to work out a proclamation calling for the declaring unconditional surrender with the three governments, namely, the Russians, the British and the French. I would like permission to do that because I do not want to bring the matter forward until I have clearance from home.[42a]

WASHINGTON: General Marshall has gone and he wanted to know if there was anything further. He said he had gone along to take care of what you had already told him.

WINANT: I want to ask one other thing. And I will address them to General Marshall if I may.

WASHINGTON: All right. Fine.

WINANT: I would also like you to do what you could to expedite agreement on the French zone of occupation in Germany and the Austrian agreement which are before the European Advisory Commission, on zoning and control. We shall forward recommendations and these questions over the weekend. Did the General understand——

WASHINGTON: He understood perfectly, Mr. Ambassador. He said he got all of that information and we are giving him a copy of it and he said he was leaving and he was going to go to work on the problem right away.

WINANT: I understand. I felt that he would be more familiar with it than anyone I could talk with and that more than anyone else he would realize the significance of it.

WASHINGTON: Certainly.

WINANT: Therefore, I thought it was proper to talk with him.

WASHINGTON: Yessir, he waited here about five minutes but we hadn't any prediction whether it would be five minutes or half an hour before the circuit would be back in.

WINANT: Will you thank him for me.

WASHINGTON: I will thank him, yes, sir. And that is everything now you have?

WINANT: That is right.

WASHINGTON: Because he said anything else that you had to just give us and we would take it right up to him.

WINANT: All right. Thank you.

WASHINGTON: We have that. Thank you very much.

[42a] Circuit temporarily interrupted at approximately this point in the conversation.

740.00119 EAC/4–1545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 15, 1945—11 p. m.
[Received April 15—9 : 03 p. m.]

3864. For the Secretary, Assistant Secretary Dunn and Mr. Matthews. Special German Series 6.

During the negotiations on the instrument of unconditional surrender for Germany several alternative situations were envisaged. In order to facilitate agreement it was agreed to draw up an unconditional surrender instrument on the assumption that a German Government or a German High Command or both would be available to sign it. A contrary assumption, namely that there will be no authority capable of signing on Germany's behalf, must now be urgently considered.

After long thought by the Foreign Office and United Kingdom legal authorities the United Kingdom representative in the European Advisory Commission circulated a draft proclamation to be considered for possible assurance [*issuance*] in case no German signature could be secured. This document was forwarded in my despatch No. 22112 of April 2 (EAC 45/28 of March 30).

In conjunction with certain other matters in controversy between the United States, United Kingdom and Soviet Governments, this new draft gave rise to great agitation in the Soviet Government (my 3405, April 4, noon). Certain modifications in the terms, and particularly the omission of the words "unconditional surrender", were especially unfortunate.

I and my advisers have given long thought to this question, and in early February the United States side of SHAEF, after consultation with my advisers, also drew up a proclamation for possible use in place of the instrument. We have been guided by the idea of making the minimum number of changes possible. I should appreciate Department's most urgent consideration of these proposed changes in the instrument of July 25, 1944.

(1) Substitute following preamble: "The German Armed Forces, having been completely defeated on land, at sea and in the air, and Germany having been rendered powerless to continue organized resistance, the representatives of the Supreme Commands of the United Kingdom, the United States of America, the Union of Soviet Socialist Republics and the French Republic, hereinafter called the 'Allied representatives', acting by authority of their respective governments and

in the interests of the United Nations, announce the complete defeat of Germany and direct that the German people, all German civil and military authorities and the German armed forces, hereinafter called collectively the 'German authorities and people', shall comply with the following requirements of unconditional surrender".

(2) Substitute following for article 1: "Germany, and all German military, naval and air authorities and all forces under German control, will immediately cease hostilities in all theaters of war against the forces of the United Nations on land, at sea and in the air. The German authorities and people will comply at once with all instructions issued by the Allied representatives to give effect to the cessation of hostilities. Further resistance to the forces of the United Nations and failure to comply with such requirements or orders will be considered as violations of the laws of war and will be dealt with accordingly." Final sentence of article 1 is a net addition to the instrument. General Bedell Smith and United States side of SHAEF feel strongly that it must be included in order to "put teeth" into the proclamation.

(3) Omit "at the time of surrender" in articles 4 A, 4 B, 7 A.

(4) Insert "and people" after "German authorities" in articles 5 A, 5 B, 5 C, 6 A, 6 B, 8.

(5) Change "instrument" to "proclamation" in articles 10, 12 B, 13, 14.

(6) In article 2 A, change "be completely disarmed" to "disarm completely".

(7) In article 3 B, omit first six words; change "to proceed" to read "will proceed".

(8) In article 4 B, omit first seven words; change "to remain" to read "will remain".

(9) In article 12 A, insert "the French Republic."

(10) In article 12 B, change "present" to read "impose;" substitute "complete defeat" for "surrender"; in last sentence omit "German Government command all"; omit "the German" before people.

(11) In article 13 omit "immediately upon signature"; insert "at blank hours, Central European Time, on blank date."

(12) In article 14 insert "French".

(13) Omit places for German signatures; add place for French signature. *End of changes in text.*

In working out this adaptation only two changes have been made in substance, one in the preamble and one in article 1. The addition in the preamble is: "Germany having been rendered powerless to continue organized resistance". The addition in article one is the new last sentence. General Eisenhower and General Smith, who have been consulted in the last two days by General Meyer and Colonel Hammond,[43] feel that these two additions are essential in order to enable the occupying forces to suppress any guerilla warfare which might continue after the cessation of organized resistance. All other changes are those required to change the instrument into a proclama-

[43] Col. Thomas W. Hammond, Jr., Assistant Military Adviser to the United States Representative on the European Advisory Commission.

tion for unilateral issuance. If this document is to be negotiated rapidly or successfully with the Russians, any changes must be kept to the absolute minimum.

General Eisenhower feels that from an operational standpoint there is still some time, perhaps a few weeks, before such a proclamation should be issued. He is fully in accord that this proclamation can be issued only by agreement of the four governments, since it provides for their jointly taking full power over Germany, and that the exact time of its issuance should be agreed between SHAEF and the Soviet High Command. He feels, however, and I fully concur, that the necessity for earliest possible negotiation of this proclamation in the European Advisory Commission is very urgent. For that reason I hope the Department will let me have immediately its comments and suggestions on these proposed modifications in the wording of the instrument of unconditional surrender.

WINANT

740.00119 Control (Germany)/4–1645

The United States Political Adviser for Germany (Murphy) to the Director of the Office of European Affairs (Matthews)

[Extracts]

LONDON, April 16, 1945.

DEAR DOC: Just a word about the current trend. Apparently there is on the part of some of our officers no particular eagerness to occupy Berlin first. It is not at all impossible that our forces may linger along the Elbe "consolidating" their position. This will be true in the event there is substantial German resistance. One theory seems to be that what is left of Berlin may be tenaciously defended house by house and brick by brick. I have suggested the modest opinion that there should be a certain political advantage in the capture of Berlin even though the military advantage may be insignificant.

. . . . . .

Discussion regarding the life of SHAEF continues unabated. The burning question with many officers is rather a personal one—that of their own jobs—which is not without effect on their thinking. Kenneth Strong [44] estimates that SHAEF would continue for at least three months from now based on the time necessary for the liquidation of the German ports, the redoubt area, Denmark and Norway. In his opinion at least six weeks would be necessary for the deployment of troops to their respective zones. Then there is of course the large

[44] Presumably British Maj. Gen. Kenneth W. D. Strong, Chief of the G–2 (Intelligence) Division of SHAEF.

question of when and whether the Russians will provide their element of the Control Council. From what Phil Mosely tells me of the past four weeks in EAC these prospects are none too bright. I suppose that under the circumstances three months may be considered as a reasonable estimate.

. . . . . .

All the best to you.
Yours ever, BOB

740.00119 EAC/4–1545 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 18, 1945—6 p. m.

3018. In view of the prospect that nearly all of Germany will be under Allied occupation at the time of issuance of proposed proclamation, we question whether an adaptation of the surrender instrument lends itself to use as an initial proclamation.

Since many matters included in the surrender instrument will already have been regulated by SHAEF military government ordinances, issuance of the whole surrender instrument in a proclamation may cause confusion. The instrument appears much too long to be effective as a proclamation, especially if promulgated simultaneously in three or four languages.

The Department and the War Department would prefer the issuance of a brief declaration of the general character of Proclamation No. One [EAC(44) 27].[45] This declaration should contain:

(1) A statement of Germany's complete defeat and the imposition of the requirements of unconditional surrender;
(2) The assumption of supreme authority by the four Allied Powers;
(3) The establishment of the Control Council and the delineation of zonal responsibility (this article might be postponed for later proclamations if it is not feasible to establish the Control Council at the time);
(4) An injunction to the Germans to comply with Allied orders, with warning of severe punishment for non-compliance;
(5) Notice that further resistance to the forces of the United Nations will be considered unlawful and dealt with accordingly.

Agreement in the European Advisory Commission on such a proclamation should be based on the understanding by the four govern-

[45] Brackets appear in the original. The United States draft proclamations and general orders for Germany which were circulated in the European Advisory Commission by the Acting U.S. Representative (Mosely) as E.A.C. (44) 27, dated November 14, 1944, not printed.

ments that the policies and procedures envisaged in the surrender instrument would be put into effect by the generals commanding the forces of the four Occupying Powers. In the opinion of the Department this method of implementing the provisions of the surrender instrument would signify no deviation from the policy of unconditional surrender.

The Department, however, does not wish unnecessarily to complicate your problem of reaching an understanding with your colleagues on the EAC, and if, in your judgment, it is desirable to proceed on the basis of changing the surrender instrument into a proclamation, this Government would accept the formulation reported in your 3864, April 15, 11 p. m.

STETTINIUS

740.00119 Control (Germany)/4–1945 : Telegram

The British Prime Minister (Churchill) to President Truman [46]

[LONDON,] April 18, 1945.

No. 7. Your armies soon, and presently ours, may come into contact with Soviet forces. Supreme Commander should be given instructions by Combined Chiefs of Staff as soon as possible how to act.

In my view there are two zones:

(*a*) Tactical zone in which our troops must stand on the lines they have reached unless there is agreement for a better tactical deployment against continuing resistance of the enemy. This should be arranged by the Supreme Commander through Deane [47] and Archer [48] in Moscow or if convenient across the line in the field. Combined Chiefs of Staff have already taken up the issue of instructions to cover this phase. (See telegram C.O.S. (W) 768 of April 16th from British Chiefs of Staff and telegrams leading up to it.[49])

(*b*) Occupational zone which I agreed with President Roosevelt on advice of Combined General Staffs. In my view this zone should be occupied within a certain time from V.E.[50] day whenever this is

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[46] This paraphrase of Prime Minister Churchill's message was transmitted to the Secretary of State by the British Ambassador under cover of a letter dated April 19, 1945, not printed.

[47] Maj. Gen. John R. Deane, Commanding General, United States Military Mission to the Soviet Union.

[48] Adm. E. R. Archer, Chief of the British Military Mission to the Soviet Union.

[49] For a discussion of the efforts of the military authorities to establish a line of demarcation between Allied and Soviet military forces, see Forrest C. Pogue, *The Supreme Command*, in the official Army history, *The United States Army in World War II: The European Theater of Operations* (Washington, Government Printing Office, 1954), pp. 461–469. For documentation with particular relevance to the establishment of the line of demarcation in Czechoslovakia, see *Foreign Relations*, 1945, vol. IV, pp. 441–451 *passim*.

[50] Victory in Europe.

declared, and we should retire with dignity from the much greater gains which Allied troops have acquired by their audacity and vigour.

I am quite prepared to adhere to occupational zones. But I do not wish our Allied troops or your American troops to be hustled back at any point by some crude assertion of a local Russian General. This must be provided against by an agreement between the Governments so as to give Eisenhower a fair chance to settle on the spot in his own admirable way.

These occupational zones were outlined rather hastily at Quebec in September 1944[51] when it was not foreseen that General Eisenhower's armies would make such a mighty inroad into Germany. The zones cannot be altered except by agreement with the Russians. But the moment V.E. day has occurred, we should try to set up Allied Control Commission in Berlin and should insist upon a fair distribution of food produced in Germany between all parts of Germany. As it stands at present, Russian occupational zone has the smallest proportion of people and grows by far the largest proportion of food. The Americans have a not very satisfactory proportion of food to feed conquered population. And we poor British are to take over all the ruined Ruhr and large manufacturing districts, which are like ours, in normal times large importers of food. I suggest that this tiresome question should be settled in Berlin by A.C.C.[52] before we move from tactical positions we have at present achieved. The Russian idea of taking these immense food supplies out of food producing areas of Germany to feed themselves is very natural. But I contend that feeding the German population must be treated as a whole and that available supplies must be divided *pro rata* between the occupational troops.

I should be most grateful if you would let me have your views on these points, which from information I receive from many sources are of highest consequence and urgency.

740.00119 EW/3-145 : Telegram

The Secretary of State to the Chargé in the Soviet Union (Kennan)[53]

WASHINGTON, April 20, 1945—7 p. m.

921. On September 13 Italian Under Secretary Foreign Affairs[54] delivered to Ambassador Kirk personal note[55] requesting that Italy

[51] See telegram 7670, September 20, 1944, to London, *Foreign Relations*, 1944, vol. I, p. 340.
[52] Allied Control Commission for Germany.
[53] Repeated to Rome as Department's 673 and to Paris as Department's 1593.
[54] Marchese Giovanni Visconti-Venosta.
[55] Note A/504, September 12, *Foreign Relations*, 1944, vol. I, p. 64.

be permitted to participate in armistice with Germany. Similar note was sent to British High Commissioner.[56]

Memorandum of British Embassy to Department, dated October 4,[57] declared Italian participation in any armistice with Germany unnecessary, and suggested that hostilities between Italian Government and Germany could be ended by declarations issued by either Government at instruction of the Allied Control Commission concerned. Such declarations, British Embassy memorandum suggested, could be followed, if it were desired, by signing of an Italo-German instrument exclusively confined to recording cessation of hostilities.

In reply memorandum of Department to British dated November 15 [58] urged that in recognition of Italian contribution to war against Germany and of Italian cobelligerent position which had been recognized for more than year by United Nations, sympathetic consideration be given to Italian Government's request to present its views on German surrender arrangements. Department's memorandum suggested that although it was not deemed necessary or desirable for European Advisory Commission to invite Italian Government to submit its views for consideration, it would seem appropriate to suggest to Italian Government that it submit its views informally to representatives at Rome of Governments of United States, of United Kingdom, and of USSR who would receive them without obligation. Finally Department proposed that when Italian views had been received, they would be forwarded to United States representative on European Advisory Commission for its consideration.

In a memorandum dated April 5, 1945, British Embassy replied to Department stating that British Government, subject to certain provisos, is in position to accept suggestions put forward by Department. These provisos were: first, that Government of the USSR and French Provisional Government, as other governments represented on the European Advisory Commission, should, through diplomatic channels, be informed of the intended action before United States Government or British Government reply to Italian Government; second, that among those governments to which Government of Italy be invited to submit informally its views with regard to surrender arrangements for Germany be included the French Provisional Government.

We are replying to the British Embassy accepting the proposed conditions. You are therefore instructed to concert with your British colleague [59] in informing the Government to which you are accredited

[56] Sir Noel Charles.
[57] *Foreign Relations*, 1944, vol. I, p. 66.
[58] *Ibid.*, p. 83.
[59] Frank Roberts, British Chargé in the Soviet Union.

of the intentions of the United States and British Governments as explained in the preceding paragraphs. British Embassy is being informed that you have been so instructed.

Sent to Moscow and Paris for action.[60] Repeated to Rome for information (reference Rome's 570, March 1, 3:49 [*3:40*] p. m.[61]).

STETTINIUS

740.00119 EAC/4–2045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 20, 1945—9 p. m.
[Received April 20—7:45 p. m.]

4078. Comea 224. Under date of April 14 Norwegian Foreign Minister Lie has addressed a letter to Chairman, European Advisory Commission, raising certain questions regarding Norway's relationship to the instrument of unconditional surrender for Germany. Full text by air.[62] *Summary begins:*

Norwegian Government requests that full text of instrument be submitted to it, instead of summary, as a basis for adequate expression of its observations thereon.

Norway feels that imposition of terms "in the interests" of the United Nations other than the principal three powers leaves doubt regarding position of other United Nations towards Germany and may be source of juridical and political conflicts. Lie feels terms should state that in principle all United Nations are entitled to same rights towards Germany. Allies who have made valuable contribution to common victory should take part in notifying terms of surrender to the Germans. In case of Norway publication of special terms to German forces in Norway should be done by authority of Norwegian as well as of the three Governments. Lie draws attention to proposal contained in annex A, attached to his letter of September 2, 1944,[63] to EAC chairman, that a Norwegian plenipotentiary should take part in notifying terms of surrender to German forces in Norway. Letter goes on to propose special terms (1) to concentrate in camps German forces and civilians found in Norway, (2) to prohibit destruction of

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[60] Telegram 1480, May 5, 1945, 7 p. m., from Moscow, reported that the Soviet Government had been informed of U.S.-British views on this matter (740.00119-EW/5–545). Telegram 2431, May 7, 1945, 2 p. m., from Paris, reported that the French Government had been informed of the U.S.-British views on this matter (740.00119 EW/5–745).

[61] Not printed; in it Ambassador Kirk asked whether there had been further developments regarding the Italian request for participation in the armistice with Germany (740.00119 EW/3–145).

[62] The full text of Foreign Minister Lie's letter of April 14, 1944, to the European Advisory Commission, which was designated by the EAC as document P12H/6/45, was transmitted to the Department in despatch 22570, April 21, 1945, from London, neither printed (740.00119 EAC/4–2145).

[63] Not printed; for a summary of Foreign Minister Lie's letter of September 2, 1944, see *Foreign Relations*, 1944, vol. I, p. 73.

any object in German possession in Norway, and (3) to hold prisoners of war and displaced persons in camps pending orderly repatriation and asks whether these special matters should be covered in annex to the instrument or in special terms to be notified to the Germans in Norway.

With regard to the "additional requirements" to be imposed on Germany, Norwegian Government hopes to participate in the preparation of these joint demands and in presenting them to Germany in its name and not merely "in the interests" of the United Nations. Norwegian Government would like information about the composition and activities of the Allied Control Commission and the Reparation Commission, with opportunity to present its own observations. It also wishes further an early discussion with the Allied Consultation Committee of the EAC. *End of summary.*

WINANT

740.00119 Control (Germany)/4–2145

Memorandum by the Secretary of State to Admiral William D. Leahy, Chief of Staff to the Commander in Chief of the Army and Navy

[WASHINGTON,] April 21, 1945.

You have requested the views of the Department of State on message no. 7 from Prime Minister Churchill to the President.[63a] They are as follows:

Certain implications in the message are disturbing. The zones of occupation for Germany were the subject of long and careful study and negotiation. They were definitively and formally agreed upon by the American, British and Soviet Governments just prior to the Yalta Conference. Following a deadlock lasting many months, the British obtained the northwestern zone which they were so insistent upon having. The general area of the zone allotted to Russia was not in dispute and in fact follows the general lines of a proposal informally advanced by the British as early as 1943. The fact that the Russian zone contained the greater portion of German food producing areas, and that the zone the British sought and obtained was a deficit area was well known throughout the negotiations. The formal acceptance by the three Governments of their zones of occupation was in no way made contingent upon the conclusion of satisfactory arrangements for an equitable distribution of available German food resources. A position taken by this Government (or the British Government) of refusal to withdraw to the agreed boundaries of its own zone pending either (*a*) some modification of agreed zone boundaries or (*b*) an agreement on more equitable food distribution would, in the Department's opinion, have serious consequences. The Russians would certainly consider such a bargaining position as a repudiation of our

[63a] Dated April 18, p. 231.

formal agreement and the resultant Soviet course of action and Soviet policy would be difficult to foresee. Furthermore, as a practical matter, any tripartite agreement for food distribution throughout Germany arrived at under such circumstances would probably prove impossible to implement in practice. The Department of State believes that every effort should be made through the Allied Control Commission to obtain a fair interzonal distribution of food produced in Germany but does not believe that the matter of retirement to our zone frontiers should be used for such bargaining purposes.

The question of the tactical deployment of American troops in Germany is largely a military question. In so far as the question has political implications, the Department believes that General Eisenhower should be given certain latitude and discretion; that where time permits, he should consult the Combined Chiefs of Staff before any major withdrawal behind our zone frontiers. In order to avoid incidents between local Russian commanders on the one hand and British and American commanders on the other, the results of which cannot be foreseen, the Department suggests that messages might be sent by the President and the Prime Minister to Marshal Stalin urging that the date and procedure for withdrawal to the respective zones of occupation should be fixed by mutual agreement between the three Governments (since the anticipated French zone of occupation will not be contiguous on the Russian zone there seems to be no need for consulting the French.)

The views of the United States Chiefs of Staff expressed in connection with C.C.S. 819/17 [*805/17?*] [64] were discussed informally with the Department of State and have its concurrence.

E. R. Stettinius, Jr.

740.00119 Control (Germany)/4–2345 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

Washington, April 23, 1945—7 p. m.

3193. The following statement of views of the Joint Chiefs of Staff with reference to the British proposal for French participation in the occupation of Berlin have been concurred in by the State, War, and Navy Departments:

1. The proposal would alter the subdivisions in Berlin as designated in the present protocol by creating a 4th subdivision for the French and allocating to the French the districts of Pankow and Prenzlauerberg (formerly allocated to U.S.S.R.) and Reinickendorf (formerly allocated to U.K.). It also transfers from the U.S. subdivision to the U.S.S.R. subdivision the district of Neukollen.

[64] Not found in Department files.

2. Elimination of Neukollen (of a 1941–1942 estimated population of approximately 300,000 persons) from the U.S. subdivision is not expected to reduce the space or facilities allocated to the U.S. below the requirements necessary for the support of U.S. forces. The U.S. subdivision as outlined by the proposal is therefore considered acceptable from a military point of view. The informal French proposal adds to the U.S. subdivision, at the expense of the Soviets, rail and storage facilities in Treptow, which are believed essential to the Soviets and are not needed by the U.S. forces. This change would entail, also, the loss to the U.S. of desirable residential areas which the French propose to remove from the U.S. subdivision and transfer to the French subdivision. Therefore, the British proposal is considered definitely preferable and should be accepted from the U.S. point of view.

3. In considering the occupation of Berlin by French forces in addition to those of the other three powers, it has been assumed that the use and exchange of common facilities and utilities will be made available for the support of all of the occupational forces and that arrangements for access to installations and facilities, such as railroad stations, will be subject to adjustment among the respective subdivision commanders or the district commanders (commandants) in "Greater Berlin".

4. The French proposals containing suggestions for amendments to the protocol and the agreement on control machinery participation are satisfactory to the Joint Chiefs of Staff, except for the proposed designation of the French zone as "west central zone". Until the area to be allocated to the French has been specified, it would seem unwise to designate it as other than the "western zone".

STETTINIUS

740.00119 E.W./4–2345

The Chargé in Luxembourg (Waller) to the Secretary of State

No. 148 LUXEMBOURG, April 23, 1945.
[Received April 30.]

SIR: I have the honor, at the request of the Prime Minister,[65] in the absence of the Minister of Foreign Affairs, to enclose for the earnest consideration of our Government a note which the Grand Ducal Government of Luxembourg is transmitting in accord with the Belgian and Netherlands Governments to the American, British and Soviet Governments.

I am not translating this into the English language in view of the fact that as it is being transmitted in its present form to other Governments the Department will no doubt wish to have it in its original.

Respectfully yours, GEORGE PLATT WALLER

[65] Pierre Dupong.

[Enclosure—Translation]

The Luxembourg Government to the American Legation in Luxembourg [66]

NOTE

1. In deference to a desire expressed by the Luxembourg Government, the Chairman of the European Advisory Commission,[67] in a letter of December 12, 1944,[68] was good enough to invite a Representative of the Luxembourg Government to establish contact with a Committee appointed by the Commission. This Representative obtained from the Committee information regarding the Act which will establish the capitulation of Germany, without, however, receiving the text of that Act itself because of its chiefly military character. He was, furthermore, given the opportunity to enter upon an exchange of views concerning the matters relating thereto and offering a special interest for Luxembourg.

The Luxembourg Government deeply appreciated the decision which permitted it thus to get in touch with the European Advisory Commission and it thanks the latter for the courteous reception given by it to the Representative in question. It feels it its duty, however, to invite the attention of the Government of the United States to two important points concerning which it has not obtained all the clarification and satisfaction that it desired.

2. According to the summary of the Act of Capitulation of which the Luxembourg Government has received a copy, the Representatives of the High Commands of the United States of America, Great Britain and the Soviet Union, in formulating the terms of capitulation, will act "in the interests of the United Nations"; whereas, in the armistice with Italy, the High Command acted "on behalf of the United Nations." The Luxembourg Government is aware of the reasons which determined this change of wording; nevertheless, it deems it necessary that the significance thereof be exactly specified, so as to avoid any future ambiguity and to prevent the enemy from attempting to deduce, therefrom an erroneous interpretation favorable to his interests. It is the understanding of the Luxembourg Government that the fact of saying that the obligations to be imposed upon Germany are formulated by the High Commands acting in the interests

[66] The reply to this note was made in note from the Acting Secretary of State to the Luxembourg Minister, July 2, 1945. The note stated: "It is the view of this Government that the Luxembourg Government as a United Nations Government with a major interest in the control of Germany should be represented at the Control Council by a military mission." (740.00119 EW/4–2345)

[67] At that time, Fedor Tarasovich Gousev, the Soviet Representative on the European Advisory Commission.

[68] Not printed; see telegram 11080, December 14, 1944, 8 p. m. from London, *Foreign Relations*, 1944, vol. I, p. 84.

of the United Nations, places upon Germany obligations with respect to each of the United Nations in the same manner as if it were expressly stated that the High Commands acted on behalf of the United Nations. The Luxembourg Government believes that it is thus correctly interpreting the capitulation terms.

The Act of Capitulation, although it has an essentially military character, will constitute, perhaps for a quite a long period, the very basis of the rights which Luxembourg will be in a position to invoke with respect to Germany. It is, therefore, from this Act itself, as well as from the injunctions which, according to the provisions of Part III, will subsequently be imposed upon Germany, that Luxembourg must derive its rights. Among these injunctions, a considerable number will offer particular importance for Luxembourg. It would be inconceivable, under these conditions, that Luxembourg should remain for several years in a doubtful position and without a direct claim as regards Germany.

3. Part III of the Act of Capitulation refers to the injunctions of a political, administrative, economic, financial, etc., character which will hereafter be addressed to Germany. It is in this field that action might be taken on the suggestions formulated by the Luxembourg Government in the memorandum which it addressed on August 26, 1944 to the European Advisory Commission [69] and which refers particularly to remedial measures for spoliation carried out in an occupied country, to restitution and prestations in the economic, monetary, maritime and cultural fields, to the control of enemy property, rights and interests, and of industrial, commercial, etc., property, to the control of imports and exports, etc. The Committee [70] with which the Luxembourg Representative [71] has been in contact has not hitherto been able to furnish any clarification in this matter, the European Advisory Commission not having yet completed its examination of these points. The Luxembourg Government feels it its duty to emphasize the considerable interest which they present for it. The concrete provisions which form the subject of Part II of the Act of Capitulation have an essentially military character and therefore concern primarily the Powers which are directing military operations. On the contrary, the provisions referred to in Part III present a very special importance for the States which, like Luxembourg, have for several years been completely occupied by Germany and subjected, under cover of that occupation, to the systematic exploitation of their resources.

[69] Not printed; for a summary of the Luxembourg memorandum, see *Foreign Relations*, 1944, vol. I, p. 70.

[70] i.e., the Allied Consultation Committee.

[71] Luxembourg Foreign Minister, Joseph Bech.

The Luxembourg Government does not doubt that the Government of the United States of America will give to its Representative on the European Advisory Commission the necessary instructions in order that the exchanges of views which have taken place hitherto with the Luxembourg Representative may be continued as soon as possible with regard to the questions which have just been mentioned.

Department of Defense Files: Telegram

President Truman to the British Prime Minister (Churchill)

[WASHINGTON,] 23 April 1945.

9. Replying to your No. 7 of April 18, the following is a message which I consider suitable for sending to Stalin if you agree, and if you will send to him a similar message. Please let me know what you think of this suggestion.

"The approaching end of German resistance makes it necessary that the United States, Great Britain and the Soviet Union decide upon an orderly procedure for the occupation by their forces of the zones which they will occupy in Germany and Austria. I therefore propose the following:

1. That we agree that in both Germany and Austria our respective troops should, as soon as the military situation permits, retire to the zone which it has been agreed they should occupy.
2. In order to avoid any confusion between our armies in the field we agree that whenever one of our commanders is ready to occupy a portion of the zone allotted to his country which is held by other Allied troops, he inform his own Government of the sector he is prepared to occupy.
3. That we agree that the Government concerned would then consult the other two Governments in order that the necessary instructions be given for the immediate evacuation of the area involved and its occupation by the troops of the country to which it is assigned.

Please let me know if this arrangement is satisfactory to you.

It is of course essential that we promptly reach an agreement on the zones which we are to occupy in Austria.

I think we should, at an early date, reach a common decision as to the time when the control machinery for both countries should be brought into operation."

Department of Defense Files: Telegram

The British Prime Minister (Churchill) to President Truman

[LONDON,] 24 April 1945.

13. 1. I thank you for your number 9 in answer to my number 7. I agree with the preamble, but paragraphs 1 and 2 would simply allow

the Russians to order us back to the occupational zones at any point they might decide, and not necessarily with regard to the position of the fronts as a whole. It is your troops who would suffer most by this, being pushed back about 120 miles in the centre and yielding up to the unchecked Russian advance an enormous territory. And this while all questions of our spheres in Vienna or arrangements for triple occupation of Berlin remain unsettled. I suggest the following alternative version of your proposed message to Marshal Stalin.

"1. Our immediate task is the final defeat of the German Army. During this period the boundaries between the forces of the three Allies must be decided by Commanders in the field, and will be governed by operational considerations and requirements. It is inevitable that our armies will in this phase find themselves in occupation of territory outside the boundaries of the ultimate occupational zones.

"2. When the fighting is finished, the next task is for the Allied Control Commissions to be set up in Berlin and Vienna, and for the forces of the Allies to be redisposed and to take over their respective occupational zones. The demarcation of the zones in Germany has already been decided upon and it is hoped that we shall very soon reach an agreement on the zones to be occupied in Austria at the forthcoming meeting proposed by you in Vienna.

"3. The occupation of the zones would normally follow immediately upon the signature of the instrument of surrender. It may well be, however, that no such signature will be forthcoming. In this event governments may well decide to set up at once the Allied Control Commissions, and to entrust to them the task of arranging for the withdrawal of the forces to their agreed occupational zones.

"4. In order to meet the requirements of the situation referred to paragraph 1 above, namely the emergency and temporary arrangements for the tactical zones, instructions have been sent to General Eisenhower. These are as follows:

> "(*a*) To avoid confusion between the two armies and to prevent either of them from expanding into areas already occupied by the other, both sides should halt as and where they meet, subject to such adjustments to the rear or to the flanks as are required, in the opinion of the local commanders on either side, to deal with any remaining opposition.
>
> (*b*) As to adjustments of forces after cessation of hostilities in an area, your troops should be disposed in accordance with military requirements regardless of zonal boundaries. You will, in so far as permitted by the urgency of the situation, obtain the approval of the British and American Governments prior to any major adjustment in contrast to local adjustments for operational and administrative reasons.

"5. It is requested that you will issue similar instructions to your commanders in the field."

740.00119 Control (Germany)/4–2545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 25, 1945—9 p. m.
[Received April 25—6 : 55 p. m.]

2110. Following is for the most secret information of the Department:

General Juin [72] in the course of a conversation with a high American officer stated that when the French submitted their proposals regarding their zone in Germany, they were not aware that the United States zone extended eastward to the Soviet zone with a line of communications from the north. The French could, moreover, understand our desire to retain airfields in Hessen-Darmstadt. According to the indication given by Juin, the French would be willing now to withdraw their proposal to include in the French zone of occupation Hessen-Nassau, Oberhessen and Hessen-Darmstadt east of the Rhine. In Juin's opinion, the French would be content in the south with Baden, but in the Wiesbaden area, they would require a bridgehead across the Rhine.

CAFFERY

740.00119 EAC/10–1944

The Department of State to the British Embassy

MEMORANDUM

The Department of State has carefully considered the memorandum of the British Embassy of April 5, 1945, and is pleased to note that, subject to certain provisos, the British Government is in a position to accept the suggestions put forward in the memorandum of the Department of November 15, 1944.[72a] The Government of the United States accepts the provisos suggested by the British Government.

In accordance with the suggestion in the memorandum of the British Embassy, the Ambassadors of the United States at Moscow and at Paris are being instructed to concert with their respective British colleagues to inform the governments to which they are accredited of the intentions of the United States and British Governments regarding the Italian Government and the surrender arrangements for Germany.[73]

When the Italian views have been received by the representatives of the United States, United Kingdom, Union of Soviet Socialist Republics, and Provisional Government of France, the Government of the

[72] Gen. Alphonse Pierre Juin, Chief of the French General Staff.
[72a] *Foreign Relations*, 1944, vol. I, p. 83.
[73] See telegram 921, April 20, 7 p.m. to Moscow, p. 232.

United States intends to forward them to its representative on the European Advisory Commission who will introduce them into the Commission for consideration.

WASHINGTON, April 25, 1945.

740.00119 Control (Germany)/4–2545

The United States Political Adviser for Germany (Murphy) to the Director of the Office of European Affairs (Matthews)

PARIS, April 25, 1945.

DEAR DOC: I am sure that the Department shares to a degree at least the apprehension of some of us over here regarding Soviet intentions in respect of the administration of Germany after occupation. The conviction seems to be growing on this side that they want to exclude other Allied representatives from the Soviet zone of occupation as completely as possible. It may be difficult, as a result, to protect whatever American citizens and property there may be in that zone, much less to follow developments in the zone or to ensure that Control Council policies are actually carried out. I can imagine how carefully you are all following the Soviet action in transferring administrative power over German territory to both the Provisional Polish Government [74] and to the Free Germany Movement.[75]

As matters now rest with the US Group CC which for months has been urging to the extent of its ability contact with Russian representatives, we have had thus far no assistance from the Soviet Union and no indication of a real intention on their part to operate as an effective element of the Control Council. On the other hand, the data which the Department sends to us in the Information Series regarding what is happening in Rumania, Bulgaria [76] and elsewhere is not encouraging.

In a recent conversation with Bogomolov [77] it was obvious that while he might possess but little information regarding Russian operations in Eastern occupied Germany, it was clear that they are operating on a unilateral basis.

The occupation by our forces of a considerable portion of the Soviet zone gives us an improved bargaining position. However, it is

[74] For documentation regarding the interest of the United States in the determination of the frontiers of Poland and the transfer to Poland of administrative authority over German territory, see vol. v, pp. 110 ff.

[75] Soviet-sponsored organization of German prisoners of war held in the Soviet Union. For documentation regarding this subject, see pp. 1033 ff.

[76] For documentation regarding the participation by the United States in the Allied Control Councils for Bulgaria and Rumania, see vol. IV, pp. 135 ff. and vol. V, pp. 464 ff., respectively.

[77] Alexander Efremovich Bogomolov, Soviet Ambassador in France.

the intention of our military authorities to evacuate the Russian zone as soon as deployment becomes militarily practicable. I gather that a British view presented to General Eisenhower was to the effect that we should not be in a hurry to withdraw our troops. I believe that General Eisenhower's tendency is to avoid any conflict with the Russian forces and to disapprove the British suggestion for practical reasons relating to occupational burdens, the vast problem connected with the care of displaced persons, military governments, etc.

I hope that we may have some agreeable surprises when we actually come to grips with the problem in Germany and are placed in contact with our Russian opposite numbers. I am confident that some of the doubt and misunderstanding may be cleared up if nothing happens to interfere with direct contact.

As you know, one of the burning issues is the care of Russian displaced persons [78] of whom possibly one or two millions will fall into our hands. I find that our SHAEF officers have cooperated loyally with the Soviet representatives engaged in displaced persons duty. Of 437 repatriation officers now operating out of SHAEF, 192 are Soviet. Recently the Soviet Government stated it would soon make available an additional 300. drawn principally from liberated citizens. The Soviet Military Mission under General Dragun, accredited to the French Government, receives full and effective cooperation from SHAEF authorities. This cooperation has at times been attended by difficulties resulting from unauthorized visits by Soviet officers to military zones, exhortation to Soviet displaced persons not to obey any authority but Soviet, etc. but lately this situation has vastly improved.

Yours ever, BOB

Department of Defense Files: Telegram

President Truman to the British Prime Minister (Churchill)

[WASHINGTON,] 26 April 1945.

13. Referring to your Number 13, it appears to me, particularly in view of the fact that the Armies now in the Soviet zone are American, that any agreement entered into regarding withdrawal to the designated post hostility zones of occupation in Germany and Austria should be tripartite.

I therefore suggest for your consideration that you address the following message to Marshal Stalin and to me:

"1. The Anglo-American armies will soon make contact in Germany with Soviet forces, and the approaching end of German resistance makes it necessary that the United States, Great Britain, and

[78] For documentation regarding Russian displaced persons, see vol. v, pp. 1067 ff.

the Soviet Union decide upon an orderly procedure for the occupation by their forces of the zones which they will occupy in Germany and in Austria.

2. Our immediate task is the final defeat of the German Army. During this period the boundaries between the forces of the three Allies must be decided by Commanders in the field, and will be governed by operational considerations and requirements. It is inevitable that our armies will in this phase find themselves in occupation of territory outside the boundaries of the ultimate occupational zones.

3. When the fighting is fininshed, the next task is for the Allied Control Commissions to be set up in Berlin and Vienna, and for the forces of the Allies to be redisposed and to take over their respective occupational zones. The demarcation of the zones in Germany has already been decided upon and it is necessary that we shall without delay reach an agreement on the zones to be occupied in Austria at the forthcoming meeting proposed by you in Vienna.

4. It appears now that no signed instrument of surrender will be forthcoming. In this event governments should decide to set up at once the Allied Control Commissions, and to entrust to them the task of making detailed arrangements for the withdrawal of the forces to their agreed occupational zones.

5. In order to meet the requirements of the situation referred to in paragraph 2 above, namely the emergency and temporary arrangements for the tactical zones, instructions have been sent to General Eisenhower. These are as follows:

> (*a*) To avoid confusion between the two armies and to prevent either of them from expanding into areas already occupied by the other, both sides should halt as and where they meet, subject to such adjustments to the rear or to the flanks as are required, in the opinion of the local commanders on either side, to deal with any remaining opposition.
>
> (*b*) As to adjustments of forces after cessation of hostilities in an area, your troops should be disposed in accordance with military requirements regardless of zonal boundaries. You will, in so far as permitted by the urgency of the situation, obtain the approval of the Combined Chiefs of Staff prior to any major adjustment in contrast to local adjustments for operational and administrative reasons.

6. It is requested that you will issue similar instructions to your commanders in the field."

Upon the receipt of the above message from you, I will at once inform Marshal Stalin that I am in full agreement therewith.[79]

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[79] In his telegram 18, April 27, to President Truman, Prime Minister Churchill stated that he had addressed to Marshal Stalin the message quoted above. Churchill added the following comment: "I think Stalin is pleased at our having informed him in such quick unity of our spontaneous view of the Himmler-Bernadotte contacts. Even if there is a short delay or setback, all our forces will be in a much more favourable position. I thank you so much for promoting the easy way in which we are handling this three-cornered business." (Department of Defense Files)

740.00119 Control (Austria)/4–2845

The American Chargé in the Soviet Union (Kennan) to the Assistant People's Commissar for Foreign Affairs of the Soviet Union (Vyshinski)

Moscow, April 28, 1945.

DEAR MR. VYSHINSKI: I have been instructed to effect transmission of the following message for Marshal Stalin from the President:

"No. 225, Personal and top secret for Marshal Stalin from the President:

"I have received from Prime Minister Churchill a message dated April 27, addressed to you and to myself, with respect to an orderly procedure for the occupation by our forces of the zones which they will occupy in Germany and Austria.

"I am in full agreement with the message referred to above, addressed to both of us by Prime Minister Churchill, and I will inform the Prime Minister likewise of my agreement thereto."

I would be grateful if you would be good enough to see that this message is transmitted to Marshal Stalin.

Sincerely yours, GEORGE F. KENNAN

740.00119 Control (Germany)/4–2545: Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, April 28, 1945—3 p. m.

1740. Re Embs 2110, April 25, 9 p. m. The Joint Chiefs of Staff have proposed that initially this Government offer to release Baden to the French zone of occupation. They see no overriding military objectives [*objections?*], however, to giving to the French, with adequate safeguards of transit rights, Württemberg and Sigmaringen.

The Department wishes you informally to sound out the French immediately on whether Baden would suffice. If, as appears probable, the French Government would not be satisfied with Baden alone, you may indicate that Winant will be authorized to discuss with Massigli the inclusion of Württemberg and Sigmaringen in the French zone. Please inform Winant immediately (repeating to Department) of the result of your inquiry so that the negotiations in the EAC on the French zone may be concluded as soon as possible.

GREW

740.00119 Control (Germany)/4–2845 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 28, 1945—3 p. m.

3332. The Joint Chiefs of Staff have submitted their views with respect to the French zone of occupation in Germany, which are being transmitted by air mail today. The following is an excerpt respecting the territory to be released from the United States zone to the French:

"There are no overriding military objections to giving to the French, with proper safeguards with regard to transit rights, the State of Baden, the State of Württemberg and the Province of Sigmaringen although it is militarily desirable to retain Württemberg and Sigmaringen since U.S. activities may, at a later date, be centered in the Munich area. However, the French may be satisfied with receiving the State of Baden only and it is recommended that the release of that area alone be proposed initially to the French. Regardless of whether or not the State of Württemberg and the Province of Sigmaringen, in addition to the State of Baden, are given to the French, it will be necessary to have a clear agreement with the French guaranteeing rights of passage through any part of the French zone lying contiguous to and west of the U.S. zone, particularly exclusive rights to the bridges which the American forces have built over the Rhine and the communication facilities which the American forces have built in Germany."

The Department is instructing Caffery to sound out the French Government immediately as to whether the cession of Baden alone would be satisfactory and to inform you at once of the result of his inquiry. It is desired that you await Caffery's report before talking with Massigli. You should then offer Massigli such of the area referred to by the Joint Chiefs of Staff as Caffery indicates will be acceptable to the French without further reference to the Department.

GREW

740.00119 Control (Germany)/4–2945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 29, 1945—4 p. m.
[Received April 29—10 : 55 a. m.]

4347. To Assistant Secretary Dunn and Matthews. Anticipating the need of immediate settlement of the French zoning in Germany and recognizing the necessity of being completely informed on this

subject, I got in touch with General Smith last week and, on his suggestion I sent General Meyer to France to discuss this problem with him.

These conversations developed logistical problems that related to the zoning area to be assigned to France.

As soon as I received your message (3332, April 28, 3 p. m.) this morning forwarding the JCS views with respect to the French zone of occupation in Germany and explaining that you were asking Ambassador Caffery to take this matter up with the French Government, I again got in touch with General Smith. We arranged that General Meyer with General Bull [81] and General Crawford [82] would immediately consult with Ambassador Caffery. These arrangements have been explained to Ambassador Caffery by General Smith.

I thought that you might also like to know that we are in close liaison with General Clay.[83] He has asked me if I would release Colonel Hammond [84] for assignment to duty with him to act as Secretary General of the United States Group, Control Council.

WINANT

740.00119 Control (Germany)/4–3045

Memorandum by the State-War-Navy Coordinating Committee to the Acting Secretary of State

WASHINGTON, April 30, 1945.

The State-War-Navy Coordinating Committee has considered the proposals of the French Government for a French zone of occupation of Germany, together with French suggestions for participation in the occupation of Austria as set forth in your identical letters to the Secretary of War and the Secretary of the Navy of March 3, 1945.[85] The British proposal on transfer to the French of a part of the British zone, as described in Ambassador Winant's cable to the Department of State of March 23, 1945 (Comea 197) has also been considered. These matters have been studied in collaboration with the Joint Chiefs of Staff and the following comments and conclusions are concurred in by

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[81] Maj. Gen. Harold Bull, Chief of the G–3 (Operations) Division of SHAEF.

[82] Maj. Gen. Robert W. Crawford, Chief of the G–4 (Supply) Division of SHAEF.

[83] Lt. Gen. Lucius D. Clay, United States Deputy Military Governor, Commanding General, United States Group, Control Council (Germany).

[84] Col. Thomas W. Hammond, Jr., Assistant Military Adviser to the United States Representative on the European Advisory Commission.

[85] Not printed; this letter repeated the substance of telegram 1400, February 8, 9 p. m., from London, p. 182.

the Joint Chiefs of Staff and the State-War-Navy Coordinating Committee:[86]

1. While the desirability to the French of having the French zone adjacent to the French border is recognized, it is believed that the present proposal is subject to grave military objections, particularly from a logistical point of view, and it is considered that acceptance of the proposal in its present form would be highly prejudicial to the military support of the United States forces of occupation in Germany and Austria.

2. No objection is perceived to that portion of the French proposal which requests the allocation of a zone west of the Rhine but it is noted that this area is under the present protocol allocated to the British, and therefore the French request in that particular is more properly addressed to the British Government rather than the United States. In this connection it is noted that the French proposal does not define the northern boundary of the French zone west of the Rhine. Before any agreement is reached this boundary should be clearly delineated. Any extension of the French zone north of the northern boundaries of the Bezirke of Cologne and Aachen would intercept the flow of communication from the lowland ports to both the United States and British zones and would not be acceptable. The city of Cologne comprises an area on each bank of the Rhine; the portion on the east bank includes railroad facilities which are vital to both the United States and British lines of rail communications along the east bank of the Rhine. While the terms of the French proposals indicate that only that part of the city of Cologne which lies on the west bank of the Rhine is intended for inclusion in the French zone, this should be clarified and definitely limited to such portions of the city as lie on the west bank of the Rhine. Otherwise, a vital link in United States and British rail communication along the east bank of the Rhine will be intercepted.

3. As for the British proposal to include the Regierungsbezirk of Koblenz within the French zone, it is the view of the U.S. that the portion of this area which lies east of the Rhine should not be allocated to the French as the same considerations discussed with respect to Cologne apply with even greater force to the Koblenz area. In

[86] These comments and conclusions were contained in the memorandum by the Joint Chiefs of Staff for the Secretary of War and the Secretary of the Navy, dated April 27, 1945, not printed, which when circulated for consideration by the State-War-Navy Coordinating Committee, became the enclosure to document SWNCC 44/1, 28 April 1945, not printed. According to SWNCC 44/2, dated 3 May 1945, not printed, by informal action on May 1, 1945, the State-War-Navy Coordinating Committee approved SWNCC 44/1, and the information contained in the enclosure was transmitted to the Secretary of State (EAC File).

addition, the city of Koblenz is a transfer point between the British and the U.S. To put it under French control would materially increase the difficulties of an already complicated operational situation to the extent that it would probably become unworkable.

4. Initially the United States occupational forces will be supplied over lines established during the entry into Germany which will be supplemented by lines from the lowland ports (Antwerp and Rotterdam). After the ports of Bremen and Bremerhaven become operative, the main supplies for the United States forces will be routed from Bremen and Bremerhaven through the British zones via Kassel and thence to various distribution centers in the United States zone in Germany from which supplies will be distributed to troops stationed throughout Germany and Austria. Distribution of civil relief will follow the same channels. Kassel and Frankfurt am Main are key focal points in this distribution net. For the successful support of the United States forces of occupation, it is essential that these key cities remain in the United States zone since continued availability of these channels of supply is essential.

5. The French proposal for a zone in Germany east of the Rhine would allocate to the French the German provinces of Baden, Hessen and Hessen-Nassau (described in the proposal as Baden, Hessen, Hessen-Kassel and Hessen-Darmstadt) and would place under French and not United States control the key focal cities of Kassel and Frankfurt am Main, and the communications radiating therefrom to Württemberg and Bavaria.

6. The French proposal, incorporating as it does the area through which the Rhine flows, would deny the United States forces access to this river. Possession of ports of the Rhine system is essential to the use of the river. Coal and other bulk commodities which must be exchanged between the various areas are ordinarily transported by the Rhine river system. In view of the disrupted railway system, use of the Rhine system will be essential for support of United States occupational forces and maintenance of civilian economy in the southwestern zone.

7. The French proposal is in accord with the Yalta protocol whereby it was agreed that a zone of occupation should be allocated to France and that it would be formed out of the British and American zones. The conclusions reached with respect to the French proposal are briefly as follows:

a. Hessen and Hessen-Nassau are essential to U.S. control of the American zone for the support of its occupational forces and contain the key focal cities of Kassel and Frankfurt am Main. For logistical reasons it is imperative that there be as little interference as possible with the lines of communication between the U.S. zone and its base ports of Bremen-Bremerhaven. The necessity of dealing with the

forces of two nations with different organizational structures and different languages in order to support the U.S. forces would create an extremely difficult logistical situation. If the principal administrative district for the U.S. zone were also to be in the control of the force of another country the situation would probably become unworkable.

b. The proposal to include Baden in the French zone presents problems which must be examined with respect to the four smaller geographical areas (Landeskommissarbezirke) into which Baden is divided:

(1) Konstanz and Freiburg can be released from the U.S. zone.

(2) Karlsruhe would not present any very serious problem were it to be included in the French zone.

(3) Mannheim intercepts the communications between Frankfurt am Main and Stuttgart both of which are important U.S. administrative and distribution points and contains installations essential to the U.S. zone. The Joint Chiefs of Staff are convinced that for logistical reasons the occupation of this area by the French could take place only on the condition that unequivocal rights of through passage be granted the U.S. forces to the extent the commander of the U.S. forces deems necessary. If such arrangements can be effected there is no serious objection to inclusion of this area in the French zone.

c. The basic issue, in the opinion of the Department of State, is to carry out the commitment made at the Crimea Conference and to protect the long-range political interests of this government as well as the more immediate military needs.

8. There are no overriding military objections to giving to the French, with proper safeguards with regard to transit rights, the State of Baden, the State of Württemberg and the Province of Sigmaringen although it is militarily desirable to retain Württemberg and Sigmaringen since U.S. activities may, at a later date, be centered in the Munich area. However, the French may be satisfied with receiving the State of Baden only and it is recommended that the release of that area alone be proposed initially to the French. Regardless of whether or not the State of Württemberg and the Province of Sigmaringen, in addition to the State of Baden, are given to the French, it will be necessary to have a clear agreement with the French guaranteeing rights of passage through any part of the French zone lying contiguous to and west of the U.S. zone, particularly exclusive rights to the bridges which the American forces have built over the Rhine and the communication facilities which the American forces have built in Germany.

9. General Eisenhower has stated that the City of Frankfurt is the only location he has found in the U.S. zone that fills the requirements as the future site for his headquarters. For this reason arrangements

728-099—68——17

should be made for the assurance that Frankfurt and reasonable surrounding territory will remain in the U.S. zone.

10. No military necessity or advantage is perceived in enlarging the "Greater Berlin" zone to include Potsdam but it is noted that this is a matter primarily of concern to the U.S.S.R. and requires consideration of all powers concerned.

11. The French suggestion for a mixed rather than a zonal occupation of Austria is not looked upon with favor. Mixed occupation is difficult of administration especially where differences of languages and legal concepts are involved. With occupation forces of different nationalities in the same area, an unfriendly or uncooperative population is in an ideal position to play one nationality off against the other and will be quick to take advantage of the situation. This suggestion would require submission to and acceptance by both the British and U.S.S.R. as well and could not be agreed to by the United States alone. Furthermore, it would require reopening and revising the entire theory of occupation as developed to date under the existing protocols. On the other hand no military objection is perceived to a French zone of occupation of Vorarlberg and Tirol in Austria.

12. Any occupation of Germany or Austria by the French should be subject to all of the general conditions to which the United States, United Kingdom and the U.S.S.R. have already subscribed.

For the State-War-Navy Coordinating Committee:

H. FREEMAN MATTHEWS
Acting Chairman

740.00119 Control (Germany)/4–3045

The United States Political Adviser for Germany (Murphy) to the Director of the Office of European Affairs (Matthews)

[Extracts]

[VERSAILLES?,[87]] April 30, 1945.

DEAR DOC: I enclose a copy of a memorandum prepared on April 29 by G–4 SHAEF [88] regarding the technical aspects of a French occupational zone on the right bank of the Rhine which would be taken out of the zone heretofore allocated to the United States.

. . . . . .

I think that the idea of having Jeff Caffery conduct the negotiations with the French is a good one. After he received the telegram yesterday we met with him, including General Meyer representing Mr. Winant and Colonel Whipple representing G–4 SHAEF, to discuss the technical aspects. SHAEF urges that the French be offered only

[87] During the month of April, the Mission of the United States Political Adviser for Germany was moved from London to SHAEF Main, Versailles.

[88] Supply Division of SHAEF.

the two southern provinces of Baden, namely Freiburg and Konstanz. If it seems necessary to give the French additional territory, they could be offered a small bridgehead east of Koblenz which would include the Kreise of Unterwesterwald, Unterlahn, and Sankt Goarshausen. If it is necessary to go further, they could be offered a province in Baden, namely Karlsruhe. However it is really desirable for our occupational forces to have available the port, communications, and transport facilities offered by the Bezirk of Karlsruhe. A study of this matter is enclosed. I think a careful reading of it will prove the desire of our SHAEF authorities to retain the two northern provinces of Baden, namely Karlsruhe and Mannheim, is founded on more than a whim and has back of it very practical considerations. Personally I support the idea fully. I feel that if the French are going to receive part of the Rhineland, the Saar, the Palatinate, and part of Baden they are getting about as much as they can handle and certainly every bit as much as they are entitled to.

Jeff Caffery made the point that we will be dependent on the French for transit facilities for our forces for a good many months to come and that it is necessary to be nice to them. We will be dependent on French facilities and I think we are being nice to them. In fact, we are giving them so much now and so much more than anybody else that I feel the French should be glad to come along with us on the present SHAEF proposal which is eminently fair. The Soviets of course give them nothing. The British have been able to make a nice gesture giving them part of the Rhineland, the Saar, and the Palatinate, which it is now clear the British asked EAC for originally for that very purpose as it is apparent that they never intended to keep it themselves.

All the best to you.

Yours ever, BOB

[Enclosure]

Memorandum by the Chief of Staff, Supreme Headquarters, Allied Expeditionary Force (Smith), to Brigadier General Vincent Meyer, Military Adviser to the United States Representative on the European Advisory Commission (Winant)

APRIL 1945.

1. In accordance with your verbal request, a study has been made of the implications of certain French proposals for a zone of occupation, with particular reference to US military requirements.

2. It is assumed that the French proposal, so far as the transfer of Hessen Nassau, Ober Hessen and Hessen Darmstadt to France is concerned, will be disapproved, and that these States will remain part of the US Zone of Occupation. There remains then only the

State of Baden and portions thereof to be considered, together with the feasibility of acceding to the French request for a bridgehead east of the Rhine.

3. Considerations pertaining to the release of each of these three areas are summarized in Annexes A and B attached.[89]

4. It is considered *desirable* that the French be given only the southern part of Baden (Bezirke of Konstanz and Freiburg, see attached map[90]). As a final compromise the Bezirke of Karlsruhe might be added; but your view that the retention of Mannheim Bezirke in the US Zone is essential is strongly supported.

5. If for political reasons, it is necessary to give the French a bridgehead on the east bank of the Rhine, the area comprising the Kreise of Unterwesterwald, Unterlahn and Sankt Goarshausen (see map attached[90]) east of Koblenz in the State of Hessen Nassau is considered least objectionable. To accept the JCS recommendation (cable W-72518[90]) that the matter be decided between US and French Commanders is not considered practicable.

6. In any event, it is essential that a clear agreement be made with the French guaranteeing US right of passage through any part of the French zone lying contiguous to the US Zone. This is vital, not only prior to the transfer of the US line of communication to Bremen, but also thereafter to carry the great load of traffic incident to redeployment to the French ports. We must also retain the exclusive rights to bridges we have constructed over the Rhine and communications we have built in Germany.

W. B. Smith
Lieutenant General, U. S. Army

740.00119 EAC/5–145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

London, May 1, 1945—noon.
[Received May 1—10 : 25 a. m.]

4390. Comea 226. In connection with the UK draft Allied declaration regarding the defeat of Germany, transmitted in my despatch No. 22112 of April 2,[91] Strang has informed Mosely informally of an important addition which he intends to present in the European Advisory Commission. In the fourth paragraph of the preamble the UK Delegation will propose that the words "acting by authority of their respective governments and in the interests of the United Nations" be replaced by the words "acting by authority of their re-

[89] Neither printed.
[90] Not found in Department files.
[91] Despatch 22112 not printed; for text of United Kingdom draft and memorandum of March 30, see p. 208.

spective governments and others of the United Nations which have actively participated in the defeat of Germany and in the interests of all the United Nations".

Strang stated that he is under direct instruction of his Government to urge this addition and that this decision was taken under strong Canadian pressure. The Canadian Government, he said, intends to issue a statement of protest if the instrument or proclamation of surrender is issued in its present language, which it feels, gives inadequate recognition to the contribution made by United Nations other than the four major powers to Germany's defeat.

When questioned by Mosely, Strang stated that this additional language would require submitting the actual text of the surrender instrument to the Governments of the European United Nations, if [*of?*] the Dominions and Brazil and receiving from them authorization to sign the instrument on their behalf. He was uncertain whether the Government of India would be similarly consulted. Asked whether this amendment meant that the "additional requirements" foreseen in article 12 (*b*) of the surrender instrument would have to be similarly approved by all governments authorizing signature of the instrument "on their behalf", Strang stated that this would presumably be the case.

In view of Department's 2233, March 23, 11 a. m., reporting the representations made by the Canadian Ambassador to the Department, I shall withhold comment on this proposal when it is presented in the European Advisory Commission. The military developments may not permit consideration of this UK amendment; the latter reopens a question which was argued at great length during the negotiation of the surrender instrument and was definitely decided in favor of the present wording.

WINANT

740.00119 Control (Germany)/5–145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 1, 1945—noon.
[Received May 1—10 : 45 a. m.]

2247. My conversation last evening with Mr. Reber.[92] Following the request (my 2211, April 29 [93]) to delay action on Department's

[92] In a transatlantic telephone conversation on April 30, Mr. Samuel Reber, Special Assistant to the Director of the Office of European Affairs (Matthews) asked the Ambassador in France about the situation regarding French acceptance of a zone of occupation in Germany as described in Department's telegram 1740 of April 28; Ambassador Caffery reported that SHAEF had changed its position and was no longer willing to agree to the assignment of all of Baden, Württemberg, and Sigmaringen to the French (740.00119 Control (Germany)/4–3045).

[93] Not printed; it reported that action on Department's telegram 1740 of April 28 was being delayed in view of a request from Ambassador Winant in London received by way of Lt. Gen. Bedell Smith (740.00119 Control (Germany) 4–2945).

1740, April 28, Ambassador Murphy telephoned me that he had been asked to bring General Meyer of EAC and several officers from SHAEF to see me to explain why the request had been made to delay action. Ambassador Murphy and the officers with him explained to me that in their opinion the suggested French occupied zone to be taken out of the American zone should not be that described in the Department's 1740, but considerably reduced.

In reply to Murphy and the officers with him I stated that I would withhold all action until I heard again from the Department of State.

CAFFERY

740.00119 EAC/5–145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 1, 1945—midnight.
[Received 11:14 p. m.]

4419. Comea 227. At tonight's meeting of the European Advisory Commission Strang again made a strong plea for showing the text of the German unconditional surrender instrument to the European Allied Governments and securing their approval of the instrument prior to presenting it to the Germans. Strang feels that the 4 Allies will be in a stronger position if such approval is received. Massigli supported the British proposal. Gousev promised to raise the question again with his Government. In accordance with Department's 244 January 11, midnight I reserved my position.

Further discussion of the question of consultation followed later when Strang formally introduced his proposed amendment to the fourth paragraph of the United Kingdom draft proclamation on German surrender, transmitted in my 4390, May 1, noon. Asked by Gousev what Allied Governments would be consulted, Strang listed (1) European Allies with whose representatives the EAC Consultation Committee has been meeting, thus avoiding the Poles who were excluded from such consultation at Gousev's request; (2) British Dominions and India, (3) "maybe" Brazil.

To my question as to whether the "active" Allies would also sign the surrender proclamation, Strang answered in negative. He felt, however, that it would be important for public opinion in such countries as Canada for their Governments to be able to say afterwards that they had been consulted on surrender terms and had approved. To my further question regarding position of the 4 governments if any Allied Government, when consulted, refused to approve the instrument, Strang felt sure that their approval would be forthcoming

since they had already been consulted on basis of a summary of the instrument.

Asked by Gousev whether a similar amendment would be required in the surrender instrument Strang declined to commit himself, but expressed view that instrument would be "greatly improved" by such an addition. It is apparent that the British are very uneasy over the bad effect among the Dominions and the western European Allies of neglecting to secure their approval of the surrender instrument. On the other hand, the broad language of Strang's amendment to the draft proclamation would open the way for the "active Allies" to demand a direct voice in all future terms and requirements to be imposed on Germany.

WINANT

740.00119 EAC/5–145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 1, 1945—midnight.
[Received May 1—11 : 16 p. m.]

4420. Comea 228. At tonight's meeting of the EAC it was unanimously agreed in principle to prepare a draft proclamation which could be issued in place of the surrender instrument in case there should be no central power or authority in Germany capable of signing the surrender. It was unanimously reaffirmed that the unconditional surrender instrument remains in force as among the 4 powers.

Strang advanced his draft proclamation, EAC 45/28 transmitted in my despatch No. 22112 of April 2, together with his EAC 45/42 of April 20 [94] proposing an addition regarding apprehension of war criminals. He also proposed addition of words "and have unconditionally surrendered" at end of first sentence of United Kingdom draft preamble to the proclamation. He presented formally an amendment, reported in my 4390, May 1, noon to provide for "active" Allies to authorize signature of the proclamation by the 4 powers. Discussion of latter amendment reported in my 4419, May 1, midnight. In the discussion I stressed the urgency of having such a proclamation ready in case there were no German signature, and the desirability of making the substitute proclamation as nearly as possible like the already approved surrender instrument.

At the May 3 meeting the Commission plans to consider the draft proclamation and the United States general directive, for whose early consideration I have been pressing on every occasion.

WINANT

[94] For text of EAC 45/28, see p. 208; neither despatch No. 22112 nor E.A.C. (45) 42 is printed.

740.00119 EAC/5–145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 1, 1945—midnight.
[Received May 1—11 : 16 p. m.]

4421. Today the EAC approved for submission to the four Governments (1) a protocol including the French signatories to the instrument of unconditional surrender of Germany [95] and (2) a protocol adding France to the other three Allies in the control machinery agreement for Germany.[96] Originals by air to Department.

Repeated Paris as 232.

WINANT

740.00119 E.A.C./5–245

Agreement Between the Governments of the United States of America, the Union of Soviet Socialist Republics, the United Kingdom, and the Provisional Government of the French Republic Regarding Amendments to the "Unconditional Surrender of Germany" (of 25th July, 1944) [97]

LONDON, 1st May, 1945.

I

In the second paragraph of the preamble add "the French Republic" to the names of the three Powers.

II

In the first sentence of Article 12 (*a*) add "the French Republic" to the names of the three Powers.

III

Article 14 will read as follows:—

This instrument is drawn up in the English, French, Russian and German languages. The English, French and Russian are the only

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[95] *Infra.*

[96] For text of the agreement between the Governments of the United States, the Union of Soviet Socialist Republics and the United Kingdom and the Provisional Government of the French Republic regarding amendments to the agreement of November 14, 1944, on control machinery in Germany, see Department of State Treaties and Other International Acts Series No. 3070, or *United States Treaties and Other International Agreements* (Washington, Government Printing Office, 1956) vol. 5 (pt. 2), p. 2072.

[97] Transmitted to the Department as enclosure to despatch 22804, May 2, from London; received May 9. Regarding the approval of this agreement by the Four Powers, see telegram 5226, May 25, from London, p. 306.

authentic texts. In case of any question as to the meaning of any of the provisions of this Instrument, the decision of the Allied Representatives shall be final.

IV

In the place designated for the signatures of the Allied Representatives add a fourth line for the signature of the French Representative.

The above text of the Agreement between the Governments of the United States of America, the Union of Soviet Socialist Republics, the United Kingdom and the Provisional Government of the French Republic regarding Amendments to the "Unconditional Surrender of Germany" of 25th July, 1944 has been prepared and unanimously adopted by the European Advisory Commission at a meeting held on 1st May, 1945.

Representative of the Government of the United States of America on the European Advisory Commission:	Representative of the Government of the Union of Socialist Republics on the European Advisory Commission:	Representative of the Government of the United Kingdom on the European Advisory Commission:	Representative of the Provisional Government of the French Republic on the European Advisory Commission:
JOHN G. WINANT	F. T. GOUSEV	WILLIAM STRANG	MASSIGLI

740.00119 E. W./5–445

The Chairman of the Council of Peoples' Commissars of the Soviet Union (Stalin) to President Truman [98]

MAY 2, 1945.

I have received your message, in which you express your agreement with the message of Prime-Minister W. Churchill on the question of the occupation procedure of Germany and Austria, on April 28th.[99]

I have to say that the Soviet Supreme Command has given instructions that upon meeting of Soviet troops with the Allied troops the Soviet Command immediately establish contact with the Command of the American or British troops and that they agree on:

1. Determination of a temporary tactical demarcation line, and
2. Undertaking of measures for suppression within the limits of their temporary demarcation line of any resistance of German troops.

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[98] Marshal Stalin sent substantially the same message to Prime Minister Churchill; for text, see Churchill, *Triumph and Tragedy*, p. 518.

[99] Message under reference is President Truman's No. 225 to Marshal Stalin, quoted in Kennan's note of April 28 to Vyshinsky, p. 246.

740.00119 EAC/5–145 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 2, 1945—7 p. m.

3449. It is the opinion of the Department, in response to your 4390, May 1, noon, 4419 and 4420 May 1, midnight, that

1. The basic consideration in the EAC negotiations should be to have the projected proclamation ready to be issued as quickly as SCAEF and the Soviet High Command consider it appropriate;

2. We approve showing the texts of the surrender instrument and of the proclamation based on it to the Governments of the United Nations contributing military forces to the defeat of Germany and we agree to inviting their adherence. We would not, however, at this late hour be willing to reopen consideration of the text of the surrender instrument or to delay agreement in the EAC on the text of the proclamation by negotiations with the United Nations not directly represented there.

3. We see no objection to making a more specific acknowledgment in the proclamation of the contributions of the United Nations other than the four major powers (refer Department's 2233, March 23, 11 a. m.). We feel, however, that a modification of proposed text of the proclamation which would imply the necessity for the concurrence of United Nations not represented on the Control Council in the "additional requirements" envisaged in article 12 (*b*) would add a most serious complexity to the work of the Control Council and of the zone commanders. We are persuaded that the practical necessities of military government preclude the formal authorization by these other United Nations of the various measures to be taken in Germany by the four Occupying Powers.

4. The phraseology proposed by the UK Delegation for insertion in the fourth paragraph of the British draft proclamation is, therefore, undesirable from our point of view.

GREW

740.00119 Control (Germany)/5–245 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 2, 1945—8 p. m.
[Received May 2—6 : 17 p. m.]

2290. Department's 1799, May 1.[1] I flew to SHAEF Forward [2] this afternoon to discuss the question of the French zone with General

[1] Not printed; it directed that a full explanation of General Eisenhower's reasons for favoring the alteration of the proposed French zone of occupation be obtained and telegraphed to the Department urgently (740.00119 Control (Germany)/5–145).

[2] SHAEF Forward Headquarters at Reims, France.

Eisenhower. He said to me that since the first SHAEF proposal was submitted to the Joint Chiefs of Staff indicating there was no great objection to ceding Baden, Württemburg, and Sigmaringen to the French, a further and more complete study had been made from which it appeared that to cede all this area might create considerable complications with the supply and communications lines of the American forces in the southern US zone of occupation. He is studying the matter further and will let me have his final views on the matter tomorrow and I will, of course, cable them as soon as I receive them.

CAFFERY

740.00119 Control (Germany)/5–445

The Secretary of War (Stimson) and the Secretary of the Navy (Forrestal) to the Secretary of State

WASHINGTON, 4 May 1945.

DEAR MR. SECRETARY: The Joint Chiefs of Staff concur in the recommendation of General Eisenhower in the attached copy of his cable on the subject of the French zone in Germany and recommend that it be used as a basis for negotiation in the European Advisory Commission. The Joint Chiefs of Staff consider that the bridgehead of the Rhine east of Koblenz in the State of Hessen-Nassau comprising Unterwester Waldkreis, Unterlahn Kreis and Sankt Goarshausen Kreis should be given to the French if they ask for it.

This decision supersedes the remarks in the last two sentences of paragraph 7 *b* (3) and paragraph 8 of the letter dispatched to the Secretary of State by the Secretaries of War and the Navy on 1 May 1945 on this matter.[3]

Sincerely yours,

H STRUVE HENSEL[4]

HENRY L. STIMSON
Secretary of War

[Enclosure]

MESSAGE TO JOINT CHIEFS OF STAFF FROM EISENHOWER

Subject is French zone in Germany.

1. My previous recommendations concerning French zone in Germany were made without detailed study of logistical considerations and natural resources in the area under consideration. These studies have now been made, and I wish to change my recommendation to the following:

2. It is satisfactory to us to give the French the area in the state of Württemberg south of the Autobahn and railway connecting Karls-

[3] Letter of May 1 not printed, but see footnote 86, p. 249.
[4] Assistant Secretary of the Navy.

ruhe-Stuttgart and Ulm as defined by the following Kreis boundaries: Leonberg, Boblingen, Nurtigen, Goppingen, Ulm, and that portion of Munsingen northeast of Autobahn, inclusive to United States. Also the Kreis of Lindau can be conceded to the French as a corridor to the French Austrian zone.

3. In the state of Baden it is most desirable that we retain the Bezirke of Mannheim and Karlsruhe for control of railways, through road traffic via the Autobahn, oil fields north of city of Karlsruhe, port and signal installations. Only as a last resort should the Bezirk of Karlsruhe be released, and under no circumstances can we relinquish the Bezirk of Mannheim.

4. If a bridgehead east of the Rhine must be granted I favor the area east of Koblenz in the state of Hessen Nassau, comprising Unterwester Waldkries, Unterlahn Kreis, Sankt Goarshausen Kreis. Can not agree to any bridgehead in the vicinity of Wiesbaden or Mainz.

5. In order that there be no misunderstanding request that amended view as expressed herein be transmitted as ultimate instructions to Ambassador Caffery through State Department channels.

6. I have, however, had a personal conversation with Ambassador Caffery, who understands my views and our military requirements, and Murphy will be in constant touch during negotiations.

740.00119 EAC/5–745

Note by the Secretary General of the European Advisory Commission (Donaldson) of the Twelfth Meeting of the Allied Consultation Committee, European Advisory Commission, Held at Lancaster House, London, May 4, 1945, 11 a. m.[5]

E.A.C.(A.C.C.)45 12th Meeting

PRESENT:

Mr. G. F. Saksin (in the Chair)

Viscount Hood — Count de Leusse
Brigadier F. G. French
Brigadier-General V. Meyer
Mr. P. Mosely

Secretariat:

Mr. E. P. Donaldson
Mr. T. A. Marchenko
Mr. E. A. Paton-Smith

SUMMARY OF THE AGREEMENTS ON MACHINERY OF CONTROL IN GERMANY AND ZONES OF OCCUPATION

The Committee agreed to accept as a basis for discussion the draft summary of the Agreement on Control Machinery prepared by Lord

[5] Copy transmitted to the Department by the Ambassador in the United Kingdom in his despatch 22932, May 7; received May 14.

Hood on 10th March [P26/33/45] [5a] and the redraft of the summary of the Protocol on the Occupation of Germany circulated on 17th April [P9/38/45].[6]

1. *Occupation of Germany*

The Committee approved with a number of drafting amendments a "draft summary of the Agreement between the Governments of the Union of Soviet Socialist Republics, the United Kingdom, the United States of America and the Provisional Government of the French Republic on the occupation of Germany" and decided to submit it in the form attached [Annex I] to the European Advisory Commission.

2. *Control Machinery in Germany*

The Committee approved the text of a "draft summary of the Agreement between the Governments of the Union of Soviet Socialist Republics, the United Kingdom, the United States of America and the Provisional Government of the French Republic on Control Machinery in Germany" and decided to submit it in the form attached [Annex II] to the European Advisory Commission.

In discussion, the U.S. Delegation proposed as an alternative to new paragraph 4 the following text:—

"The Co-ordinating Committee, acting on behalf of the Control Council and through the Control Staff, will carry out the decisions of the Control Council and exercise day to day supervision and control of the activities of the German central administrative bodies and institutions.

"The Control Staff will exercise control over the corresponding German ministries and German central institutions, and advise the Control Council and the Co-ordinating Committee."

Brigadier French suggested that if the duties of the Co-ordinating Committee were to be more fully defined, the text of Article 5 of the Agreement of 14th November, 1944, should be incorporated. Mr. Saksin thought that it would be better to omit this paragraph altogether. The Committee agreed to retain the original draft of new paragraph 4 with the substitution of "German central organs" for "the German Central Administration".

The Chairman pointed out that paragraph 8 of the original draft included matter which did not appear in the Agreement of 14th November, 1944, but was taken from the covering report. He suggested that this should be omitted. Lord Hood said that he would agree to omit this, but would wish to reserve the right to raise orally the question of the issue of a public statement at the time of the signature of the Instrument of Surrender regarding the intention of the

[5a] Brackets throughout this document appear in the original.
[6] Neither printed.

four Governments to consult with the Governments of other United Nations in connection with the exercise of the powers assumed by them in that Instrument.

LONDON, 5 May, 1945.

[Annex 1]

Draft Summary of the Agreement Between the Governments of the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and the Provisional Government of the French Republic on the Occupation of Germany[7]

P9/40/45

1. Germany, within her frontiers as they were on 31st December, 1937, will, for the purposes of occupation, be divided into four zones, one to be allotted to each Power as follows:—

an eastern zone to the Union of Soviet Socialist Republics;
a north-western zone to the United Kingdom;
a south-western zone to the United States of America;
a western zone to France.

The occupying forces in each zone will be under a Commander-in-Chief designated by the responsible Power. Each of the four Powers may, at its discretion, include among the forces assigned to occupation duties under the command of its Commander-in-Chief, auxiliary contingents from the forces of any other Allied Power which has actively participated in military operations against Germany.

2. The area of "Greater Berlin" will be occupied by forces of each of the four Powers. An Inter-Allied Governing Authority (in Russian, Komendatura) consisting of four Commandants, appointed by their respective Commanders-in-Chief, will be established to direct jointly its administration.

LONDON, 4 May, 1945.

[Annex 2]

Draft Summary of the Agreement Between the Governments of the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and the Provisional Government of the French Republic on Control Machinery in Germany[7]

P26/39/45

In the period when Germany is carrying out the basic requirements of unconditional surrender, supreme authority in Germany will be exercised, on instructions from their Governments, by the Soviet, British, United States and French Commanders-in-Chief, each in his

[7] Adopted at a meeting of the Allied Consultation Committee, held on May 4, 1945.

own zone of occupation, and also jointly, in matters affecting Germany as a whole. The four Commanders-in-Chief will together constitute the Control Council.

2. The Control Council, whose decisions shall be unanimous, will ensure appropriate uniformity of action by the Commanders-in-Chief in their respective zones of occupation and will reach agreed decisions on the chief questions affecting Germany as a whole.

3. Under the Control Council, there will be a permanent Co-ordinating Committee composed of one representative of each of the four Commanders-in-Chief and a Control Staff organised in the following Divisions (which are subject to adjustment in the light of experience):

Military; Naval; Air; Transport; Political; Economic; Finance; Reparation, Deliveries and Restitution; Internal Affairs and Communications; Legal; Prisoners of War and Displaced Persons; Man-power.

There will be four heads of each Division, one designated by each Power. The staffs of the Divisions may include civilian as well as military personnel, and may also in special cases include nationals of other United Nations appointed in a personal capacity.

4. The functions of the Co-ordinating Committee and of the Control Staff will be to advise the Control Council, to carry out the Council's decisions and to transmit them to German central organs, and to supervise and control the day-to-day activities of the latter.

5. Liaison with the other United Nations Governments chiefly interested will be established through the appointment by such Governments of military missions (which may include civilian members) to the Control Council. These missions will have access through the appropriate channels to the organs of control.

6. United Nations organisations will, if admitted by the Control Council to operate in Germany, be subordinate to the Allied control machinery and answerable to it.

7. The administration of the "Greater Berlin" area will be directed by an Inter-Allied Governing Authority, which will operate under the general direction of the Control Council, and will consist of four Commandants, each of whom will serve in rotation as Chief Commandant. They will be assisted by a technical staff which will supervise and control the activities of the local German organs.

8. The arrangements outlined above will operate during the period of occupation immediately following German surrender, when Germany is carrying out the basic requirements of unconditional surrender. Arrangements for the subsequent period will be the subject of a separate agreement.

LONDON, 4 May, 1945.

740.00119 (Control) Germany/5–445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 4, 1945—1 p. m.
[Received 8 : 44 p. m.]

2342. Department's 179 [*1799*], May 1.[8] Having in mind the military considerations set out by General Eisenhower and Bedell Smith, and after due consideration I agree that we offer the French the area as set out in General Eisenhower's telegram [9] sent yesterday afternoon entitled "subject is French zone in Germany, personal for General Marshall," under the conditions set out in that telegram.

I trust that the bridgehead mentioned east of Koblenz in the State of Hessen Nassau will be included.

I note that the Bezirk of Karlsruhe should be released to the French only as a last resort.

CAFFERY

740.00119 EAC/10–345

Memorandum of a Trans-Atlantic Telephone Conversation Between the Ambassador in the United Kingdom (Winant), in London, and the Director of the Office of European Affairs (Matthews), in Washington May 4, 1945 [10]

[Extracts]

MR. WINANT: I wanted to talk to you about the Surrender Instrument. I wanted to ask you if copies had been sent through the Combined Chiefs of Staff to SHAEF?

MR. MATTHEWS: Copies of the Surrender Instrument?

MR. WINANT: Yes. My understanding is that the only copies that they have we forwarded to them from the European Advisory Commission. I wanted to ask you what had been done about the changes in the Instrument? When we added France as a fourth Power?

M. We have not received your copies yet of the original, which you said you have forwarded.

W. Months ago we sent you the original Instrument. Within the last few days we have sent you the amendments to the Instrument which add France as a fourth Power.

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[8] See footnote 1, p. 260.

[9] *Ante*, p. 261.

[10] Transmitted to the Department in despatch 25876, October 3, 1945, from London, not printed. For another extract from the record of this conversation, dealing with Austrian matters, see p. 115.

M. Yes. Well, it's the amendments which we have not yet received, as far as the original copies are concerned.

W. I understand. This document with the amendments was worked out in the European Advisory Commission and then forwarded to our respective Governments for acceptance and action.

M. Yes. The recent amendments have not been received in the original. They will be forwarded as soon as they are received.

W. I wondered if the original document itself had ever been forwarded to SHAEF by you?

M. No, not the original. I think copies were forwarded to the JCS.

W. I see. I'm not certain that the Combined Chiefs of Staff have ever forwarded the original document to SHAEF.

M. I will be glad to look into this and see whether they have or not.

W. That document should be forwarded by the Combined Chiefs of Staff, with the amendments, to SHAEF.

M. Yes. I'll be very glad to look into that, and see if they have been forwarded by the CCS to SHAEF.

W. That's right. I understand that that has not been done.

M. Of course the actual original, as a government agreement, would be retained in the Department's archives, but copies of it should have been forwarded by CCS.

W. Yes, I think that should have been done. It may have been done, but I understand it has not been done.

M. I will see if we can get them to send them right away.

W. Then the amendment to the Instrument by the addition of the word "dismemberment" was accomplished at Yalta and was entirely outside of the jurisdiction of the European Advisory Commission. So far as I know the Russians have never agreed to notify the French.

M. Of the change?

W. Yes. I understand that the French were informed through Caffery, by us in Paris.

M. The Russians have never agreed in the EAC to inform the French?

W. Well, they didn't agree in that special committee. They didn't agree in the Dismemberment Committee, where I raised the point. That is the committee which is limited to Eden, Gousev and myself.

M. But I thought the amendment to the Surrender Instrument, which contained that word "dismemberment" had been approved by the EAC with its four members.

W. I couldn't get that, Doc. I'd like to restate what I was trying to say to you. I raised the point of informing the French in the

728-099—68——18

special Committee on Dismemberment on April 12. That committee is composed of Eden, Gousev and myself. Each of us agreed to take the matter under consideration, but so far as I know, the Russians have never agreed to notify the French.

M. That is, they have never agreed to notify the French of the addition of the word "dismemberment"?

W. That's right.

M. But I thought that the EAC, which now has four members, had approved the addition of the word 'dismemberment' in the Surrender Instrument that you have forwarded to us.

W. No, it does not. The only addition is to include the French as the fourth Power.

M. I see. It does not include the word "dismemberment"?

W. It does not include the word "dismemberment". And I thought that there should be a clear understanding on that also. We are now working on the proclamation, which might be used as a substitute for the Surrender Instrument. I believe it should be understood that the Surrender Instrument gives us a firmer legal base than the proclamation. I think that should be understood. If we use the proclamation with the preamble on which we have gotten agreement, I do not think you need to include the word "dismemberment".

M. Is that acceptable to the Russians?

W. Because we reserve the right to change the status or boundaries in the preamble. It might be, if you wanted to use the Surrender Instrument, that you would want it immediately communicated to SHAEF. We have copies of it ready here, with the inclusion of the French as a fourth Power, and copies with and without the word "dismemberment". We have, also, a plane here which could get it to SHAEF within a very short time.

M. As I understand from what you say, SHAEF has already received copies from you, but not from the CCS?

W. Yes, sir. That's copies of the original document which we have worked out and on which there was governmental agreement some months ago. But they have received nothing, as I understand it, since, from the Governments. And they have received nothing from us since the amendment.

M. Then I should think it would be a wise precaution for you to send it to SHAEF immediately.

W. I want to be sure that the Government at home and the other Governments have approved of the inclusion of France as a fourth Power and, also, what the attitude of the Governments is in relation to the inclusion of the word "dismemberment". Because, you see, the European Advisory Commission is simply advisory. And I would like to get authority before I take action.

M. Well, I can tell you that the three Governments definitely agreed at Yalta to the inclusion of France as a fourth Power and to the use of the word "dismemberment".

W. May I talk to the Russians about informing the French of that fact and the inclusion of the word "dismemberment"?

M. Yes.

W. I think I should take that up with Gousev before we take action. Would you agree to that?

M. Yes, we would agree.

W. The British would prefer today the use of—in place of the word "dismemberment"—the phrase "if necessary, dismemberment".

M. Well, that was not the form in which it was agreed at Yalta. And I think the Russians might object to that.

W. I understand.

M. I think we had better stick by what we agreed there.

W. I wonder if you have seen my message to you, 3278 of March 29? It states the position of the Committee on Dismemberment. And the statement within that cable was agreed upon. It shows the Soviet interpretation in relation to dismemberment as stated by Gousev.

M. Yes. The background of the inclusion of "dismemberment" was to show the Germans we would have the right in dealing with the Germans to dismember if we wish to.

W. I think it is very important because in that message Gousev states to Eden that the Soviet Government understand the decision of the Crimea Conference, regarding the dismemberment of Germany, not as an obligatory plan for the dismemberment of Germany, but as a possibility for exerting pressure on Germany with the object of rendering her harmless in the event of other means proving inadequate. If you would simply include the word "dismemberment" in the particular article where it was to be placed, it is in a sense mandatory.

M. That was not the intention.

W. And its only possible qualification is in the sentence that follows. That reads, "as they deem requisite for future peace and security".

M. That is part of the same sentence as I recall it.

W. That is right. I'd just like you to read that over in order to get a fresh judgment on it, in relation to the paragraph in the letter that Gousev wrote to Eden, which I have just quoted to you. I thought you might want to call up Mr. Stettinius and perhaps have him discuss the problem with Eden and Molotov.

M. Well, I can give you the background. That word was put in there, not as mandatory on the four Governments, but mandatory

upon the Germans if the four Governments decided to dismember. And it was put in there by formal agreement of the three Governments. I don't think we can go back and change that.

W. I understand. Now the question is, whether we have to include it in the proclamation. I doubt if we do.

M. I don't think that is necessary, unless the Russians insist on it.

W. So far there has been no insistence and no mention of it.

M. Then I would not mention it. I think that's good enough.

W. All right, Doc.[11] I wanted to talk to you about one other thing. I got a message [12] saying you'd like to publish summary of the control machinery in Germany.

M. That's the War Department that wants to publish it.

W. Yes. We have just worked out a summary to be given to the other Allied governments. And Gousev has told us that his government has not yet given him freedom of action to permit that. And the rest of us feel that we should not publish a summary until we have informed, until we have given some similar document to the other Allied governments.

M. I think that is quite proper. We consulted you because the War Department felt that public opinion is becoming so strong to know what plans are with regard to Germany. And it would be advisable over here to publish something. We took the position that nothing should be published without consultation with the other parties. That is why we sent you the telegram.

W. The British, the French and ourselves are in agreement on that. Gousev has asked to delay until—delay giving a summary to the other Allied governments until he hears from his government. Then, if that's done, and he has also asked his government when that is done to permit publication of a similar summary. And I hope to give you some word on it in the next three or four days.

M. Well, I think that would be all right, sir.

. . . . . .

W. Just a minute, Doc. I was just talking with Mosely here. He feels that we shouldn't put the word "dismemberment" into the surrender instrument until we have told the Russians and they have agreed to tell the French.

M. Yes. Well, I agree that they should tell the French. But the decision to include it was a formal decision by the three governments. But we should tell the French as the fourth body to the EAC.

W. The Russians haven't as yet agreed to tell the French.

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[11] Beginning with this phrase, the record of the telephone conversation continues from another transcript of the same conversation filed separately under 740.00119 Control (Germany)/5–445.

[12] Telegram 3450, May 2, 1945, to London, not printed; see footnote 30, p. 279.

M. Well, I think that we should insist on that. If they want the word "dismemberment" in that we should let them inform the French of it.

W. That is the position I will take. One other thing. I thought if the question of the surrender instrument came up, or if the question of the issuance of the proclamation was to come up, I would ask Mosely to go over to SHAEF in order that he might help them, because of his knowledge of the Russian language. I believe we should have somebody there who can read the Russian text.

M. That will be quite satisfactory to us.

W. All right, Doc. Thank you ever so much.

M. Good-bye.

W. Good-bye.

740.0011 EW/5–445

The Assistant Chief of the Division of British Commonwealth Affairs (Parsons) to the Ambassador in Canada (Atherton)

WASHINGTON, May 4, 1945.

DEAR RAY: Over many months Mike Pearson [13] with Escott Reid [14] following up has been endeavoring to secure a modification of the surrender instrument for Germany and related documents so that the military contribution of Canada to the victory might receive greater recognition. As you can imagine, Canadian pride is deeply involved and no doubt there has been considerable feeling in high government circles in Ottawa. I gather, furthermore, that as the matter has developed we have acquired most of the responsibility in Canadian eyes for what they still consider to be a highly unsatisfactory situation.

Aside from one exchange of letters with Jimmy Dunn, the Canadian conception of our position has, I believe, been gained almost entirely through the British representative on the EAC. In other words, I fear that this is one more situation in which one school at Ottawa can complain that again we are driving Canada into the arms of the British and the other school can again say that their view is right that Canada should line up with the British on matters of this kind.

At this eleventh hour Strang has suddenly introduced into the EAC negotiations an amendment whereby all the allies contributing militarily to the victory would authorize signature of the surrender proclamation by the four member powers of EAC. It has been clearly evident that he is speaking on behalf of the dominions and India. No doubt the Canadians are pushing him more than anyone.

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[13] Lester B. Pearson, Canadian Ambassador in the United States.

[14] First Secretary in the Canadian Embassy.

I should doubt if Strang had any hope of his amendment succeeding, but obviously it puts the British in an enviable position vis-à-vis the dominions and is likely to put us in an unenviable position especially as the French went along and the Russians simply referred the amendment to Moscow.

We have a good and sound position on this matter. I believe it should not be filtered through to the Canadians by the British alone and I am, therefore, seeking approval of this letter to you so that you may record in the proper quarters in Ottawa the reasons for our position and our sympathy for that of Canada. I am writing to you rather than to Jack [15] at San Francisco [16] where he could speak to the Prime Minister [17] and to Norman,[18] because I believe that while the gesture to Canada is important we do not want to open up a separate channel through which the Canadians could press again for a modification of our stand.

In response to Strang's amendment, we have told Ambassador Winant that (1) we approve letting the Canadians and the others contributing military forces see the text of the surrender instrument and the proclamation based on it, (2) we agree to invite their adherence, and (3) we would not object to more specific acknowledgment in the proclamation of the other powers contributing military force to the defeat of Germany.

We have, however, a very practical objection to amending the text so that the four powers on EAC would be acting with the authority of the other powers. Such a position would imply that in all future decisions we would have to have the concurrence of the other powers. The task of military government shared by four powers is complex and difficult enough without adding a requirement for the concurrence of four or five additional powers. It seems to us that any reasonable person would agree that an already difficult and thorny task would be made well nigh impossible and we should doubt whether many who realize the difficulties and who do not have to be involved would really wish to be except for prestige reasons.

I think it would be most helpful if you would emphasize the three numbered points above as a mark of our appreciation of the Canadian position and our desire to give them the recognition to which they are

[15] Presumably John D. Hickerson, Deputy Director of the Office of European Affairs.

[16] For documentation regarding the United Nations Conference at San Francisco, April 25 to June 26, 1945, see vol. I, pp. 1 ff.

[17] Canadian Prime Minister, President of the Privy Council, and Secretary of State for External Affairs, William Mackenzie King who served as Chairman of his country's delegation to the San Francisco Conference.

[18] Presumably Norman A. Robertson, Canadian Under Secretary of State for External Affairs and a senior adviser to his country's delegation to the San Francisco Conference.

rightly entitled. A word from you, with your knowledge of the background and understanding of how our position might appear to the Canadians in the absence of direct word from us, should be of definite advantage.

Sincerely yours, J. GRAHAM PARSONS

740.00119 E.A.C./5–445

The Ambassador in the United Kingdom (Winant) to the Secretary of State

No. 22879 London, May 4, 1945.
[Received May 8.]

SIR: I have the honor to enclose two copies of a letter dated May 1, 1945, from the Chairman of the European Advisory Commission to the Chairman of the Allied Consultation Committee of the E.A.C. This letter, which was approved by the Commission at an informal meeting held on May 2, 1945, contains the replies of the Commission to the questions which were raised with the Commission by the E.A.C. Allied Consultation Committee in its report, which was transmitted to the Department with the Embassy's despatch No. 21791 of March 17, 1945.

The enclosed letter constitutes an instruction issued by the Commission to its Allied Consultation Committee, governing the Committee's further consultation with representatives of the Allied Governments.

Respectfully yours, For the Ambassador:
PHILIP E. MOSELY
Political Adviser, U.S. Delegation European Advisory Commission

[Enclosure]

EUROPEAN ADVISORY COMMISSION

Copy of a Letter Dated 1st May, 1945, from the Chairman, European Advisory Commission, to the Chairman, Allied Consultation Committee [19]

DEAR MR. SAKSIN: As you are aware, the European Advisory Commission has considered, at its informal meetings held on 6th and 25th April, 1945, the report of the Allied Consultation Committee adopted at a meeting held on 14th March, 1945 [P12/60/45] [19a], which you submitted with your letter of 16th March, 1945.

[19] Addressed to Georgi Filipovich Saksin, Counselor of the Soviet Embassy in London and Soviet representative on the Allied Consultation Committee. Chairmanship of the Committee rotated among the four representatives.

[19a] Brackets appear in the original.

The Commission has reached the following conclusions on the recommendations of the Committee in Part II of its report:—

Paragraph 3

The Commission authorizes the Committee to communicate to the representatives of the Governments concerned a Summary of the Agreement on Zones of Occupation in Germany, and will be glad if the Committee will submit for its approval a draft Summary of the Agreement of 12th September, 1944, taking into account the decision of the Crimea Conference that a zone should be allotted to France.

Paragraph 4

The Commission authorizes the Committee to communicate to the representatives of the Governments concerned a Summary of the Agreement on Machinery of Control in Germany, and will be glad if the Committee will submit for its approval a draft Summary of the Agreement of 14th November, 1944, taking into account the decision of the Crimea Conference on the participation of France in the control machinery.

Paragraphs 5 and 6

The Commission approves the recommendations of the Committee.

Paragraph 7

The Commission is informed that the Belgian, Luxembourg and Netherlands Governments have addressed a Memorandum [20] to the four Governments represented on the Commission through the diplomatic channel, on the question raised in this paragraph. Pending consideration of this Memorandum, the Commission has decided to defer a decision on the reply to be returned to the three Governments.

Paragraph 8

The Commission approves the recommendation of the Committee, and authorizes the Committee to inform the representatives of the Norwegian Government that their proposals should be pursued through appropriate military channels. The Committee is also invited to consider the letter addressed to the Chairman of the Commission by the Norwegian Minister of Foreign Affairs on 14th April, 1945 [P12H/6/45] [21] and to make recommendations as to the reply to be returned to it.

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[20] See despatch 148, April 23, from Luxembourg, p. 237.

[21] Brackets appear in the original; for a summary of the letter from the Norwegian Minister for Foreign Affairs, see telegram 4078, April 20, from London, p. 234.

Paragraph 9

The Commission agrees with the Committee that the wishes of the Czechoslovak Government mentioned in this paragraph deserve special attention and will give further consideration to them.

Yours sincerely, MASSIGLI

LONDON, 2 May, 1945.

740.00119 Control (Germany)/5-545 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 5, 1945—10 a.m.

1869. The Joint Chiefs of Staff have informed us that they agree with General Eisenhower's proposed delineation of the French zone of occupation in Germany, which would include the bridgehead at Coblentz and the Kreis of Lindau. We feel that it is most important to include Karlsruhe and the War Department is prepared to accept inclusion of Karlsruhe in the French zone if General Eisenhower agrees that this should be done. Please endeavor to reach a satisfactory adjustment of this point. You may then communicate this decision informally to the appropriate French authorities as representing this government's agreement to cede that portion of its zone of occupation to the French. Winant is being instructed to prepare the protocol of agreement as soon as he hears from you.

GREW

740.00119 Control (Germany)/5-545 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 5, 1945—7 p. m.

3546. Department's 3332, April 28, 3 p. m. The Joint Chiefs of Staff have altered their views as to the extent of the area to be transferred from the United States to the French zone of occupation in Germany and now approve a delineation proposed by General Eisenhower on May 3.[22]

Caffery has been instructed to clarify certain areas with General Eisenhower and then informally to communicate this new proposal to the French Government.

As soon as you hear from Caffery it is desired that you negotiate with your French colleague a protocol based on (1) the area to be

[22] See message from General Eisenhower to Joint Chiefs of Staff, p. 261.

described to you by Caffery and (2) the views expressed in memorandum of the Joint Chiefs of Staff dated April 27 [23] and sent to you in Department's air mail instruction 5389, April 30,[24] except for statements contained in the last two sentences of paragraph 7 *b* (3) and paragraph 8 which have now been superseded.

GREW

740.00119 EAC/5–545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 5, 1945—8 p. m.
[Received May 5—3 : 55 p. m.]

4580. For the Acting Secretary and Mr. Matthews. Special German Series 7. Thanks for prompt action. The Prime Minister sent for Sir William Strang while we were at the European Advisory Commission meeting this afternoon, to discuss the surrender instrument and the surrender declaration.

I had previously seen Gousev and he has wired his Government in relation to the question that I brought up in my telephone conversation last night. Gousev told me that personally he felt that the French should be notified of the additional word in article 12 A of the instrument, while on the other hand he personally agreed with me that because of the wording of the preamble to the draft declaration the additional word could be omitted in that latter document.

WINANT

740.00119 EAC/5–145

Memorandum by the Acting Secretary of State to President Truman

WASHINGTON, [May 5, 1945].

The Canadian Government has for some months protested what it considers the lack of recognition to be accorded Canada in the surrender instrument for Germany and the proclamations based thereon. This Government is largely blamed for the opposition to the Canadian representations although our position has been based on the sound practical consideration that the four powers on the European Advisory Commission must be free to carry out decisions without the necessity of consulting Canada and other fighting allies.

Canada has contributed to the military victory with a five division, highly mechanized army, an air force virtually half the RAF [25] in

[23] See footnote 86, p. 249.
[24] Not printed.
[25] Royal Air Force.

aircrew strength and a navy which has handled a large proportion of the Atlantic convoy work.

In view of the sensitiveness of Canada on this subject and the tremendous Canadian pride in the success of Canadian arms, it is felt that the following message would be timely. It is suggested that the draft message quoted below be in your name in view of the close association between the late President Roosevelt and Prime Minister Mackenzie King. May I be informed if you wish us to send the message? [26]

(To Ambassador Atherton, Ottawa.)

Please request that the following from the President be delivered at once to the Prime Minister:

With the capitulation of the German Armies in the Netherlands, Denmark and Northern Germany, the battles of the Canadian Army in Europe have ended in final victory. Please accept my warmest congratulations on the stirring achievements of Canadian arms and be assured that the American people share with me the desire to pay tribute to the signal contribution which our Canadian comrades have made to the military defeat of Germany.

JOSEPH C. GREW

740.00119 Control (Austria)/5–545

Memorandum by the Acting Secretary of State to President Truman

[WASHINGTON,] May 5, 1945.

This Government is now faced with major political problems in connection with Austria and Czechoslovakia on which we had every reason and right to expect real Soviet cooperation with us. Instead, we have so far had unilateral acts on the part of the Soviet Union, i.e., a recognition of an Austrian Government without consultation with us, refusal to agree to an airfield in the United States zone in Vienna, and a refusal to permit our Embassy to go to the seat of the Czechoslovak Government.[27]

It therefore seems that some hard bargaining is going to become necessary before these problems are settled in a manner satisfactory to us. The present military situation and its apparent possibilities offer some good material for such bargaining, provided immediate action is taken. It is therefore suggested that the Joint Chiefs of Staff be asked to consider urgently the following:

If the American Armies pushed on to the Moldau River which runs through Prague, this would give us a strong bargaining position with

[26] A note attached to this document initialled by Mr. William Phillips, Special Assistant to the Secretary of State, reads as follows: "May 7th. Mr. Parsons. The President has approved this message to Mackenzie King. Please send immediately." President Truman's message of May 7 and Prime Minister Mackenzie King's response of May 8, 1945, were released to the press on May 10 and are printed in Department of State *Bulletin*, May 13, 1945, p. 903.

[27] For documentation on Czechoslovak-U.S. relations, see vol. IV, pp. 420 ff.

the Russians. This river is a continuation of the Elbe where we have stopped farther north. Furthermore, the United States Third Army has now gone down the Danube through a good part of Upper Austria, which will presumably be in our zone of occupation in Austria. The Russians would, however, like to have us concede to them that part of Upper Austria north of the Danube. We propose that American forces advance to the Moldau River throughout its length. If they could do so we shall then be in a position of equality in both Austria and Czechoslovakia in dealing with the Soviet Government. Otherwise the Soviet Government will probably continue as it has done to the present to disregard our protests with respect to both Austria and Czechoslovakia.

I submit the foregoing discussion of the political implications involved in this situation while fully realizing that the decision will no doubt have to be based primarily upon military considerations.

JOSEPH C. GREW

740.00119 Control (Germany)/5–645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 6, 1945—1 p. m.
[Received 7 : 20 p. m.]

2410. Having in mind Jeanneney's [29] urgent request that the French be consulted before the French occupation zone was fixed I told de Gaulle this morning that the matter of the French occupation zone is to be discussed by the interested parties in the EAC and that as advance information was giving him informally our ideas on the subject. I had sketched for him a map showing the zone set out in the Department's 1869 of May 5 with the exception of the Bezirk of Karlsruhe leaving that to Winant to offer also if necessary.

General Eisenhower agrees with me that Karlsruhe can be included in the French zone but only if essential to secure the success of the negotiations.

The only question that de Gaulle raised was "what about the difficulties of administration in Baden and in Württemberg if you cut them each in two?" I told him that I did not consider that an insurmountable difficulty. He was very affable but did not commit himself.

(Department 2410; repeated London paraphrase 282).

CAFFERY

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[29] Jules Jeanneney, French Minister of State.

740.00119 EAC/5–645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 6, 1945—2 p. m.
[Received May 6—10 : 40 a. m.]

4599. Comea 229. On receiving Department's 3450, May 2, 7 p. m.,[30] I raised the question of publicity on control machinery arrangements for Germany as a matter of first priority in the European Advisory Commission meeting of May 3 stressing the need for an early public statement.

At the May 4 meeting the United Kingdom Representative stated that his Government agreed in principle to publication of a summary. Gousev and Massigli have not yet received the reactions of their Governments to my May 3 request.

At May 3 meeting it was the unanimous feeling of the EAC that it is essential to inform the most interested Allied Governments of control arrangements through the EAC channel prior to issuing a public statement. It was agreed that summaries of the control machinery and occupation zones arrangements ought to be given to the European Allied Governments with whom the EAC Allied Consultation Committee has consulted regarding the summary of the surrender instrument.

At May 4 EAC meeting summaries of the control machinery and one of occupation arrangements were approved for communication to the European Allied Governments and this communication was approved by the United States, United Kingdom and French representatives. Gousev has not received the consent of his Government to transmit these two summaries to the Allies.

I hope the communication of the summaries to the Allies can be carried out within 3 or 4 days. I anticipate that the EAC will then approve for publication a summary of control machinery arrangements probably worded somewhat differently in order not to offend the susceptibilities of the Allied Governments.

WINANT

[30] Not printed; it reported that the War Department wished to release as soon as possible a summary statement on the control machinery arrangements for Germany, and it directed Winant to consult urgently with his colleagues on the European Advisory Commission to ascertain if there would be any objection to such an announcement (740.00119 EAC/5–245).

740.00119 EW/5–645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 6, 1945—4 p. m.
[Received May 6—12 : 15 p. m.]

4600. For Acting Secretary Grew and Mr. Matthews only. I wanted you to know that there was complete coordination and agreement here on surrender requirements. I have had talks with both the Prime Minister and with Lt. General Bedell Smith. I would appreciate President Truman and General Marshall seeing a copy of this message.

WINANT

[On May 7, 1945, at Rheims, France, the German High Command surrendered unconditionally to the Supreme Commander, Allied Expeditionary Force, and the Soviet High Command. The ratification of the unconditional surrender of all German Armed Forces to the Supreme Allied Commands took place in Berlin on May 8, 1945. For texts of the Acts of Military Surrender of May 7 and May 8, see Department of State Executive Agreement Series No. 502, or 59 Stat. (pt. 2) 1857. For documentation regarding the negotiations leading to the surrender of Germany, see *post*, pages 717 ff.]

740.00119 EAC/5–745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 7, 1945—5 p. m.

3582. While we agree to the desirability of the procedure outlined in your Comea 229 of informing the most interested Allied Governments of control arrangements through the EAC channel prior to issuing a public statement, the pressure here is becoming hourly greater and has reached a point where the correspondents are intimating to the War Department that the EAC has not been able to reach agreement on this matter.

To avoid adverse publicity, we therefore hope that summaries of the control machinery and occupation arrangements approved by the EAC can be communicated to the European Allied Governments at once. Please do your utmost to expedite this matter, informing us immediately when any action is taken. If the EAC cannot agree to the publication of a summary on control machinery arrangements within a day or two, the War Dept may be compelled to issue a summary here.

GREW

740.00119 EAC/5–845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 8, 1945—6 p. m.
[Received May 9—3 : 32 p. m.]

4657. Comea 232. On receiving Department's 3582, May 7, 5 p. m., I consulted Gousev urgently about an immediate public statement on control machinery arrangements for Germany. Gousev has consulted his Government since I raised the question on May 4. He feels strongly that while hostilities are still continuing against the Red Army according to his information, it is premature to go beyond the statement on control machinery contained in the Yalta Communiqué.[31] He also feels that the Allied declaration which is nearly completed should be issued prior to any additional statement on control machinery. He also stated his belief that such a statement on control machinery should follow very shortly upon issuance of the proposed Allied declaration on German surrender. I hope to complete the declaration, with full agreement by all four powers, by tomorrow.

WINANT

740.0011 EW/5–845 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy) [32]

WASHINGTON, May 8, 1945—7 p. m.

1935. The Russians apparently endeavor to have our armies hold back while Soviet troops occupy as much as possible of the remaining enemy-held territory, and then use the fact of Soviet occupation to further Russian political aims in Europe, refusing on the basis of prior possession to agree to accord us proper facilities for post-war cooperation. As examples, they are now refusing to agree to allot any of the five Vienna airfields or adequate troop recreation areas to any of the other Allies in the projected subdivision of Vienna for international occupation and have refused to permit our military and civil representatives to go to Vienna to survey the areas to be zoned, or to Kosice to communicate with the Czechoslovak Government.

While the demarcation of lines between the Soviet and Allied forces now approaching each other is a question which must naturally be decided primarily on military considerations by military authorities,

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[31] *Conferences at Malta and Yalta*, 1945, p. 970.

[32] Sent through the American Embassy at Paris. The Mission of the United States Political Adviser for Germany was located at SHAEF Main, Versailles.

the Department hopes that as the latter make these decisions Murphy and Erhardt will keep these political considerations before them, pointing out that the extent to which our own troops occupy the remaining enemy territory may help to minimize serious handicaps like these in our post-hostilities occupation and other relations with the Soviet authorities.

Repeated to Caserta for Erhardt as No. 443.

GREW

740.00119 EW/5–645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant) [34]

WASHINGTON, May 9, 1945—3 p. m.

3630. We promptly transmitted to the President and General Marshall a copy of your 4600, May 6, 4 p. m. While we were glad to hear that there has been complete coordination and agreement in London on surrender requirements, we have been anxiously awaiting further information on the subject.

Please cable urgently the substance of your conversation with the Prime Minister and General Bedell Smith, and also what arrangements are contemplated for utilizing the surrender instrument negotiated by you in EAC and approved by the Governments. The War Department states it has no information on the use of the surrender instrument or why it was not used for the signatures yesterday in Berlin.

Murphy cabled from Paris on May 4 [35] that he was asking you for the text and further advised that the British Foreign Office was sending a copy to SHAEF.

Your urgent comment on the foregoing would be greatly appreciated.

GREW

740.00119 Control (Germany)/5–945 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 9, 1945—7 p. m.

3657. Department's telegram No. 3582, May 7. The pressure to give the American public some indication of our organizational plans for the military government of Germany has become so great that the

[34] Telegram 1950, May 9, 3 p. m., to the Ambassador in France repeated the substance of this telegram and asked the United States Political Adviser for Germany for any information he could supply on the surrender instrument (740.00119 E W/5–445).

[35] Telegram 2345, p. 775.

War Department feels that it can no longer delay a public statement on the subject. You should therefore inform your colleagues on the European Advisory Commission that at twelve noon, Friday, May 11, a statement will be issued by Secretary Stimson which gives an outline of the organization of United States group of the Control Council for Germany. The statement will indicate the division of the United States group into 12 major divisions and the general functions of each but will make no reference to the question of similar organization by the other occupying powers.[36]

GREW

740.00119 EAC/5–1045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 10, 1945—1 p. m.
[Received May 10—9 : 19 a. m.]

4668. For the Acting Secretary and Mr. Matthews. Special German Series No. 9. In replying to Department's 3630 May 9, 3 p. m., I refer to my telephone conversation with Mr. Matthews on Friday May 4 as background. In that conversation I explained that SHAEF had not received through the Combined Chiefs of Staff an authoritative copy of the surrender instrument as agreed among the four Governments.

On Saturday May 5 I got word that a military surrender was imminent, and late that evening I was told that a very brief form of unconditional surrender was to be used and that approval of this instrument was being asked in Washington and London through military channels. At that time, although the European Advisory Commission had passed on the unconditional surrender instrument with the inclusion of the French amendments of May 1, these amendments were awaiting governmental approval. Likewise, although agreement had been reached by the three governments at Yalta on the inclusion of the word "dismemberment", the Russians had not agreed to informing the French of this addition. Copies of the full text of the unconditional surrender instrument, in two sets both with and without the additional word, were being held available here, but, as I understood it, authority to sign the surrender instrument had not been delegated by the four Governments.

This was not the reason, however, as I understand it, for deciding on the briefer form of surrender. It was known that Germany was smashed and incapable of continued effective resistance and that a quick surrender would save life. It was thought that a simpler ac-

[36] For text of the statement of May 11, 1945, see Department of State *Bulletin*, May 13, 1945, p. 900, or *The Axis in Defeat* (Department of State publication No. 2423), p. 60.

knowledgment of complete defeat could be obtained with least controversy and delay, and therefore the briefer document was used.

My conversations with the Prime Minister and General Bedell Smith were to make certain that this briefer instrument did not preclude the later use of the unconditional surrender instrument or of the declaration prepared by the EAC. I wanted to make certain that the degree of agreement reached in these papers by the four powers after long and painful negotiation would be fully preserved. It was so understood by both the Prime Minister and General Smith and article four of the military instrument was worded in such a manner as to leave the way fully open for the imposition of the terms contained in the instrument or in the declaration based on the instrument. It was after inclusion of that article that I sent my 4600, May 6, 4 p. m., as both SHAEF and the Prime Minister were then agreed on the inclusion of this article.

Last night I informed you in my 4657, May 9 [8], 6 p. m. that we hope to get complete agreement today on the exact wording of a declaration of unconditional surrender, to be issued by the four governments under article 4 of the brief military instrument. Gousev has stated to us that his Government prefers the declaration to the use of the unconditional surrender instrument. We believe the declaration to be equally binding on the four occupying powers and to be a solid basis for the imposition of the will of the four powers on Germany.

I am cabling this morning the articles of the declaration on all of which we have already reached agreement. After today's meeting of the EAC I will cable you the preamble, on which two points remain to be settled. As I stated to Mr. Matthews in my conversation of May 4, the declaration contains no mention of the word "dismemberment" since the preamble of the declaration, as has already been agreed by the four delegations, provides for the later determination by the four Governments of the future status of any or all parts of Germany.

WINANT

740.00119 EW/5–1045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

PARIS, May 10, 1945—7 p. m.
[Received May 10—5 : 35 p. m.]

2517. Reference is made to Department's 1950, May 9, 3 p. m.[38] and my 2493, May 9, 9 p. m.[39] SHAEF is not informed regarding the

[38] See footnote 34, p. 282.

[39] Not printed; it reported miscellaneous information obtained from SHAEF regarding the signing of the act of military surrender at Berlin, May 8 (740.00119-EW/5–945).

complete coordination and agreement in London reported by Ambassador Winant on surrender requirements for Germany. The Chief of Staff informs me that SHAEF has never received a directive from the Combined Chiefs of Staff on the subject of surrender terms negotiated in the EAC. Unfortunately a JCS paper on this subject which was received some time ago and which would have been a valuable guide was completely overlooked. In the absence of a Combined Chiefs of Staff directive and in view of the urgent circumstances, the short surrender document was drafted by SHAEF officers and reported to the Combined Chiefs of Staff, the British Chiefs of Staff and the Soviet High Command as best suited to the military situation. The Prime Minister requested a copy of the instrument of surrender and was referred by SHAEF to the text as reported to the Combined Chiefs of Staff. Supreme Headquarters states that it has no specific plans regarding the surrender terms negotiated in the EAC but suggests that any items covered by that document and not included in the terms of surrender or in the instructions which accompanied them could well be made the subject of additional instructions to the German High Command.

Repeated to London for Winant.

[MURPHY]

740.00119 EAC/5–1045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 10, 1945—8 p. m.
[Received May 10—5 : 30 p. m.]

4688. Comea 234. The UK Representative on the European Advisory Commission has circulated a memorandum regarding giving effect to paragraph 9 of the report of the EAC of Nov. 14, 1944,[40] transmitting the agreement on control machinery in Germany. UK proposes that a public statement be made that in connection with the exercise by the four occupying powers of supreme authority with respect to Germany the four Governments intend to consult with the Governments of other United Nations. Suitable modification of wording is proposed, depending on whether the surrender instrument or the surrender declaration is issued by the four Governments. Full text by air.[41]

WINANT

[40] *Foreign Relations*, 1944, vol. I, p. 404.

[41] The memorandum by the United Kingdom Representative on the European Advisory Commission, designated as document E.A.C. (45) 52, May 7, 1945, was transmitted to the Department in despatch 22957, May 10, from London; neither printed (740.00119 EAC/5–1045).

740.00119 EAC/5–1045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 10, 1945—10 p. m.
[Received May 10—7 : 25 p. m.]

4709. Comea 237. Department's 3449, May 2, 7 p. m., has been most helpful in discussion of consultation with the Allied Governments concerning the declaration on Germany's defeat. At May 4 meeting of the European Advisory Commission I objected to the wording of paragraph 4 of the preamble to the declaration as tending to place the 15 or so Allied Governments on the same footing as the four major powers, and proposed the following wording: "Acting by authority of their respective governments and with the concurrence of others of the United Nations which have actively participated in the defeat of Germany and in the interests of the United Nations". This draft drew a clearer line between the four powers, the "active" United Nations and the rest of the United Nations. It was accepted by Strang, but Gousev raised various objections to it until today, when he expressed a willingness to accept either this US wording or the words of the original instrument.

On further consideration today of the possible procedures for consulting the "active" Allies and for securing their concurrence, the Commission came to the conclusion that time does not permit of awaiting such concurrence. It was accordingly agreed to omit the reference to concurrence and to revert to the wording of the original instrument. In accordance with Department's 3449 I urged that Governments which have contributed military forces be invited to adhere to the declaration by communicating it to them in advance of publishing it to the Germans.

With regard to the Allied Governments to be consulted, Strang proposed the following: (1) the European Allies already consulted concerning the summary of the surrender instrument; (2) British Dominions and India; (3) Brazil. Gousev at once proposed inclusion of the Polish Government in Warsaw [42] among the adhering governments. He argued that absence of diplomatic relations between that government and several of the Allied Governments was no obstacle to informing it, as it was no bar in the case of India, with which the USSR has no diplomatic relations.

I put forward the suggestion, not as a proposal, that each of the four Allied Governments decide to which Governments, among those which had participated actively in Germany's defeat, it wished to

[42] For documentation regarding the negotiations between the United States, the United Kingdom, and the Soviet Union regarding the establishment of a Polish Provisional Government of National Unity, see vol. v, pp. 110 ff.

communicate the declaration individually and which it wished to invite to adhere to the declaration. To Gousev's objection that this procedure would represent individual action rather than joint action by the four governments, Strang pointed out that it represented individual action taken on the basis of joint agreement. Massigli supported my suggestion. Gousev expressed objection to it without making any counter suggestion.

I believe that the injection of the Polish question into the discussion of concurrence by other Allies, in addition to the time factor, makes it wise to abandon the effort to include in the preamble to the declaration any reference to the "active" United Nations. Since the EAC cannot agree on a list of adherences which would include Poland, I assume that (1) my suggestion of individual communication by each major ally will be recommended to the four governments, or (2) the EAC will forward the draft declaration to the four governments without any agreed recommendation regarding procedure for communicating the text of other Allied Governments and for their adherence to it, thus leaving each government free to invite such adherences as it considers appropriate without reference to the other three governments. Of the two procedures now open, the first seems preferable in all respects.

WINANT

740.00119 Control (Germany)/5–1045 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 11, 1945—4 p. m.

3690. ReUrtel 4710, May 10, 10 p. m.[43] The Department had not contemplated that there would be further negotiations in Paris respecting the French zone in Germany once that Caffery had described to the French Government the zone envisaged for it. You are requested immediately to inform Massigli of this zone and to proceed with the negotiations as indicated in Department's 3546, May 5, 7 p. m.

You will have observed Caffery's 282 to London[44] with respect to Bezirk of Karlsruhe. This area should be offered by you to the French if essential to the prompt success of the negotiations.

It is important that this matter be pushed forward as promptly as possible in the EAC.

Repeated to Paris as 2005.

GREW

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[43] Not printed; it reported that word was being awaited from Paris regarding completion of arrangements for the allocation of zones in Germany (740.00119-Control (Germany)/5–1045).

[44] Same as telegram 2410, May 6, from Paris, p. 278.

740.00119 EW/5–1145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 11, 1945—9 p. m.
[Received May 11—8 : 50 p. m.]

4726. Special German Series No. 12. After receiving Murphy's 290 to London May 10, 7 p. m. (number of Murphy's message to Department was not indicated in his repeat to London [45]) I called up Ambassador Murphy by telephone and I find that we are not in disagreement in regard to coordination. He had not understood that my reference (my 4600 May 6, 4 p. m.) was to article 4 of the brief surrender terms signed by SHAEF. When I sent my 4600 I had been told that the draft of the brief surrender terms to be used had already been forwarded to the Combined Chiefs of Staff.

WINANT

740.00119 Control (Germany)/5–1145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

PARIS, May 11, 1945—4 p. m.
[Received 11 : 37 p. m.]

2528. Sixth Army Group has reported to SHAEF that since Fifteenth Army is to control Rhineland Province, First French Army was asked to evacuate the Landkreise of Bergzabern, Landau, Germersheim and Speyer. In reply to a second request from Sixth Army Group, First French Army stated the following, in substance, were the views of the French Government:

Begin summary. France is directly concerned in the future of the left bank of the Rhine; military conveniences alone must not dictate that question. Until the matter is settled by agreement between the Governments at Paris, Washington, London and Moscow, France is obliged to occupy the area in question. Because the area is to be eventually regretable [apparent garble]. *End summary.*

SHAEF is disposed to let the matter rest pending decision on the French zone.

[MURPHY]

[For the British view regarding the question of the withdrawal of Allied military forces into the agreed zones of occupation, see Prime Minister Churchill's messages No. 40, May 11, No. 41, May 11, and No. 44, May 12, to President Truman, *Conference of Berlin (Potsdam)*, volume I, pages 5–9.]

[45] See telegram 2517, p. 284.

740.00119 EW/5–1445

Memorandum by the Acting Secretary of State to President Truman [46]

WASHINGTON, May 12, 1945.

Because of the desirability of immediately securing a full capitulation of the German armies the Supreme Commander of the Allied Expeditionary Force and the Soviet High Command imposed on the Germans the brief "Act of Military Surrender" of May 7 rather than risk the delay possibly involved in making use of the instrument of unconditional surrender which had been prepared by the European Advisory Commission and approved by the Governments there represented.

That Act and the similar document signed in Berlin on the day following made only the initial military provisions incident to our victory. It is now in order, therefore, to proceed with the issuance of a proclamation which will make further stipulations and which will formally announce the assumption of supreme authority with respect to Germany by the Governments of the United States, the United Kingdom and the Soviet Union and the Provisional Government of France as has been previously agreed.

The European Advisory Commission has recommended to its constituent Governments the text of a proclamation designed to serve these purposes. This text represents an adaptation of the instrument of unconditional surrender prepared by the Commission and has the advantage of policy and phraseology already accepted by the four Governments.

I append a copy of the text [47] as submitted by the Commission and recommend your approval of its being issued as a proclamation above the signatures of the commanding officers of the armed forces of the four Powers now occupying Germany.

JOSEPH C. GREW

740.00119 Control (Germany)/5–1245

Memorandum of Telephone Conversation, by the Director of the Office of European Affairs (Matthews)

[WASHINGTON,] May 12, 1945.

Mr. McCloy telephoned me this morning and said that he was both much embarrassed and much annoyed to find on his return from San

[46] Handwritten endorsement at bottom of memorandum reads: "Approved May 14, 1945 Harry Truman".

[47] Not printed; for the text of the Declaration signed by the four Powers on June 5, 1945, at Berlin, see Department of State, Treaties and Other International Acts Series (TIAS) No. 1520, or 60 Stat. 1649.

Francisco [48] that the instrument of surrender which had been signed both at Rheims and at Berlin was a brand new document and not the one so carefully and painstakingly negotiated over a period of eight months in the European Advisory Commission. He said it was simply incredible to him that this document, which had the formal approval of the four governments and the Joint Chiefs of Staff, had been simply forgotten and ignored. He read me a telegram from General Eisenhower which indicated that instead of consulting the G–5 [49] people at SHAEF, they had put the matter in the hands of G–3 [50] and G–1 [51] and people like General Spaatz [52] who knew none of the background. Mr. McCloy said he still could not understand how General Bedell Smith could have overlooked the document because he was familiar with it, nor did he understand why Bob Murphy had not been consulted. Mr. McCloy said that in any event he wished to apologize for this serious oversight and promised to send a telegram to General Eisenhower to make sure that no other documents are signed or proclamations issued which may run counter to the governmental agreements negotiated in the European Advisory Commission. He also said that he thought we should examine carefully to see whether we should still force a German signature of the agreed surrender document or whether the proposed proclamation to be issued by the four governments based on those terms may be adequate for the purpose and for the setting up of the control machinery. I told him that Winant was negotiating in the EAC on the latter basis and that he would look into it carefully as soon as the completed text has been agreed upon.

740.00119 EAC/5–1345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 13, 1945—1 a. m.
[Received 3 : 35 a. m.]

4782. Comea 244. At tonight's meeting of the EAC I urged that the text of the draft declaration on German defeat, if approved by the four Governments, be communicated to those United Nations

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[48] Assistant Secretary of War John J. McCloy served as an adviser to the United States Delegation to the United Nations Conference at San Francisco. For documentation regarding this Conference, see vol. I, pp. 1 ff.

[49] Civil Affairs Division of SHAEF.

[50] Operations Division of SHAEF.

[51] Personnel Division of SHAEF.

[52] Gen. Carl Spaatz, Commanding United States Strategic Air Forces.

which have actively participated in the defeat of Germany.[53] In courteous but insistent form Gousev insisted that the Warsaw Polish Government be included among those Governments.

At a later state [*stage?*] of the discussion, Gousev proposed that the EAC refer to the four Governments the examination of the question of informing other Allied Governments of the declaration. Since this proposal would have resulted in transferring to the governmental level a question on which the EAC was unable to arrive at any recommendation, I joined with my colleagues on the EAC in agreeing not to make any recommendation on this subject. Accordingly the protocol on the approval of the draft declaration contains no reference to the question of communicating it to other Allied Governments.

In my understanding, this leaves the British Government free to communicate the text, if it is approved by the four Governments, to the Dominion Governments, and the Soviet Government to communicate it to the Warsaw Polish Government, and the United States Government to communicate it to any of the European Allies, the Dominions and Brazil. In this connection please read my 4709, May 10, 10 p. m.

WINANT

740.00119 EAC/5–1345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 13, 1945—1 a. m.
[Received May 13—12 : 30 a. m.]

4783. Comea 241. In accordance with Department's 3690, May 11, 4 p. m., repeated to Paris as Department's 2005, I informed Massigli this afternoon of the proposed French zone to be formed out of the United States zone of occupation in Germany. I had Mosely hand Massigli a description of the proposed French areas as follows. *Beginning of text.*

1. The territory of Germany south and west of a line drawn as follows: from the point at which the southern boundary of Regierungsbezirk Karlsruhe leaves the Rhine River along the southern and eastern boundaries of Regierungsbezirk Karlsruhe to the point where the eastern boundary of Regierungsbezirk Karlsruhe meets the western boundary of Kreis Leonberg in the State of Württemberg; thence along the western and southern boundaries of Kreis Leonberg, Kreis Boblingen and Kreis Nurtingen to the point where the south-

[53] Telegram 4778, Comea 242, May 12, from London, reported that the European Advisory Commission signed the official protocol approving the draft declaration regarding the defeat of Germany and the assumption of supreme authority with respect to Germany on the evening of May 12 for submission to the four governments for approval (740.00119 EAC/5–1245).

ern boundary of Kreis Nurtingen meets the southern boundary of Kreis Munsingen thence along the northern boundary of Kreis Munsingen to the point where that boundary meets the Reichsautobahn; thence along the southern boundary of the Reichsautobahn to the point where the latter meets the eastern boundary of Kreis Munsingen; thence along the eastern boundaries of Kreis Munsingen, Kreis Ehingen, Kreis Biberach and Kreis Wangen to the point at which the eastern boundary of Kreis Wangen meets the eastern boundary of Kreis Lindau in the State of Bavaria; thence along the eastern boundary of Kreis Lindau to the point where the latter meets the 1937 boundary of the German Reich with Austria; thence west and north along the 1937 boundaries of the German Reich with Austria, Switzerland and France respectively to the point of departure.

2. An area east of the Rhine River near Koblenz comprising the Kreis of Unterwesterwald, Unterlahn and Sankt Goarshausen. *End of text.*

Mosely handed Massigli a map marked "unofficial" setting forth the two areas.

In presenting this description of the two areas to Massigli, we stressed (1) United States need for Frankfurt and Kassel as principal centers in its zone; (2) United States need of full transit facilities to low countries ports as well as to Bremen; (3) unimpeded access to and use of the River Rhine; and (4) full right of transit across the proposed French zone.

Massigli's immediate reaction was favorable. He put forward the personal suggestion that the French Zone be extended northward in Baden to include the Kreis of Freedenstadt, Baden-Baden and Rastatt.[54] We offered to take this suggestion under advisement.

Sent to Department, repeated to Paris as my 259. Please show to Ambassador Murphy.

WINANT

740.00119 EAC/5–1345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 13, 1945—7 p. m.
[Received May 13—5:20 p. m.]

4787. Comea 246. Paris 2521 to Department May 11, 2 p. m.,[55] repeated to London as 291. In my 4783 to Department May 13, 1 a. m.,

[54] The Ambassador in the United Kingdom in telegram 4865, May 16, 1 p. m., made a correction to this sentence, reporting that "Massigli obviously intended to refer to the Kreise of Buhl, Baden-Baden and Rastatt as a possible extension northward of the French Zone." (740.00119 E.A.C./5–1645)

[55] Not printed; it reported that although General de Gaulle had been given the United States proposal on a French zone of occupation in Germany informally, no negotiations were taking place in Paris, and the French were waiting for the formal proposal to be made in the European Advisory Commission (740.00119 Control (Germany)/5–1145).

repeated to Paris as my 259, I reported my *démarche* of yesterday informing Massigli of the United States proposal concerning the French zone in Germany. Whatever misunderstanding had arisen regarding the procedure contemplated has now been removed. Some confusion had in fact arisen because no description or inkling of General Eisenhower's zone proposal of May 3 referred to in Department's 3546, May 5, 7 p. m., to London repeated to Paris as Department's 1869 was received here until May 10. Even the sketchy description received here on May 10 was forwarded, as stated in Caffery's 289, May 9, 6 p. m., to London [56] merely "to complete the record".

In absence until May 10 of any factual information concerning the new United States proposal, it was natural to assume here that Ambassador Caffery had reverted to Department's earlier instructions (Department's 3332, April 28, 3 p. m., to London) directing him to "sound out the French Government" and then to inform me what area would be satisfactory to the French, pending which I was instructed to "await Caffery's report before talking with Massigli". Caffery's 2410 to Department May 6, 1 p. m. repeated to London as 282 seemed in the nature of a preliminary report and not an adequate basis for taking action here.

Sent to Department as my 4787, Comea 246 repeated to Paris as my 262.

WINANT

740.00119 EAC/5–1245 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 14, 1945—1 p. m.

3767. ReUrtel 4778, May 12, 11 p. m.[57] The President has approved the draft declaration regarding the defeat of Germany and the assumption of supreme authority with respect to Germany by the four powers recommended by the EAC. Please notify the Commission at once of this Government's approval, and inform Department immediately when other Governments have approved.

The War Department, which has concurred in the draft declaration, has agreed to give urgent instructions to Eisenhower to arrange for the issuance of this declaration.[58] Immediately upon approval by all four Governments, please arrange to have EAC or yourself transmit

[56] Not found in Department files.

[57] Not printed; see footnote 53, p. 291.

[58] Approval of the declaration was communicated to the European Advisory Commission by the United States Representative on May 14, by the Soviet Representative on May 19, and by the French and United Kingdom Representatives on May 21.

a copy of the declaration to Eisenhower. He will likewise be instructed to coordinate issuance with the other Allied representatives.

The Department sees no objection to the procedure outlined in your 4727, May 11, 9 p. m.,[59] but assumes that the four representatives will work out these details between them.

Repeated to Paris for Murphy as Department's 2061.

GREW

740.00119 EW/5–1445

The United States Political Adviser for Germany (Murphy) to the Director of the Office of European Affairs (Matthews)

PARIS, May 14, 1945.

DEAR DOC: The story of the negotiation with the German High Command of the short surrender document reported in my 2517, May 10, 7 p. m., and my 2493, May 9, 9 p. m.,[60] is amusing.

In considering this matter, the fact that the conversations were closely held by a few officers at different headquarters (SHAEF at Rheims and the 21st Army Group which then had its headquarters at Luneburg) should be remembered because the physical aspects had a good deal to do with it.

I think it is fair to say that SHAEF had made up its mind to restrict these conversations to the military and to exclude Foreign Office or State Department participation.

As you know, our main office of necessity is at Versailles where the US Group CC are housed, but I maintain an office also at SHAEF Forward, Rheims. Jake Beam[61] stays there regularly and I go to Rheims about three or four times a week. Jake was not told anything about the initial stages of the negotiations. I was at Rheims on May 5, and Smith told me that he was expecting the arrival sometime that evening of Admiral von Friedeburg[62] who was coming down from Headquarters 21st Army Group. I waited until the arrival of the party and after a conversation with them which I did not attend as I was not invited, Smith informed me that the Germans had no authority to sign anything, and that as the German ciphers had been left at 21st Army Group Headquarters, probably prolonged com-

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[59] Not printed; it reported the contents of a United Kingdom memorandum concerning arrangements for the signing by the four Allied representatives in Germany of the Allied declaration on German defeat (740.00119 EW/5–1145).

[60] Latter not printed; it reported miscellaneous information obtained from SHAEF regarding the signing of the act of military surrender at Berlin, May 8 (740.00119 EW/5–945).

[61] Jacob D. Beam, on the staff of the United States Political Adviser for Germany (Murphy).

[62] Generaladmiral Hans von Friedeburg, Chief of the German Navy.

munications via 21st Army Group to Admiral Doenitz' [63] headquarters at Flensburg would be necessary. I returned to Versailles that evening and had no further advice from Headquarters regarding the progress of the negotiations until a telephone call at 2 a.m. May 7 saying that Colonel General Jodl [64] had arrived and that a signature of the surrender document would be made within a few minutes. This advice came from Secretary of the General Staff. I assumed that the reference to the surrender document referred to the EAC text. I was amazed therefore to discover only very much later in the day that a new text had been provided, but I was still ignorant of the source. I immediately returned to Rheims to discover that a group consisting of military officers only were proceeding forthwith to Berlin for the signature of a similar document. Upon inquiry I discovered that it was the opinion of several officers who had worked on this matter both British and American (G–3 SHAEF,[65] Generals Bull [66] and Whiteley [67]) that as there was no Combined Chiefs of Staff directive concerning the use of the text, elaborated in the EAC and approved by the Governments, that SHAEF was not required to use that text which it was believed was only applicable in case a recognizable German Government existed at the time of signature.

I have driven home to all of the top SHAEF officers on both the American and British sides the point that the Russians saw to it that their delegation to Berlin had with it a representative of the Foreign Office (Vyshinski).

I enclose a copy in paraphrase of a telegram sent by Bedell Smith to the War Department on May 10 offering an explanation of the procedure followed by SHAEF in this matter and having reference to the Department's 1950 of May 9 addressed to me [68] the contents of which were conveyed to General Eisenhower and General Smith. As you will probably understand, General Eisenhower entrusted to General Smith the entire responsibility for procedure in negotiating the surrender document.

Yours ever, Bob

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[63] Grossadmiral Karl Doenitz, Chief of State of the German Reich following the death of Adolf Hitler.

[64] Generaloberst (Colonel General) Alfred Jodl, Chief of the German OKW/Wehrmachtfuehrungsstab (Operations Staff of the Headquarters of the Armed Forces).

[65] Operations Division of SHAEF.

[66] Maj. Gen. Harold R. Bull, Chief of G–3 SHAEF.

[67] British Maj. Gen. J. F. M. Whiteley, Deputy Chief of G–3 SHAEF.

[68] See footnote 34, p. 282.

[Enclosure]

Lieutenant General Walter Bedell Smith to Major General John E. Hull[69]

[PARIS,] 10 May 1945.

A query from the State Department as to why the instrument of unconditional surrender as negotiated in the EAC was not used has just been shown to me by Ambassador Murphy. I must say that we are all shocked to realize that the hours of work and worry spent here in preparing an instrument of surrender were completely unnecessary in view of the existence of a document which our three governments had agreed upon.

As a matter of fact a directive from the Combined Chiefs of Staff on the subject of the surrender terms negotiated in the EAC had never been received by us. Through Mr. Winant we did receive an informal copy and when negotiations began Ambassador Winant reminded me of this by telephone, and stated that a revised document had just been prepared. I suggested that he take immediate steps to invite the attention of Washington to the fact that we had never received a directive from the Combined Chiefs of Staff so that we might receive instructions on it through Combined Chiefs of Staff channels if indeed there was an approved surrender form. We proceeded with the short surrender document which was drafted here since we heard nothing further and in view of the urgent circumstances.

I find on checking back that we did receive a JCS paper on the subject of the surrender terms negotiated in the EAC which would have given us a guide to the existence of a set of agreed surrender terms. Although this was unfortunately overlooked, I do not think that any harm has been done as our own draft and the accompanying instructions cover practically everything covered in the EAC text. We did a great deal of worrying about Russia which we might have avoided had we been a little bit more alert however, and there has been a lot of unnecessary work done. The State Department is being informed by Murphy that any requirement of the EAC draft not

[69] Maj. Gen. John E. Hull, Assistant Chief of Staff, Operations Division, War Department General Staff. In a letter to General Smith, dated May 11, General Hull wrote in part as follows:

"The EAC document being on a governmental basis, would not, as such, be referred to the Combined Chiefs of Staff for review. This coupled with the fact that no request was made on the CCS to forward the document to SCAEF for guidance, I think, explains why SHAEF did not receive a directive from the CCS. I believe this lack of a request was due, in part, to the absence of an approved EAC document that included the French. In January, the State Department requested the JCS views as to amending the Instrument of Surrender and other EAC documents to include the French. To this request the JCS on 24 January replied they had no objection. JCS papers on this (JCS 1226 series) were forwarded to CG, ETOUSA on 31 January. Nothing further on the matter of including the French was brought to the attention of the JCS but Mr. Winant in a cable to the State Department on 9 May 1945 said that an instrument including the French had not at that time been approved by the four governments." (Political Adviser for Germany Files)

covered by our own papers can be made the subject of additional instructions to the German High Command.

Why the Russians did not raise this question is a mystery to me since matters in Berlin were obviously being handled by Vyshinski who must have been thoroughly conversant with the whole affair. As Murphy remembered all the circumstances, if we had brought him into the picture we would not have missed this bet.

740.00119 Control (Germany)/5–1545

The United States Political Adviser for Germany (Murphy) to the Ambassador in France (Caffery)

[VERSAILLES?] May 15, 1945.

DEAR JEFF: Before your excellent dinner last evening Gaston Palewski [70] opened up on the subject of the French zone of occupation in Germany. He said first of all that the French want Cologne and the Rhine province west of the Rhine up to the Cologne line. I said of course that was a matter between them and the British, to which he replied that we ought to help them with the British. I let that pass and then he said they must have all of the state of Baden. I asked him why and he said because it formed part of a "political ensemble". I said that as I saw it the American suggestion regarding the southern half of the state of Baden and a large chunk of Württemberg and Bezirk of Lindau made a very interesting political ensemble if considered in the light of what I understood the British were willing to concede out of their zone west of the Rhine. Palewski said the French were not much interested in Württemberg, but that Baden represents politically great interest for them.

Palewski went on to develop this theme and said rather grandly that the French would of course be willing to make a "concession" to us, allowing the use of Karlsruhe and Mannheim. I suggested very tactfully that he shouldn't look at it in that light, because the whole matter consisted of a concession on our part of part of a zone won by the hard fighting of American troops as part of the huge war effort of the United States. I suggested that the French go along with us on our proposal now, on the theory that nothing is permanent in this life and that if later on our military found that logistically Karlsruhe and Mannheim were not necessary the matter would always be subject to review. I emphasized that our interest in Karlsruhe and Mannheim was logistic rather than political.

Yours ever, ROBERT MURPHY

[70] Director of the Cabinet of General de Gaulle.

740.00119 EAC/5–1745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 17, 1945—3 p. m.
[Received May 17—1 : 45 p. m.]

4921. Comea 253. My 4783, May 13, 1 a. m., Comea 241 to Department; repeated to Paris as 259. Yesterday in reviewing with Mosely the US proposal concerning the French zone in Germany de Leusse asked why the Kreis of Oberwesterwald had not been included in the bridgehead east of the Rhine River near Koblenz and pointed out that the addition of this district to the French area would fill an awkward gap between the proposed bridgehead and the area of the Bezirk of Koblenz which has been offered by the Brit for French occupation.

A preliminary survey made here on the basis of detailed War Department studies shows that Kreis Oberwesterwald contains no major railways, only 90 miles of local railways, no autobahn, no industry, and no electric power station of more than a local importance. Preliminary study also suggests that the transfer of this one additional district to French control would simplify local lines of communication within both the American and the French zones. I would appreciate your consulting as a matter of urgency, the appropriate SHAEF authorities who drafted the zone plan of May 3, to inform me of any objection from the military point of view to offering to include this district in the French zone if it should appear that such an offer will expedite agreement.

Sent to Paris as my 275 (for Ambassador Murphy).

WINANT

740.00119 EAC/5–1945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 19, 1945—9 [*1?*] p. m.
[Received May 19—9 : 30 a. m.]

5015. Comea 258. For Mr. Matthews. The Soviet representative on the European Advisory Commission has just proposed the following procedure regarding consultation with Allied Governments which have taken an active part in the defeat of Germany. He proposes that the full text of the declaration regarding the defeat of Germany and the assumption of supreme authority with respect to Germany by the four governments be communicated as follows: (1) by the European Advisory Commission to the European Allied Governments

previously consulted, that is, Norway, Netherlands, Belgium, Luxembourg, Czechoslovakia, Yugoslavia, and Greece; (2) by the UK Government to the Governments of the British Dominions and India; (3) by the US Government to the Brazilian Government; (4) by the Soviet Government to the Provisional Government of Poland. This proposal has been communicated to the other three delegations on the EAC as a matter of urgency.

This proposed procedure was first advanced by me as a suggestion not as a proposal in the EAC as reported in my 4709, May 10, 10 p. m. Strang and Massigli gave personal not official approval to this suggestion. Gousev who expressed objection to it then has now put it forward as a formal proposal. As stated in my 4709 I believe this is a practical solution to the question of consultation.

I trust the Dept will inform me as a matter of urgency regarding its attitude toward this Soviet proposal.[71]

WINANT

740.00119 EAC/5–2245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 22, 1945—11 p. m.
[Received May 22—8:26 p. m.]

5120. Comea 262. My 5015, May 19, 1 p. m.; Comea 258. At tonight's meeting the European Advisory Commission considered further the Soviet proposal regarding consultation with certain Allied Governments concerning the declaration on the defeat of Germany. Gousev repeated his proposal that (1) the EAC communicate the text of the declaration to the seven European Allied Governments which have been in consultation with the EAC; (2) the UK Government decide whether to communicate it to the Governments of the Dominions and India; (3) the US Govt decide whether to communicate it to the Brazilian Government; and (4) the Soviet Government decide whether to communicate it to the Provisional Government of Poland.

The UK representative agreed to the communication to be made by the EAC to the seven European Governments and stated that his Government would inform the Governments of the Dominions and India. I agreed similarly to the communication by the EAC and stated that the US Government would communicate the declaration to the Government of Brazil. Since the Soviet representative in conclusion

[71] Telegram 4055, May 22, to London, stated that the Department accepted the procedure set forth in the Soviet proposal but did not want United States concurrence to be construed as a recognition of the provisional regime functioning in Poland (740.00119 EAC/5–1945).

failed to state explicitly whether or not his Government would communicate the declaration to the Provisional Government of Poland it proved unnecessary for Strang or me to reserve our positions regarding this intention of the Soviet Govt. In this respect Gousev's proposal and attitude were very constructive.

After further discussion it was agreed that the Allied Consultation Committee of the EAC would meet the representatives of the Governments of Norway, Netherlands, Belgium, Luxembourg, Czechoslovakia, Yugoslavia and Greece together on Friday, May 25, at 11:30 a. m. London time, and would then communicate to those representatives the text of the declaration in English, Russian and French. It was agreed that the Committee would emphasize the absolutely secret character of the document; would point out that it is based on the instrument of unconditional surrender of which they had previously received summaries; and would state that the declaration has been approved by the four Govts which propose to issue it to the German people at a time to be agreed between them.[72]

In preparing to communicate the text of the declaration to the Government of Brazil [73] the Dept may wish to note the time, Friday May 25, 11:30 London time, at which the communication will be made in London to the representatives of the seven Governments.

WINANT

740.00119 EAC/5–2245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 22, 1945—11 p. m.
[Received May 22—8:50 p. m.]

5121. Comea 263. At tonight's meeting of the European Advisory Commission Strang raised the question of a public statement that the four powers in exercising supreme authority with respect to Germany intend to consult with Govts of other United Nations. (Reported in my 4688, May 10, 8 p. m., Comea 234). The second of the two draft

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[72] Telegram 5227, Comea 268, May 25, from London, reported the planned meeting of the European Advisory Commission with the Allied Consultation Committee as described here had been held on the morning of May 25 (740.00119-EAC/5–2545).

[73] Department telegram 1310, May 24, 1945, 2 p. m., to Rio de Janeiro, stated in part: "Friday morning, May 25. Department will deliver to Brazilian Chargé secret text of draft declaration concerning assumption by the four powers of supreme authority over German affairs." (740.00119 EW/5–1545) Mr. Fernando Lobo was the Chargé.

statements circulated as EAC 45/52 of May 7 [74] was approved by the Commission since it relates the proposed public statement to the issuance of the declaration on the defeat of Germany and the assumption of supreme authority. The purpose of the proposed joint statement is to give effect to pgh 9 of the EAC report of November 14, 1944 [75] transmitting the agreement on control machinery in Germany.

In approving this draft statement I restated my understanding that the consultation referred to was intended to be carried on through the Allied military missions provided in article eight of the agreement on control machinery and through diplomatic channels between the various govts of the United Nations.

With regard to the time which the EAC might recommend for the issuance of this public statement on consultation I proposed that it be issued in the four capitals at the same time as the declaration on the defeat of Germany. This question was left open.

In accordance with Dept's 3657, May 9, 7 p. m., I again pressed strongly for the earliest possible communication to the seven Allied Governments of the summaries on zones of occupation and on control machinery in Germany and for the earliest possible publication of an agreed statement on these two subjects. (See my 4707, May 10, 10 p. m. Comea 236.[76]) Gousev showed some embarrassment at his inability to give a reply and expressed his hope of shortly having instructions on both questions. Strang and I urged the desirability of publishing an agreed statement on zones and control machinery at the same time as the declaration on the defeat of Germany in case it were not possible to arrange its prior publication.

The Commission agreed to consider further the timing of the publication regarding (1) consultation with other United Nations, (2) summary on zones of occupation and (3) summary of control machinery in its relation to the time of publication of the declaration of the four powers regarding Germany.

WINANT

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[74] Not printed; the text of the draft public statement by the four powers with regard to consultation with other United Nations Governments, transmitted to the Department by the Ambassador in the United Kingdom in his telegram 5122, Comea 264, May 23, 11 a. m., read as follows:

"By the declaration made at blank on blank date the governments of the US, UK and USSR and Provisional Government of the French Republic have assumed supreme authority with respect to Germany. The governments of the four powers hereby announce that it is their intention to consult with the governments of other United Nations in connection with the exercise of this authority." (740.00119 EAC/5–2345)

Department's telegram 4141, May 25, 11 a. m., to London approved the text of the statement (740.00119 EAC/5–2345).

[75] *Foreign Relations*, 1944, vol. I, p. 404.

[76] Not printed.

740.00119 Control (Germany)/5–2245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

PARIS, May 22, 1945—10 p. m.
[Received 10 : 29 p. m.]

2887. For Matthews. Following are excerpts from minutes of a meeting between General Eisenhower and the Prime Minister on May 16 at London. Complete text follows by mail.[77]

Eisenhower asked concerning the possibility of the Allied Control Council for Germany being set up in the near future. He mentioned that the Council would serve as a clearing house for the settlement of many urgent problems and, even if the Russian representative had to refer everything to Moscow, the Council at least would provide a rapid means of communication with the Russian authorities.

Prime Minister said he did not think the Allies should assume full responsibility for Germany but should be responsible only for seeing that she never was in a position to start another war. German problems should be handled by Germans. He was not averse to making use of suitably qualified Germans to deal with and reorganize German internal problems. Some of the German Generals in our hands already, who were suitably qualified and whom the German people would obey, might be employed for this purpose. The Prime Minister felt that the control of Germany should remain a SHAEF responsibility until some other body was able to take it over.

Sir Alan Brooke[78] agreed that for the time being SHAEF should continue to be responsible for the control of Germany.

Eisenhower mentioned that the Allied Commander's authority did not extend to matters of detailed administration. Though the work of administration was now being coordinated at his headquarters the staff handling it was divided into US and British sections. Both the British and the Americans were prepared to set up the Control Council elements and to get them quickly working.

The Prime Minister referred to a memorandum from the Foreign Office pointing out that the proposals in SCAF 392 (my telegram 2675, May 16, 4 p. m.[79]) could not be adopted without consulting the French and the Russians.[80] If it were wished to keep SHAEF in

[77] Transmitted to the Department by the United States Political Adviser for Germany as an enclosure to despatch 404, May 23, 1945, not printed. This meeting also included the following members of the British Chiefs of Staff Committee: Field Marshal Sir Alan Brooke, Air Marshal Sir Douglas Evill, Admiral of the Fleet Sir Andrew Cunningham, and General Sir Hastings Ismay (740.00119-Control (Germany)/5–2345).

[78] British Field Marshal, Chief of the Imperial General Staff.

[79] Not printed; SCAF was a military communications indicator.

[80] For a discussion of General Eisenhower's proposal to prolong the existence of SHAEF, see Pogue, *The Supreme Command*, p. 511.

being then the declaration regarding the defeated Germany would have to be made by SHAEF on behalf of the Allied Governments. The Russians, if this were proposed, would be offered an opportunity of pressing for the immediate withdrawal of all forces to the zones of occupation agreed upon. It was considered better, under the circumstances, to leave the situation as it was. The Foreign Office memorandum pointed out that the need to establish some German government was becoming ever more apparent. The Prime Minister said he agreed that the setting up of the Control Council was of great importance and that the question should receive urgent consideration.

Other points from the interview included a statement by the Prime Minister [*General Eisenhower*] that he had issued instructions that rations for non-working prisoners of war should be immediately reduced to 2,000 calories. He would examine the matter further to ascertain whether further reduction was possible. With reference to enemy equipment, especially aircraft, the Prime Minister said he had been concerned to learn that it was our policy to destroy such equipment and he did not agree and he thought we should save all the enemy equipment we could as we might need it to equip the liberated nations. The Prime Minister thought it possible that we could transfer enemy plants and set up our own factories to maintain such equipment.

[MURPHY]

740.00119 Control (Germany)/5–2345 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

PARIS, May 23, 1945—4 p. m.
[Received May 23—3 : 08 p. m.]

2898. Your 275, May 17.[81] Confirming my telephone conversation with Dr. Mosely regarding the possibility of including the Kreis of Oberwesterwald in the bridgehead east of the Rhine River, Chief of Staff [82] has given me a memorandum of May 22, 1945 quoted below:

(Paraphrased)

"With reference to inquiries made by you concerning the release to the French of Buhl and Rastatt in Baden, Oberwesterwald Kreis in Hessen-Nassau and the Kreise of Baden-Baden, please be informed that although the area in Baden proposed for release possesses some very attractive features, logistical studies indicate no military reason why both areas should not be released. However, I hope that renewed concessions by us will not give an impression of indecision which may lead the French to urge further concessions thereby tending to pro-

[81] Same as telegram 4921 from London, p. 298.
[82] Lt. Gen. Walter Bedell Smith.

long the negotiations. In order to avoid some of the practical difficulties attendant on the present situation we may have to consider an interim territorial adjustment if the discussions continue to be prolonged."

Sent London as 329, rptd Dept as 2898.

CAFFERY

740.00119 Control (Germany)/5–2445

The British Embassy to the Department of State

AIDE-MÉMOIRE

1. The governments of the United States, the United Kingdom, Soviet Russia and France have now approved the text of the draft Declaration regarding the defeat of Germany and their assumption of supreme authority with respect to Germany in the terms recommended by the European Advisory Commission on the 12th May.

2. It seems desirable to His Majesty's Government in the United Kingdom that the early issue of this Declaration should be arranged.

3. His Majesty's Government therefore propose that the four Allied Commanders-in-Chief should assemble not later than June 1st in Berlin to sign and issue the Declaration and that publicity arrangements should be co-ordinated between the four governments as soon as the date of issue is fixed.

4. His Majesty's Government consider that the Allied representatives who sign the Declaration will in effect become the Control Council and should thereafter meet as such to deal with questions as they arise. They would join together in setting up the Four Power Control Machinery along the lines agreed between the four governments at the European Advisory Commission.

5. The Declaration would be signed on behalf of His Majesty's Government in the United Kingdom by Field Marshal Sir Bernard Montgomery [83] who will be the British Commander in Chief in Germany and the British representative on the Control Council.

6. It will be observed that the proposals in paragraphs two to four above do not mention the question of zones of occupation in Germany. His Majesty's Government feel strongly that no withdrawal of British and American troops from the present tactical boundary line to the agreed zones of occupation should take place until outstanding questions have been cleared up with the Soviet Government. They

[83] Commander in Chief, Twenty-First Army Group, Allied Expeditionary Force, Northwest Europe.

do not consider that the issue of the Declaration, which seems very desirable on other grounds, will weaken the position vis-à-vis the Soviet Government as regards this question of withdrawal. If the Soviet Government press for immediate withdrawal to the occupation zones it is suggested that the reply should be that this and other outstanding matters should be discussed between the four Commanders-in-Chief in their capacity as members of the Control Council.

7. Among the other outstanding matters which might be discussed in this way would be (1) the treatment of Germany as an economic unit for purposes of food supplies etc., and (2) whether, in view of the devastation, Berlin is still suitable as the seat of the Control Commission and, if not, what other seat should be chosen.

8. His Majesty's Government also consider it most important that satisfactory agreement should have been reached regarding the occupation and control of Austria before agreement is given to withdrawal from the present tactical line in Germany.

9. His Majesty's Government would be glad to know whether the foregoing accords with the views of the United States Government, and in particular, whether the United States Government agree that the British and American armies should continue to stand firm on the present tactical boundary line after the issue of the Declaration. If so and if the United States Government agree with the proposals set out in paragraphs three and four above, His Majesty's Government would propose to put these proposals forward immediately to the Soviet and French Governments for their concurrence and for suggestions as to the date for the issue of the Declaration.

10. The issue of the Declaration and the establishment of the Four Power Control Machinery composed of the four Commanders-in-Chief, each being responsible in respect of control matters to his own government, need not and should not, in the view of His Majesty's Government, involve the immediate relinquishment by General Eisenhower of his combined operational command of the British, American and French forces in Germany. It seems to His Majesty's Government that it would be necessary to maintain this operational command at least until the disposition of the forces in the four zones has taken place.

11. His Majesty's Government suggest that the Combined Chiefs of Staff should in due course issue instructions to the Supreme Commander, Allied Expeditionary Force formally defining what his position would be after the issue of the Declaration.

WASHINGTON, May 24, 1945.

740.00119 EAC/5–2545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 25, 1945—11 a. m.
[Received May 25—8 : 52 a. m.]

5226. Comea 267. The Soviet Rep on the EAC has informed me that his Govt has approved the agreement between the four powers regarding amendments to the agreement on control machinery in Germany, as submitted by the EAC on May 1, to provide for the inclusion of France as the fourth controlling power. By this action approval of the May 1 amendments to the control machinery agreement has been completed by the four Govts.[84]

Gousev stated informally that his Govt assumes that no approval is required of the May 1 agreement amending the instrument of unconditional surrender,[85] since the four Govts have already approved the declaration on the defeat of Germany, recommended by the EAC on May 12 (my 5087; repeated to Paris as 293 [86]).

Sent to Dept as my 5226; repeated to Paris for Ambassadors Caffery and Murphy as 303.

WINANT

740.00119 EAC/5–2545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 25, 1945—midnight.
[Received May 25—9 : 50 p. m.]

5277. Comea 269. In reply to the US offer of May 12 to Massigli regarding the French zone of occupation in Germany (reported in my 4783 May 13, 1 a. m., to Dept; reptd Paris as 259), De Leusse, in Massigli's absence tonight informed Mosely of the French counter-proposal. The French reply, given orally, asks that following parts of the US zone be assigned to French occupation: (1) Wehrkreis twelve; [87] (2) all of State of Baden; (3) Kreis of Friedrichshafen in State of Württemberg; (4) Kreis of Lindau in State of Bavaria.

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[84] The agreement regarding the amendment of the control machinery agreement had been approved by the United States on May 14, by the United Kingdom on May 17, and by France on May 18. For text of the agreement, see TIAS No. 3070, or 5 UST (pt. 2) 2072.

[85] The agreement of May 1 amending the instrument of unconditional surrender, p. 258, was approved by the United States on May 14, by the United Kingdom on May 17, and by France on May 18.

[86] Dated May 21, not printed; it reported that all four Governments had approved the declaration on the defeat of Germany (740.00119 EAC/5–2145).

[87] Military district twelve. For a description of this district, see telegram 5280, May 26, 11 a. m. from London, *infra*.

Since De Leusse did not know location of Wehrkreis twelve and had no map available, this count proposal [*counterproposal*] was merely received for information.

The French instruction stated that aside from the proposed corridor to Vorarlberg the French authorities desired no part of Württemberg or Hohenzollern–Sigmaringen; that Frankfurt and Kassel should remain in the US zone; that US transportation and communication needs could be met by establishing appropriate US agencies in the proposed French zone, in same way as US agencies now operate in France. The main arguments advanced in favor of the counterproposal were: (1) the desirability of following major administrative boundaries in drawing zone; (2) desirability of unifying territorially the French bridgeheads at Koblenz, Mainz, and Pforzheim by giving France control of both banks of the Rhine from Kehl to Koblenz; (3) desire to avoid "breaking the unity of the Rhineland" and to make the Rhine "an artery not a barrier".

I am withholding comment on this counterproposal tonight until the implications of the request for Wehrkreis twelve can be examined.

Sent Dept as 5277; rptd Paris as 307 (for Ambassadors Caffery and Murphy).

WINANT

740.00119 EAC/5–2645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 26, 1945—11 a.m.
[Received May 26—9 a. m.]

5280. Comea 271. Analysis of French counterproposal of May 25 regarding zone in Germany (reported in my 5277, May 25, midnight, Comea 269; repeated to Paris as 307) shows that Wehrkreis twelve lies largely in the UK zone. East of Rhine River it includes the following Kreise: Oberwesterwald, Unterwesterwald, Unterlahnkreis, Sankt Goarshausen, Limburg A/L,[88] Untertaunus, Rheingau, Wiesbaden, Maintaunus; that part of Mainz Kreis lying east of Rhine; part of Worms Kreis lying east of Rhine; Darmstadt City and rural Kreise; Gross-Gerau and Bergstrasse; also western half of Mannheim Bezirk in state of Baden.

Sent Dept as 5280; repeated to Paris as 308 (for Ambassadors Caffery and Murphy).

WINANT

[88] Limburganderlahn.

740.00119 Control (Germany)/5–2645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 26, 1945—7 p. m.

4216. Dept is much concerned over delay in issuance of the declaration on Germany and establishment of the Control Council. Brit Emb on May 24 presented memo of which following is a summary.

[Here follows summary of *aide-mémoire* printed on page 304.]

We immediately discussed foregoing with War Dept and made following oral reply to Brit Emb the same day: [89]

US agrees to paragraphs 1 to 5, incl. If the phrase "outstanding questions" in paragraph 6 means all questions outstanding with the Soviet Govt (including the Polish question), US does not agree. Brit Emb promised clarification on this point. US prepared to defer withdrawal into zones for a short period in endeavor to work out arrangements suggested in paragraphs 7 and 8, but feels strongly that the CC [90] should be established immediately. However, if Soviet Govt insists upon the execution of the zonal agreement on Germany, US Govt will not hold up withdrawal into zones indefinitely. US Govt suggests that instead of approach to Soviet and French Govts by Brit Govt on proposals in paragraphs 3 and 4 (see last sentence of paragraph 9) these questions be discussed as soon as possible in EAC.

With reference to paragraph 10, US Govt agrees that issuance of declaration and establishment of CC need not necessarily involve the immediate dissolution of SHAEF. However, this transitional period should be of very short duration and only long enough to effect the disposition of the forces into the zones. US concurs re paragraph 11 above. As Brit Govt has not yet replied to our suggestions and as this matter is of great urgency, you are instructed to take up the entire question in EAC as a matter of prime importance and attempt to work out plans for the issuance of the declaration and establishment of the CC at the earliest possible date.

Please report fully to Dept on developments.

Repeated to Paris for Caffery and Murphy as 2351, and Moscow as 1160.

GREW

[Between May 26 and June 6, 1945, Harry L. Hopkins, Special Assistant to President Truman, conferred with Marshal Stalin in Moscow upon matters under consideration between the Governments of the United States and the Soviet Union, including the establish-

[89] On May 28 an *aide-mémoire* was sent to the British Embassy giving substantially the same answer as the oral reply reported here.

[90] Control Council.

ment of control machinery for Germany and the dismemberment of Germany. For documentation regarding the Hopkins Mission to Moscow, see *Conference of Berlin (Potsdam)*, volume I, pages 24–62. See also Robert E. Sherwood, *Roosevelt and Hopkins: An Intimate History* (New York, Harper & Brothers, 1948, 1950), chapter xxxv.]

740.00119 (Potsdam)/6–645 : Telegram

Mr. Harry L. Hopkins, Special Assistant to President Truman, to the President

[Extract—Paraphrase] [91]

[Moscow,] May 26, 1945.

262101. . . .

. . . . . .

In confidence he [92] said that he was going to appoint Marshal Zhukov to the Control Council for Germany.[93] While in Paris at Eisenhower's request a move was made to get de Gaulle to name his representative even though the final details of the French zone have not been definitely arranged, hence at an early date the Control Council should be able to meet.[94]

. . . . . .

740.00119 EAC/5–2745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 27, 1945—8 p. m.
[Received May 27—7 : 25 p. m.]

5336. Comea 272. Ref my 5277, May 25, midnight, to Dept, rptd to Paris as 307 and my 5280, May 26, 11 a. m., to Dept, rptd to Paris as 308. Further discussion late yesterday with De Leusse regarding French counterproposal of zone on Germany showed that two easternmost Kreise of Buchen and Tauberbischofsheim in state Baden are not included in the French claim since they lie east of eastern boundary of Wehrkreis twelve. In reply to De Leusse's arguments we stated

[91] For the portion of this telegram dealing with the Polish question, see vol. v, p. 299.

[92] Marshal Stalin.

[93] On May 31, 1945, it was officially announced that Marshal of the Soviet Union Gregory Konstantinovich Zhukov, the Commander of Soviet Occupation Forces in Germany, had been designated the representative of the Soviet High Command in the Control Council.

[94] For the record of the conversation between Mr. Hopkins, Ambassador Harriman, Marshal Stalin, and Foreign Commissar Molotov, held at the Kremlin, May 26, at 8 p. m., see the memorandum by Mr. Charles E. Bohlen, Assistant to the Secretary of State, dated May 26, 1945, *Conference of Berlin (Potsdam)*, vol. I, p. 24.

that a Wehrkreis administration line was not a logical line to choose since it applied only to military administration which was to be liquidated as quickly as possible and since it did not coincide with civil administrative lines. We added that while the desire of his Govt to occupy both banks of Rhine was understandable, it was no less essential for our large forces in Germany, engaged in a tremendous effort of redeployment, to have every necessary logistic facility for sake of common war effort.

In conclusion we informed De Leusse that Massigli's two earlier suggestions had been examined sympathetically by US Govt and that we were authorized to accept them by adding Kreis Oberwesterwald to the bridgehead east of Koblenz and by adding Kreise of Bühl, Baden Baden and Rastatt to French zone in south. We gave De Leusse clearly to understand that US delegation EAC could conclude zone agreement on basis of previous US offer plus these four districts and that otherwise French counterproposal would require detailed and probably long consideration by US authorities. De Leusse stated that French counterproposal had been formulated by Gen de Gaulle. Advanced personal view that if French desire to occupy both banks of Rhine were not met in EAC negotiations, de Gaulle would probably take up this question during proposed visit to Washington rather than abandon what he regards as a paramount French interest. De Leusse is reporting our comments to Paris and obviously has no leeway for negotiating on basis of US offer of May 12.

Sent to Dept as my 5336; repted to Paris as 316 (for Caffrey and Murphy).

WINANT

Moscow Embassy Files: Telegram

Mr. Harry L. Hopkins, Special Assistant to President Truman, to the President

[Extract—Paraphrase][95]

[Moscow,] May 27, 1945.

272211. . . .

. . . . . .

We [96] urged Stalin to announce at once the appointment of Zhukov as the Soviet member of the Control Council, to which he agreed.[97]

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[95] For the remainder of this telegram, see document No. 36, dated 28 May 1945, *Conference of Berlin (Potsdam)*, vol. I, p. 86.

[96] Presumably Ambassador Harriman and Mr. Hopkins. For the record of the conversation between Mr. Hopkins, Ambassador Harriman, Marshal Stalin, and Foreign Commissar Molotov, held at the Kremlin, May 27, at 8 p. m., see the memorandum by Mr. Charles E. Bohlen, dated May 27, 1945, *ibid.*, p. 31.

[97] See footnote 93, p. 309.

He indicated that it was desirable that the four members of the Control Council should meet promptly to organize the control machinery for Germany.

740.00119 Control (Germany)/5–2845 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, May 28, 1945—6 p. m.

1166. Mytel 1160, May 26.[98] Please approach FonOff immediately and inform it as follows.

US Rep on EAC has been instructed to propose that four Allied Commanders-in-Chief meet in Berlin on June 1 to sign and issue declaration on Germany; publicity arrangements to be coordinated by four Governments as soon as date is fixed. US Rep also will propose that Allied Reps who sign declaration will in effect become Control Council and should thereafter meet as such to deal with questions as they arise; the CC would thereupon establish four-power control machinery as agreed upon in EAC.

Request FonOff [99] urgently to instruct its Rep on EAC in order that plans for the issuance of the declaration and the establishment of the CC at the earliest possible date can be made.

Sent to Paris and Moscow. Repeated to London as 4238.

GREW

740.00119 Control (Germany)/5–2845

Memorandum by the Director of the Office of European Affairs (Matthews)

[WASHINGTON,] May 28, 1945.

Mr. Roger Makins, British Minister-Counselor, called this morning and said that he had now received a reply to my inquiry as to the meaning of the pertinent phrase of paragraph six of the British

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[98] Same as telegram 4216, May 26, 7 p. m., to London, p. 308.

[99] A memorandum by the Minister Counselor in the Soviet Union, George F. Kennan, dated May 29, and attached to the Moscow Embassy copy of this telegram reads as follows:

"I am averse to making any 'request' of the Foreign Office in this matter.

"I suggest we simply give them the information contained in paragraph 2 and state that 'my Government has asked me to make this information available to you in order that the Soviet Government may be in a position to instruct its representative on the European Advisory Commission at once with respect to the proposal which the United States representative on the Commission will make'."

The note dated May 29 from the Ambassador in the Soviet Union to the Soviet Foreign Commissar, not printed, incorporated this suggestion (Moscow Embassy Files).

Embassy's *Aide-Mémoire* of May 24. By "outstanding questions" the British Foreign Office meant to refer to the "whole question of the future relations" of the British and American Governments with the Soviet Government in Europe. In other words, Mr. Makins said, the British Government feels strongly that British and American troops should not withdraw to the agreed zones of occupation of Germany until all these questions have been settled. He left with me the attached Top Secret *Aide-Mémoire* on the subject.[1] I said that this interpretation did not surprise me but that it made it quite clear that there was a basic difference of opinion on this matter between British and American Governments and that we could not agree with the British position.

I went on to say that in any event there will probably be some delay getting the quadripartite Control Council organized and that I hoped the British meanwhile would go ahead with our plans for the issuance of the proclamation and the establishment of the Control Council in Berlin on June 1. I said that meanwhile our two Governments could continue discussions with regard to the time for withdrawal to the agreed zones and the breakup of SHAEF. Mr. Makins said that personally he favored this and that he hoped and believed the Foreign Office would go along with it. He said that he would telegraph urgently and endeavor to get an immediate reply. I emphasized the importance we attach to taking steps to issue the proclamation assuming authority over Germany which had been agreed to by the four Governments and to setting up the Control Council.

Mr. Makins said that in addition to our proposed presentation of the matter in the European Advisory Commission, his Government thought that we should likewise take it up directly at Moscow and Paris. I told him that we had thought of the European Advisory Commission as the most expeditious method of procedure in view of the fact that Gousev and Massigli were both familiar with all the background. I said, however, that we would be glad to make a parallel *démarche* at Moscow and Paris urging quick action to meet, if possible, the June 1 date.

Mr. Makins called me back at 6:30 this evening to say that he had now received a reply from the Foreign Office to his inquiry and that unfortunately he had been wrong in his opinion. The British Government does not agree to proceed with the issuance of the proclamation or the setting up of the Control Council until our two Govern-

[1] *Infra.*

ments have thrashed out the basic issue, namely, whether we will stick to our presently held lines in Germany or withdraw to our respective zones prior to a settlement of "outstanding questions" with the Soviet Government. I told Mr. Makins flatly that we could *not* go along with the British side on this. I reiterated importance this Government—both the Department and our military authorities—attach to immediate issuance of the proclamation and the establishment of the Control Council. I said that public opinion in this country was, as he must realize, becoming increasingly impatient and bewildered at the delay. I said, therefore, that our instructions to Ambassador Winant to present the matter immediately in the EAC must stand and that we would take simultaneous steps at Moscow and Paris. If the British do not agree, they may, of course, take that position in the European Advisory Commission but we feel that we must proceed without any delay.

Mr. Makins said that he would inform his Government of our position.

H. F[REEMAN] M[ATTHEWS]

740.00119 Control (Germany)/5–2845

The British Embassy to the Department of State

AIDE-MÉMOIRE

The State Department made an enquiry as to the interpretation of the following passage in paragraph 6 of the British Embassy's *aide-mémoire* of May 24th.

"His Majesty's Government feel strongly that no withdrawal of British and American troops from the present tactical boundary line to the agreed zones of occupation should take place until outstanding questions have been cleared up with the Soviet Government."

2. The Foreign Office now state that by this passage they meant that British and American forces should not withdraw to their respective permanent zones of occupation in Germany until the whole question of the future relations of the two Governments with the Soviet Government in Europe generally had been discussed and settled at the projected meeting of the President of the United States, the Prime Minister and Marshal Stalin.

WASHINGTON, May 28, 1945.

740.00119 Control (Germany)/5–2945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 29, 1945—9 p. m.
[Received May 29—8 : 30 p. m.]

5417. Upon receiving late Sunday[2] Dept's 4216, May 26, 7 p. m. (repeated to Paris as 2351 and to Moscow as 1160) I at once contacted Mr. Eden in order to carry through smoothly abandonment of procedure proposed by UK Govt on May 24 and to secure full UK support for US proposal on procedure. This was accomplished in course of May 28.

In order to place US proposal before today's European Advisory Commission meeting, I presented following draft recommendation:

"The EAC makes the following recommendations to the Govts of the USA, the USSR and the UK and the Provisional Govt of the French Republic:

(1) The four Allied Commanders-in-Chief will meet in Berlin not later than June 1 to sign and issue the declaration on the defeat of Germany and the assumption of supreme authority with respect to Germany;

(2) Upon signature of the declaration, the four Allied representatives will constitute the Control Council in order to deal with matters affecting Germany as a whole and in order to begin the establishment of control machinery as provided in the agreement on control machinery in Germany, of Nov 14, 1944, amended by the agreement regarding amendments to the above-mentioned agreement of May 1, 1945."

This recommendation met with general support of UK and French Delegations, although they felt that a date somewhat later than June 1, perhaps June 4, would have to be selected. I made it clear that US proposal is designed to expedite as much as possible issuance of the declaration and the beginning of putting control machinery into operation.

At one stage in discussion, Gousev maintained that article 6 of the Sept 12 protocol on zones of occupation provides for that protocol coming into force on signature of the surrender instrument and that pgh 2 of the report of Nov 14 on the control machinery agreement implied to him that establishment of control machinery would take place after occupation of assigned zones has been completed. I pointed out that the gradual establishment of control machinery and the movement of the Allied forces into their respective zones and into the joint Greater Berlin zone require close coordination by the Commanders-in-Chief, which could usefully develop from their proposed

[2] May 27.

meeting in Berlin. I also made it clear that US proposal constitutes no alteration of agreed procedure but is merely further working out of agreed procedure.

Basic question which troubles Gousev is determination of date on which the two agreements on zones of occupation and on control machinery are to come into force. Gousev feels that four Govts must agree on definite date and instruct their Commanders-in-Chief accordingly. Gousev asked how the four Commanders could constitute the Control Council on signing declaration unless the agreement on control machinery has been declared in force by that date. French Representative raised the same question.

I reiterated that easiest way to get the Allied agreements into operation is to bring the four Commanders together to sign declaration and to constitute the Control Council; they could then consider questions arising from implementation of the agreements on zones and on control machinery. On basis of today's preliminary discussion, I believe that US proposal would be acceptable to Soviet Delegation if pgh 2 were replaced by the following pghs 2 and 3:

"2. Upon signature of the declaration, the agreement on control machinery in Germany, of Nov 14, 1944, amended by the agreement regarding amendments to the above-mentioned agreement, of May 1, 1945, comes into force. At the same time the protocol of agreement on zones of occupation in Germany and the administration of 'Greater Berlin', of Sept 12, 1944 amended by the agreement regarding amendments to the above-mentioned protocol, of Nov 14, 1944, and amended by the declaration of the Crimea Conference of Feb 12, 1945, to provide for a French zone of occupation, likewise comes into force.

"3. Upon signature of the declaration, the four Allied representatives will constitute the Control Council in order to begin the practical implementation of the agreements on control machinery in Germany and on zones of occupation in Germany and the administration of 'Greater Berlin', and in order to deal with matters affecting Germany as a whole."

Some such provision for setting a definite date to bring into juridical force the agreements on zones and on control machinery would no doubt meet the Soviet view as expressed today. The practical question of actually implementing those agreements would take a considerable period of time for execution. Control over the timing would require the unanimous agreement of the four Allied Commanders-in-Chief.

I should like Dept's reaction to this addition before discussing it with my EAC colleagues. Next meeting EAC May 30, 3:30 p. m. London time.

Sent Dept as 5417; repeated Paris as 322 (for Caffery and Murphy); repeated Moscow as 178.

WINANT

728-099—68——21

740.00119 Control (Germany)/5–2945 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 29, 1945—9 p. m.
[Received 11 p. m.]

3066. The substance of the Dep's 2351,[3] May 28 in memo form was conveyed to Chauvel[4] this afternoon who promised that he would bring it personally to the attention of Bidault this evening. He added that he heartily approves of the action we propose to take in this regard and will recommend that the French Govt send similar instructions to Massigli. He added that our communication might hasten the announcement of the French member of the German Control Commission. He concluded by warning, however, that the final decision would, of course, rest with de Gaulle.

Sent Dept 3066; rptd London 361 and Moscow 93.

CAFFERY

740.00119 Control (Germany)/5–2945 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 30, 1945—1 a. m.

4276. Re your tel 5417, May 29. In view of Dept.'s reply to Brit. memo of May 24 conveyed in Dept. tel 4216, May 26, we much prefer the first draft recommendation you proposed in EAC meeting on May 29 and approve your explanatory comment to Gousev. We agree that the four Commanders-in-Chief upon convening could then consider the date upon which the two agreements on control machinery and zones of occupation come into force and discuss their implementation. Please urge this procedure again in today's meeting of EAC which we note has the support of UK and French reps.

If it is not possible to agree upon June 1 as date for signature and issue of declaration, you should attempt to fix the earliest practicable date that can be agreed upon.

GREW

740.00119 EAC/5–3045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 30, 1945—2 p. m.
[Received May 30—10 a. m.]

5418. Special German Series 14. For Act Secy and Matthews. Ref paragraph 1 my 5417, May 19 [*29*], 9 p. m. On Sun[5] night on

[3] Same as Department's telegram 4216, May 26, to London, p. 308.
[4] Jean Chauvel, Secretary General of the French Ministry for Foreign Affairs.
[5] May 27.

receiving Dept's 4216, May 26 I at once contacted Mr. Eden on change of procedure since quick action on US proposal would require UK support or at least minimum of argumentation in EAC.

On morning May 28 I found Strang unwilling to proceed in EAC in accordance with US proposal since Foreign Office was anxious to receive Dept's reaction to UK communication of May 27, particularly concerning proposal to delay withdrawal of Allied forces to assigned zones of occupation, before committing itself to approach Soviet and French Govts either direct or through EAC.

During rest of May 28 I succeeded in convincing Eden that it was essential to proceed in EAC along the lines proposed by US, without attempting first to decide the timing of withdrawal of the US and UK forces into their zones. I pointed out that using slow withdrawal for bargain purposes in new top level meeting would depend not only on the timing of the withdrawal but on the timing of that meeting; except with grave risk to the Big Three cooperation in Germany, the delay in that withdrawal could not be longer than could be justified on military and logistical grounds.

By late Mon Eden had adopted the point of view on this question and brought Strang in line. It was then too late to arrange a meeting of the EAC for May 28 and hence proposal advanced by Dept was presented as reported in my 5417 at May 29 meeting.

WINANT

Moscow Embassy Files: Telegram

Mr. Harry L. Hopkins, Special Assistant to President Truman, to the President

[Extract—Paraphrase]

[Moscow,] May 30, 1945.

. . . . . .

We [6] reminded Stalin some days ago that he had made a speech [7] in which he said that he did not favor the dismemberment of Ger-

[6] Mr. Hopkins and Ambassador Harriman. For the record of the conversation between Mr. Hopkins, Ambassador Harriman, Marshal Stalin and Foreign Commissar Molotov held at the Kremlin, May 28, at 6 p. m., see the memorandum by Mr. Charles E. Bohlen, dated May 28, 1945, *Conference of Berlin (Potsdam)*, vol. I, p. 41.

[7] In his telegram 1527, May 10, the Chargé in the Soviet Union transmitted the text of Marshal Stalin's message to the Soviet people of May 8 which had been published on the front page of the Moscow press for May 10. The message, which commemorated the victory over Germany, contained the following sentence regarding dismemberment: "The Soviet Union is celebrating victory, although it does not intend either to dismember or to destroy Germany." (740.00119 E.W./-5-1045) For text of the Stalin message, see *Pravda*, No. 111, May 10, 1945, p. 1.

many. This appeared to be contrary to the position he took both at Tehran [8] and Yalta. His explanation of this action on his part was that his recommendation had been turned down at Yalta and more specifically that Eden and Strang on behalf of the British had stated that dismemberment was to be accomplished only as a last resort and that Winant, who was present at the Conference at which this discussion took place in London, interposed no objection, hence Stalin states that it was his understanding that both Great Britain and the United States were opposed to dismemberment. I undertook to tell him that this was not the case; that while you had made no final decision in regard to this, the United States considered this an open question and that you would surely want to thrash it out at your next meeting. I told him that he must not assume that the United States is opposed to dismemberment because he may learn from you that just the opposite was the case. He then said that dismemberment was a matter which the three Allies must settle among themselves and that he would keep an open mind in regard to it.

. . . . . .

Although he promised that he was going to appoint Zhukov as his member of the Control Council for Germany, it has not yet been done. We shall at tonight's meeting again urge him to announce at once Zhukov's appointment.[9]

740.00119 Control (Germany)/5–3145 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, May 31, 1945—5 p. m.
[Received May 31—12 : 45 p. m.]

1832. ReDepts 1166, May 28, 6 p. m. Molotov has written me [10] that the Soviet Govt agrees that the four Allied Commanders in Chief should meet in Berlin on June 1 in order to sign and issue the declaration on Germany and that the Allied representatives who sign the

[8] For documentation regarding conference between President Roosevelt, British Prime Minister Churchill, and Marshal Stalin at Tehran, November 28–December 1, 1943, see *Foreign Relations*, The Conferences at Cairo and Tehran, 1943.

[9] During the fourth conversation at the Kremlin between Mr. Hopkins and Marshal Stalin on May 30, Marshal Stalin said he would publicly announce the appointment of Marshal Zhukov as Soviet representative on the following day; see the memorandum by Mr. Charles E. Bohlen of the conversation at the Kremlin, May 30, 6 p. m., *Conference of Berlin (Potsdam)*, vol. I, p. 53. See also **footnote 93, *ante*, p. 309.**

[10] Letter dated May 30, not printed.

declaration should in effect become the Control Council. Molotov continues that the Soviet Govt has issued appropriate instructions to its representative on the EAC.

Sent Dept as 1832, May 31, 5 p. m., rptd London as 236 and Paris 141.

HARRIMAN

740.00119 Control (Germany)/5–3145 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 31, 1945—8 p. m.

4339. Mytel 3193, Apr 23. JCS have reconsidered subdivisions of Berlin. Because shops and other facilities of Tempelhof airfield lie in Neukoelln JCS consider it essential that Neukoelln or portion thereof sufficient to permit uninhibited use of airdrome and necessary extension of runways be included in U.S. subdivision. Text of report being sent by air mail.[11]

GREW

740.00119 EAC/5–3145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 31, 1945—11 p. m.
[Received May 31—9 : 20 p. m.]

5510. Comea 275. My 5121, May 22. Tonight EAC agreed to transmit to representatives of seven European Allied Govts agreed summaries of zones of occupation and control machinery in Germany. As in case of declaration UK representative stated his Govt would transmit summaries to Govts of Dominions and India, I stated that US Govt would inform Brazil; Soviet member stated his Govt proposes to inform Provisional Govt of Poland. Strang and I at once entered reservations re transmission to Warsaw "Govt" stating that "adoption of that procedure was not to be understood as prejudicing the position of my Govt towards one of Govts named".

EAC agreed that two summaries will be handed to representatives of Norway, Netherlands, Belgium, Luxembourg, Czechoslovakia, Yugoslavia and Greece by Allied Consultation Committee on Saturday

[11] Instruction 5558, June 2, to London transmitted the text of a memorandum for the Secretary of State by the Acting Chairman of the State-War-Navy Coordinating Committee reporting the desire of the Joint Chiefs of Staff that the district of Neukoelln be included in the United States subdivision of Berlin (740.00119 Control (Germany)/5–2645).

June 2 at 11:30 a. m. London time.[12] Dept may wish to know this time for communication of summaries to Govt of Brazil.[13]

Texts of two summaries transmitted with my despatch 22932, May 7.[14] Two changes have been made in texts.

(1) Title of summary on zones of occupation now reads: "Statement by the Govts of USSR, UK and USA and Provisional Govt of the French Republic on the occupation of Germany".

(2) In pgh 4 of summary on control machinery substitute "appropriate German organs" for "German central organs". Omit identifying numbers and reference to Consultation Committee.

Tomorrow Consultation Committee will consider two summaries with view to preparing them for issuance to press by four Govts and recommend time for their issuance in relation to timing of signature of declaration. I urged they be issued at same time as declaration on defeat and surrender of Germany.

WINANT

740.00119 Control (Germany)/5–3145

Memorandum of Conversation, by the Chief of the Division of Central European Affairs (Riddleberger)

[WASHINGTON,] May 31, 1945.

Mr. Berard[15] called this morning and stated that he wished to communicate the following upon the urgent instruction of his Government:

If the United States can agree to the French proposal for its zone in Germany to be taken from the United States zone as given in the European Advisory Commission, the French Government will bind itself to accord all guarantees respecting transportation and other facilities through the French zone that the United States military authorities may desire.

Mr. Berard explained that this offer would include a "window on the Rhine", such railroad facilities as might be required for the supply of United States troops and such American organizations operating in the French zone as might be necessary. He stated further that the French Government would appreciate receiving from us a statement of facilities which would be required and that it would make

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[12] Telegram 5573, Comea 276, June 2, from London reported that the agreed summaries had been transmitted on June 2 to the representatives of the seven European Allies (740.00119 EAC/6–245).

[13] Telegram 1398, June 1, 6 p. m. to Rio de Janeiro stated: "Agreed summaries of European Advisory Commission concerning the zones of occupation and control machinery in Germany will be handed to Brazilian Embassy Sat forenoon June 2." (740.00119 E.W./5–1545)

[14] Despatch not printed. For texts of the summaries on zones of occupation and control machinery in Germany, both dated May 4, see p. 264.

[15] Armand Berard, Counselor of the French Embassy.

every effort to accord them in the manner desired by us. The French Government would furthermore be willing to discuss the matter either here or in Paris, according to our desire.

Mr. Berard then went on to state that the French Government had the impression in this matter of the French zone that our desiderata were primarily based on logistical considerations. The attitude of the French Government, on the other hand, was based fundamentally on political considerations, which he then explained.

The French Government attaches the greatest importance to maintaining the political integrity of Baden and would not be able to administer this province unless French forces occupied Karlsruhe, which is the capital of the province. Because of long-term political considerations, the French Government was compelled to insist upon having Karlsruhe, Mannheim and Darmstadt in its zone, but it was most anxious to work out with us any arrangements which the United States might require on account of logistical considerations.

I asked Mr. Berard why, if his Government attached such importance to the political integrity of Baden, it was quite prepared to violate this principle in the case of Hesse and perhaps other provinces when establishing bridgeheads on the east bank of the Rhine. He replied that there was by no means the same provincial sentiment in the Hesse province as prevailed in Baden and Württemberg.

I then got out a map and showed Mr. Berard how the rail communications between Frankfurt and Stuttgart lay. He admitted that the French proposal would obviously cut across our lines of communication but reiterated the willingness of his Government to grant us every facility and to do so formally and in writing if we so desire.

Mr. Berard concluded by expressing his most sincere hope that the United States military authorities would give serious consideration to what the French Government offered in the way of transport facilities. I promised Mr. Berard I would pass along the French offer to the appropriate American authorities at once.

740.00119 EAC/6–245 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, June 2, 1945—3 p. m.

4385. State and War Depts have considered French counterproposal for zone in Germany as reported in Comea 269 and 272,[16] together with additional assurances given by French Emb here respecting French willingness to accord all guarantees respecting transpor-

[16] Telegrams 5277, May 25, and 5336, May 27, from London, pp. 306 and 309, respectively.

tation and other facilities in the proposed French zone.[17] Please inform French Rep as follows:

US Govt considers it has made a fair and reasonable proposal to accord France a zone of occupation in Germany. This American proposal gives France a sizeable zone in Germany while taking account of the essential transportation and logistic requirements of American occupation forces which require lines of communication of over 3000 miles which cut across other countries or other zones of occupation. On the other hand, the proposed French zone in Germany is largely contiguous to French territory and presents no supply problems comparable to those facing us. US Govt must therefore insist that it retain the facilities it requires for the administration of its zone and is surprised that French Govt does not agree at once to the US proposal.

Please make it altogether clear to French Rep that US Govt cannot accept his counterproposal and that the arguments advanced therefor are by no means convincing in view of the other considerations involved.

Sent to London as 4385; repeated to Paris as 2482.

GREW

740.00119 EAC/6–245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 2, 1945—5 p. m.
[Received June 2—4 : 45 p. m.]

5575. Comea 277. Today EAC Consultation Committee agreed on texts of three statements to be issued jointly by four Govts in their capitals.

1. Summary of zones of occupation (text transmitted with despatch 22932, May 7 [18]). Title now reads: "Statement by the Govts of the USA, USSR and UK and the Provisional Govt of the French Republic on zones of occupation in Germany."

2. Summary of control machinery (text with despatch 22932, May

[17] See memorandum of conversation by the Chief of the Division of Central European Affairs (Riddleberger), May 31, *supra*.

[18] Despatch not printed. For text of the draft summary on zones of occupation, see p. 264. For final text of the summary as it was released to the press on June 5, incorporating the change reported in this telegram, see Department of State *Bulletin*, June 10, 1945, p. 1052, or *A Decade of American Foreign Policy, 1941–49* (Washington, Government Printing Office, 1950), p. 512.

7 [19]) has three changes. Title now reads: "Statement by the Govts of the USA, USSR and UK and the Provisional Govt of the French Republic on control machinery in Germany." At end of paragraph 1 add: "Each commander-in-chief will be assisted by a political adviser." In paragraph 8 omit "immediately."

3. Statement on consultation with Allied Govts (full text in my 5122 May 23 [20]). Title of this statement to read: "statement by Govts of the USA, USSR and UK and the Provisional Govt of the French Republic on consultation with Govts of other United Nations."

When EAC recommends time issuance declaration in Berlin, it will also make recommendation for issuance these three statements simultaneously in four capitals. I have recommended 1700 London time, 1100 Washington time, as suitable hour.

WINANT

740.00119 EAC/6–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 4, 1945—3 p. m.
[Received June 4—10 : 10 a. m.]

5621. Comea 278. My 5417, May 29, 9 p. m., to Dept rptd Paris as 322, Moscow as 178. Soviet Rep EAC has just informed me that his Govt approves procedure proposed by me May 29. Soviet Govt agrees four Allied Commanders in Chief will meet Berlin June 5 to sign declaration on defeat of Germany and assumption of supreme authority with respect to Germany and to issue declaration June 5 at 6 p. m., Berlin time. Soviet Govt also agrees issue declaration in four capitals same date and hour, which is 5 p. m., London time, 11 a. m., Washington time. I have informed General Eisenhower by telephone.

Sent Dept as 5621; rptd Paris as 336 (for Caffery and Murphy); to Moscow as 185.

WINANT

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[19] Despatch not printed. For text of the draft summary on control machinery, see p. 264. For final text of the summary as it was released to the press on June 5, incorporating the changes reported in this telegram as well as the change reported by the Ambassador in the United Kingdom in his telegram 5510, May 31, 11 p. m., p. 319, see Department of State *Bulletin*, June 10, 1945, p. 1054, or *A Decade of American Foreign Policy, 1941–49*, p. 512.

[20] Telegram not printed. For text of the draft summary on consultation, see footnote 74, p. 301. For final text of the summary as it was released to the press on June 5, incorporating the change reported in this telegram, see bracketed note, p. 326.

740.00119 E.A.C./6–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 4, 1945—6 p. m.
[Received June 4—2 : 50 p. m.]

5630. Comea 280. For Caffery and Murphy.[21] At today's meeting EAC recorded the following agreed statement:

"The EAC takes note that the following procedure has been agreed between the Govts of the USA, USSR and UK and the Provisional Govt of the French Republics; (1) the four Allied Commanders-in-Chief will meet in Berlin on June 5 to sign and issue the declaration on the defeat of Germany and the assumption of supreme authority with respect to Germany; (2) upon signature of the declaration, the four Allied Representatives will constitute the Control Council in order to deal with matters affecting Germany as a whole and in order to begin the establishment of the control machinery as provided in the agreement on control machinery in Germany, of Nov 14, 1944 amended by the agreement regarding amendments to the above mentioned agreement of May 1, 1945."

Sent to Dept as 5630 Comea 280; rptd to Paris as 340, and to Moscow as 186. I have informed Gen Eisenhower direct.

WINANT

740.00119 Control (Germany)/6–445

Memorandum by the Acting Director of the Office of Strategic Services (Buxton) to the Secretary of State

WASHINGTON, 4 June 1945.

The contents of the following message, dated 2 June, from the OSS representative in Bern [22] and addressed to the Director of Strategic Services,[23] has been transmitted to SHAEF:

"I have pointed out orally the unfortunate results which would accrue from the proposed delimitations of zones of occupation in Germany and Austria. If I am correctly informed, the proposed French zone of occupation will cut off Switzerland from any direct contact with the American zones of occupation in Germany and Austria.

"Switzerland's importance in the reconstruction of Europe far exceeds its size or population. It can be useful (*a*) in the tremendously intricate task of German re-education, (*b*) as an observation

[21] This telegram was repeated to Caffery and Murphy in Paris as telegram 340.
[22] Apparent reference to Allen W. Dulles, representative in Switzerland of the Office of Strategic Services.
[23] Maj. Gen. William J. Donovan.

posed in mytel 6193 and approved by Dept's 4980. Mosely pointed tion with German-Italian as well as German-Swiss trade relations.

"The free passage of persons from Switzerland into the American zone of occupation, subject only to American military control, is extremely important. This is also true of the like passage of Swiss literature, newspapers and other expressions of Swiss culture, when it appears useful to permit these influences to go to Germany.

"By putting a narrow band of French control between American zones of occupation and Switzerland, we already are encountering difficulties which may become increasingly burdensome. Because all German border points have been under French control, we have already lost the opportunity to take over certain German agents operating in Switzerland. The future utility of Switzerland as an observation post for Germany and countries further east will be substantially lessened by the difficulties of obtaining direct and untrammelled access to the American zone from Switzerland.

"To gain the substantial and desirable benefits from such free access it will not be necessary to change the general plan of zone delimitation. It would only be necessary to have one point on the Swiss frontier under American occupation. This point could serve adequately as the channel through the French zone to the American zone.

"I am convinced that we shall on many occasions in the coming months deeply regret, or find ourselves embarrassed by any failure to reserve such a channel."

G. EDWARD BUXTON

740.00119 E.A.C./6–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 4, 1945—7 p. m.
[Received June 4—2 : 30 p. m.]

5632. Comea 281. Today EAC approved texts of three statements to be issued jointly by four Govts in their capitals with changes reported in my 5575, June 2.

Soviet representative has no instructions from his Govt re date of publication. With support of Strang and Massigli, I again emphasized the great value of publishing these three statements simultaneously with declaration on defeat of Germany scheduled for June 5 at 1700 hours London time. Gousev again asking his Govt urgently for instructions about date of publication.

I have continually pressed for publication of three statements simultaneously with declaration. It now appears impossible arrange this. I hope we can complete arrangements for their publication 24 or 48 hours after issuance of declaration.

WINANT

860C.01/6–445 : Telegram

The British Prime Minister (Churchill) to President Truman

[Extract] [24]

LONDON, 4 June 1945.

72. . . .

. . . . . .

5. . . . I view with profound misgivings the retreat of the American Army to our line of occupation in the Central Sector, thus bringing Soviet power into the heart of Western Europe and the descent of an iron curtain between us and everything to the eastward.

I hoped that this retreat, if it has to be made, would be accompanied by the settlement of many great things which would be the true foundation of world peace. Nothing really important has been settled yet and you and I will have to bear great responsibility for the future.

. . . . . .

[On June 5, 1945, in Berlin, the Declaration Regarding the Defeat of Germany and the Assumption of Supreme Authority with Respect to Germany by the Governments of the United States, the Union of Soviet Socialist Republics, and the United Kingdom, and the Provisional Government of the French Republic was signed by the military representatives of the four Governments. For text of the Declaration, see Department of State, Treaties and Other International Acts Series (TIAS) No. 1520, or 60 Stat. (pt. 2) 1649.

Also on June 5, the Governments of the United States, the Union of Soviet Socialist Republics, the United Kingdom, and the Provisional Government of the French Republic made three statements with regard to the arrangements for the control of Germany: (1) Statement on Zones of Occupation in Germany; (2) Statement on Control Machinery in Germany; and (3) Statement on Consultation With Governments of Other Nations. For the texts of the statements on zones of occupation and control machinery, see Department of State *Bulletin*, June 10, 1945, pages 1052 and 1054, respectively, or *A Decade of American Foreign Policy, 1941–49* (Washington, Government Printing Office, 1950), page 512. The text of the statement on consultation with the governments of other nations reads as follows: "By the declaration made at Berlin on 5th June the Governments of the United States, United Kingdom, the Union of Soviet Socialist Republics and the Provisional Government of the French Republic have assumed supreme authority with respect to Germany.

[24] For remaining portions of this telegram, see vol. v, p. 320, and *Conference of Berlin (Potsdam)*, vol. I, p. 92.

The Governments of the four Powers hereby announce that it is their intention to consult with the Governments of other United Nations in connection with the exercise of this authority."]

740.00119 EAC/6–545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State [25]

FRANKFURT, 6 June 1945.

FWD [26] 23680. Prior to the meeting in Berlin, Vishinski [27] sent Simonev [28] to me to discuss what he termed several discrepancies in the Soviet Foreign Office text of the Four Power Declaration. Our delegation had with us the texts of the Declaration prepared by EAC in the English, Russian, French and German languages which we exhibited but the Soviet representative maintained nevertheless that the text which they had was the official version. The discussion narrowed down to the word "Nationals" in article 10 which the Russians claimed should read "freight". After consultation with General Eisenhower the Russians were informed that if Marshal Zhukov [29] desired to make a marginal notation in this regard there would be no objection.

I later discussed this point with Vishinski and Marshal Zhukov and the former admitted that what was bothering them was the realization that this word in article 10 would require the arrest and detention of any Japanese civilians found in the Soviet zone and as the document becomes public it would be the cause of embarrassment. I told them that we would of course be very happy if such a declaration were published whereupon Vishinski replied with a smile "That is for a later declaration!"

It was finally agreed with General Eisenhower's approval and that of the British and French delegations that the word "Nationals" in article 10 would be deleted prior to signature and the following notation made at the foot of the document [: "] The word 'Nationals' has been omitted in article 10 pending a check." It was obvious that without some such provision the Soviet representative would not sign.

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[25] This message was sent from SHAEF to the War Department via military channels and was repeated to Ambassador Winant in London and Ambassador Harriman in Moscow.

[26] Military communications indicator.

[27] Andrey Yanuaryevich Vyshinsky, First Deputy People's Commissar for Foreign Affairs of the Soviet Union.

[28] Vladimir Semenovich Semenov.

[29] Marshal of the Soviet Union, Georgy Konstantinovich Zhukov. By an order dated June 9, 1945, Marshal Zhukov was made Supreme Chief of the Soviet Military Administration, Commander in Chief of the Soviet Forces of Occupation in Germany.

The declaration was signed at approximately 6 PM Berlin time and there followed a short meeting of the four representatives to discuss the ways and means of establishing the Control Council. This will be reported subsequently except to mention here that Marshal Zhukov make [*made*] it abundantly clear that disposition of the troops into their respective zones is a Soviet *sine qua non* to the operation of the Control Council.

[MURPHY]

740.00119 Control (Germany)/6–645 : Telegram

The Supreme Commander, Allied Expeditionary Force (Eisenhower), to the Joint Chiefs of Staff

[FRANKFURT,] 6 June 1945.

FWD 23724. At the meeting of four commanders at Berlin 5th June, only positive action taken was to sign Four Power Declaration [30] with the correction indicated in Ourad 5th June.[31] I proposed and British and French concurred to have the deputies sit immediately to develop methods and procedures for control machinery. Zhukov made it clear that he was willing to meet periodically to discuss matters not related to governing Germany as a whole but that any steps to set up control machinery must await withdrawal into the agreed zones. He stated that he would be willing to join in establishing control machinery as soon as withdrawal starts.

You authorized this question of withdrawal to be resolved by Control Council in Urad W11367 of 3 June.[32] I suggested to Zhukov that it was a question which could be discussed by the Control Council. Montgomery concurred and stated that the Group Council could make a recommendation for the decision of the several governments. Zhukov apparently wanted an answer rather than a discussion.

The Russians treated us cordially. I gave Zhukov, in the name of the President, the Legion of Merit in the grade of Chief Commander and he reciprocated by awarding me the Order of Victory. Montgomery was likewise decorated and De Lattre [33] was given a lesser decoration. Zhukov is to return my visit by a visit to Frankfurt on 10 June.

Nevertheless, it is my opinion that the question of withdrawal must

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[30] See bracketed note, p. 326.

[31] For a description of the correction made in the Declaration Regarding the Defeat of Germany, see telegram FWD 23680, June 6, from the United States Political Adviser for Germany, *supra*.

[32] On June 2, General Eisenhower cabled the Combined Chiefs of Staff for instructions as to the date for withdrawal of troops to designated zones of occupation. The following day, the Chiefs of Staff, with the approval of President Truman, instructed General Eisenhower. See Truman, *Year of Decisions*, p. 301.

[33] Gen. Jean de Lattre de Tassigny, Commanding General of the First French Army.

be considered by Combined Chiefs of Staff and resolved by U.S. and U.K. Governments before any further discussion of control machinery with Zhukov will serve any useful purpose.

Also it is of utmost importance that the zone boundaries in Germany proper and in the Berlin district be determined finally. I do not believe this can be accomplished in Group Council. Nevertheless, they remain as obstacles to prompt establishment of control machinery.

I stated on several occasions to Zhukov that there was much that Group Council could accomplish in preliminary organization prior to withdrawal of Allied Forces from territory included in Russian Zone, pointing out that the two problems were not necessarily so closely related that they could not be dealt with separately. Obviously there are many steps in organizing Group Council which could be undertaken now. However, the fact remains that there is some justification for Zhukov's position that he is unable to discuss administrative problems in Germany when he is still not in control and hence not familiar with the problems of the zone for which he will eventually be responsible. As a result of my discussion with Zhukov I am optimistic that the Russians will join in some form of control machinery when withdrawal is accomplished and will agree to our forces entering into Berlin concurrently with our withdrawal from their zone.

However, neither I nor members of my party found any evidence of Russian organization for Group Council government. This may have resulted from the apparent unwillingness of the Russians to have anything considered at this meeting other than the signing of the Four Power Declaration. It is possible that the Control Council may become only a negotiating agency and in no sense an overall government for Germany.

As our plans for governing our part of Germany must give cognizance to this possibility, I suggest that our Government should consider now the possible alternatives to quadripartite control of Germany as a whole. We must know if our zone in Germany is to be administered as an economic unit rather than as part of the German economy as a whole if we are to plan soundly. As I see it, if quadripartite government does not treat Germany as a whole we must either establish tripartite control of Western Germany to permit its treatment as an economic unit with full realization of all the implications involved, or else be prepared to govern our zone on practically an independent basis. I realize the undesirability of either alternative and hope that the necessity for the adoption of either will not materialize. Nevertheless, sound planning now does indicate that consideration should be given to this problem as many of our actions within our zone must be governed thereby.

EISENHOWER

740.00119 Control (Germany)/6–645 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

PARIS, June 6, 1945—8 p. m.
[Received June 7—6 : 39 a. m.]

3358. Referring to my telegram sent through War Dept channels last evening.[34] Gen Eisenhower (see FWD 23724 to AGWAR June 6) is informing the Joint Chiefs of Staff of the condition very firmly stated yesterday by Marshal Zhukov that Allied troops in occupied Germany be redistributed in their respective zones and that a governmental decision regarding the delimitation of those zones be made prior to organization of the Control Council. Marshal Zhukov left no doubt in our minds that the Russian position rested on the idea that these preliminary actions were necessary before any detailed consideration could be given to the operation of the Control Council.

In response to Gen Eisenhower's suggestion at the end of the ceremony of the signing of the Four Power Declaration yesterday in Berlin that it would now be appropriate for the four Deputies to get together for a detailed discussion of the time and place and certain phases of the operation [Zhukov said it would be out?] of the question for the business of the Council at this stage to be done by the Deputies as "this would be unsuccessful," and that the Council's operation would require the regular attendance of the four members of the Council. He seemed to ignore the existence of the Coordinating Committee and, as one of the officers present put it, "he did not seem to have read the book at all". Gen. Eisenhower emphasized that by the signing of the Four Power Declaration establishing the supreme authority in Germany, an Allied Military Govt had thus been constituted.

During the course of the conversation, Gen. Eisenhower requested Marshal Montgomery to state the British position. Montgomery explained that a certain period of time was required to make the necessary readjustments in the British zone. He thought that while this redistribution was progressing a detailed examination of a lot of questions could begin. This could be started by the Deputies. Zhukov replied that all principal questions must be decided by the Commanding Generals in collaboration with their political advisers. Montgomery pointed out that the political advisers would be present at all meetings of the Deputies. Marshal Zhukov said that now that the battle was over, redistribution should not take very long, and inquired how long, in Marshal Montgomery's opinion, it would take. Montgomery replied that off hand he would say about 3 weeks would

[34] Telegram FWD 23680, June 6, from the United States Political Adviser for Germany, p. 327.

be necessary. The mention of a specific time factor seemed to be very pleasing both to Zhukov and Vishinski. The latter had mentioned that it would not be possible for the Russian element of the Control Council to plan for military govt of an area still occupied by Allied troops, mentioning especially Thuringia. While Gen De Lattre de Tassigny and his staff also attended this first informal meeting of the four members of the Control Council which was held on the veranda of an officers building in the suburbs of Koepenick, Berlin, on the banks of the Spree River, the French Delegation made no suggestions during the discussions. The meeting terminated with agreement that the matter of redistribution of the troops is one which is for Govt decision and that each member present would refer the question to his Govt for action.

Some of our officers were discouraged with the results of the day's visit to Berlin because they felt that the Russians had organized it badly and that the latter gave no evidence of ability to work in a quadripartite control mechanism. As the Dept will note from Gen Eisenhower's telegram the recommendation is made that the Joint Chiefs-of-Staff give consideration in their planning to the possibility that the control of Germany may evolve into either a tripartite control by the western powers plus a separate Russian control in the eastern provinces, or a treatment based on four separate zones. These considerations, of course, would be of vital importance to economic and political planning. I feel that we witnessed yesterday a Soviet effort to bargain for the removal of our forces from the zone which has been approved by the governments as theirs. In that respect their position seems to be sound. For the Dept's secret information, I believe that Gen Eisenhower does not consider that the retention of our forces in the Russian zone is wise or that it will be productive of advantages. I believe that it is pretty obvious to all concerned that we really are desirous of removing our forces and that it is only a question of time when we will inevitably do so. The Russians on the other hand may well be content temporarily to consolidate their present position in the territory they hold. In the interim, no progress would under such a circumstance be made in the organization of the quadripartite control of Germany, to which we are committed. I do not believe there is ground here for new discouragement but on the contrary I find that definite progress has been made. I am convinced that Russians believe the Control Council necessary and that it is in their own interest to have it operate.

Gen Eisenhower has invited Marshal Zhukov to visit him at Frankfurt on Jun 10 and Zhukov has accepted. This will afford a further opportunity to go into more detailed discussions than yesterday's brief visit to Berlin offered and at same time we may be able to obtain from Vishinski and the Soviet staff some information and data re-

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garding Soviet control operations in the territory which they now occupy.

One additional point may be worthy of mention. In referring to Gen Eisenhower's suggestion for an immediate meeting of the Coordinating Committee of the Control Council which was made at the end of the signing ceremony yesterday Zhukov's interpreter referred to the Control Council as the "control party" Zhukov interrupted to correct the interpreter by describing it as the "control Soviet".

[MURPHY]

740.00119 Control (Germany)/6–745

Memorandum of Conversation, by the Chief of the Division of Central European Affairs (Riddleberger)

[WASHINGTON,] June 7, 1945.

Mr. Berard called today at my request to discuss the question of the French zone of occupation in Germany. This interview was pursuant to a request which Mr. Berard had made to me on June 1 [*May 31?*] [35] to take up once more at the War Department his suggestion that this Government would agree to hand over certain parts of its zone in Germany to France after our deployment was concluded. Mr. Berard requested this in view of Ambassador Bonnet's conversation with Mr. McCloy last week, at which time the Ambassador understood that this was a possible development.

In accordance with decisions reached at a meeting in Mr. McCloy's office on June 6, I informed Mr. Berard as follows:

The American Government does not exclude the possibility of turning over portions of its zone at a later date to the French Government. However, this would have to be accomplished at a time and under conditions which would be determined by the American authorities in the light of their requirements in administering the United States zone in Germany.[36]

Mr. Berard was of the opinion that this response did not go as far as what Mr. McCloy had told the Ambassador. I told Mr. Berard that the reply I had just given represented the agreed opinion of the competent American authorities and that I hoped he would convey it in that precise form to Paris. He promised he would do so.

Mr. Berard then described at some length the reasons why the French Government attach such importance to having the entire province of Baden, but brought forth nothing new.

JAMES W. RIDDLEBERGER

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[35] See memorandum of conversation by the Chief of the Division of Central European Affairs, May 31, p. 320.

[36] This statement to Mr. Berard was transmitted in full in Department's telegram 4561, June 7, 7 p. m., to London, and was repeated to Paris as 2602, neither printed.

Department of the Army Files : Telegram

Mr. Harry L. Hopkins, Special Assistant to President Truman, to the President [37]

FRANKFURT, 8 June 1945.

FWD 24075. The following is from Mr. Hopkins to the President:

"Have discussed Russian situation in Germany with Eisenhower [38] and have obtained his impressions of his conference with Zhukov at Berlin. I am convinced that present indeterminate status of date for withdrawal of Allied troops from area assigned to the Russians is certain to be misunderstood by Russia as well as at home.

It is manifest that Allied control machiney cannot be started until Allied troops have withdrawn from territory included in the Russian area of occupation. Any delay in the establishment of control machinery interferes seriously with the development of governmental administrative machinery for Germany and with the application of Allied policy in Germany. A delay of a week or two in starting the withdrawal would not be disastrous; however, this question should not remain in its present status until the 15th July meeting.

As a concurrent condition to our withdrawal we should specify a simultaneous movement of our troops to Berlin under an agreement between the respective commanders which would provide us either unrestricted access to our Berlin area from Bremen and [*or?*] Frankfurt by air, rail, and highway on agreed routes.

I am not sure of British reaction to such a proposal. However, I am sure that every effort will be made there to obtain British agreement to a cable to Stalin that you are prepared to start the withdrawal of American troops by 21 June subject to the respective military commanders working out an agreement with respect to the phasing of such withdrawal, the movement of our troops into Berlin, and the guarantee of routes of communication to our Berlin area. It is anticipated that United Kingdom will take parallel action.

If you believe that the settlement of the Austrian question should be a prerequisite to withdrawal from the Russian area in Germany, I suggest that your cable advise Stalin accordingly to include the specific conditions to be settled. However, if this question is to be included as one of the requirements for our withdrawal I strongly urge that you advise Stalin that final authority to settle zone questions in Austria has been delegated to our military commander to work out with his military commander and that this question be withdrawn from European Advisory Commission discussion.

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[37] Transmitted from Supreme Headquarters, Allied Expeditionary Forces, Forward Headquarters, Frankfurt, Germany, to the War Department for the White House. Recorded as War Department message number CM–IN–7709.

[38] See also Hopkins' personal notes regarding his visit with General Eisenhower at Frankfurt on June 7, Robert E. Sherwood, *Roosevelt and Hopkins: An Intimate History* (New York, Harper & Brothers, 1948), pp. 913–914.

As matters now stand in Germany, Eisenhower is in embarrassing position of not being able to discuss a specific date for withdrawal with the Russians. Moreover, the Russians have not been advised as to any specific requirements which we may have in view as a condition to such withdrawal.

I consider the decision as to the date we begin withdrawal into our own zone in Germany or at least specify in detail to the Russians the conditions which they must fulfill before such date can be established of major import to our future relations with Russia. Delays now may make withdrawal at a later date appear to have resulted from Russian pressure. I urge that prompt action be taken to dispose of this issue.

I am prepared to remain in Paris if this question will be decided in the next several days. I would appreciate very much being advised of your wishes to know if I may have the opportunity to discuss it further with Eisenhower prior to reporting to you on my return."

740.00119 EAC/6–1345

Notes by the Secretary General of the European Advisory Commission (Donaldson) of the Nineteenth Meeting of the Allied Consultation Committee of the European Advisory Commission, Held at Lancaster House, London, June 8, 1945, 11:30 a. m.[39]

E.A.C. (A.C.C.)45 19th Meeting

PRESENT:

Mr. G. F. Saksin (in the Chair)

Viscount Hood — Count de Leusse

Brigadier-General V. Meyer

Mr. E. A. Lightner, Jnr.

The following representatives of Allied Governments were also present:—

Belgium	Monsieur Kaekenbeeck [40]
	Baron Beyens
Luxembourg	His Excellency Monsieur André Clasen [41]
Netherlands	Dr. W. Huender

Secretariat:

Mr. E. P. Donaldson

Mr. E. A. Paton-Smith

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[39] Transmitted by the Ambassador in the United Kingdom in his despatch 23644, June 13, 1945; received June 16.

[40] Georges Kaekenbeeck, Legal Adviser to the Belgian Foreign Office in London.

[41] Luxembourg Minister in London.

QUESTIONS RAISED BY THE REPRESENTATIVES OF BELGIUM, LUXEMBOURG AND NETHERLANDS GOVERNMENTS IN MEMORANDUM P12C/10/45 [42]

The Chairman said that before replying to the specific questions raised in the memorandum he wished to make the following general remarks:

These questions were drawn up in February last before the issue of the communiqué on the decisions of the Crimea Conference [43] and before the defeat of Germany had been formally proclaimed in the Declaration signed at Berlin on 5th June. The representatives of the three Governments had not then seen the full text of that Declaration (of which copies were handed to them on 25th May) nor the Statements by the four Powers on Zones of Occupation in Germany and on Control Machinery in Germany (of which they had been informed on 2nd June). All these documents, as well as the statement on consultation with the Governments of other United Nations, had since been publicly issued by the Four Great Powers, on 5th June. Broadly speaking, these four documents provided replies to the six questions contained in the memorandum but the Committee had been authorised to return specific replies to those questions as follows:—

I (Meaning of the phrase "in the interests of the United Nations" used in the preamble to the Declaration of 5th June, 1945)

The European Advisory Commission understands that it is the intention of the four Governments that the Declaration regarding the Defeat of Germany shall operate for the benefit and in the interests of all the United Nations which are in a state of war with Germany.

II and III (Personal responsibility of German signatories of the Instrument of Surrender for acts of terrorism committed in occupied territory)

As there are no German signatories of the Declaration of 5th June, these questions do not arise.

IV (Repatriation of Displaced Persons, nationals of the other United Nations)

Provision for this is made in Article 6 of the Declaration of 5th June, and from paragraph 3 of the Statement on Control Machinery

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[42] Not printed; for a summary of the issues raised by the Belgian, Luxembourg, and Netherlands Governments in their memorandum, see the Report of the Allied Consultation Committee, P12/60/45, paragraphs 21–28, pp. 191, 195–197.

[43] For the text of the communiqué issued at the end of the Crimea Conference (issued to the press on February 12, 1945), see *Conferences at Malta and Yalta*, p. 968.

in Germany it would be seen that a Division of the Control Staff would be set up to deal with Prisoners of War and Displaced Persons.

V (Association of other Allied Governments with the Machinery of Control and Military Occupation)

Provision for this has been made, as will be seen from paragraph 5 of the Statement on Machinery of Control in Germany and from the last sentence of paragraph 1 of the Statement on Zones of Occupation relative to the inclusion of auxiliary contingents among the Allied forces of occupation.

VI (Revival of German Pre-War Treaty Obligations)

The Commission are unable to answer this question in the absence of a list of the treaty instruments which the three Governments represented here have in mind.

In the discussion which followed the questions summarised below were asked (unless otherwise stated) by Monsieur Kaekenbeeck and the replies were given by Mr. Saksin.

Q. Could the Committee expand its answer to Question I by saying whether there is any essential difference in the consequences arising from the use of the phrase "in the interests of the United Nations" instead of the phrase "on behalf of the United Nations"? We understood that the former wording was adopted since the circumstances did not permit of prior consultation with, and securing the assent of, the Governments of all the United Nations.

A. The Committee is not empowered to add to its answer in interpreting the meaning of the phrase in question; but it will report to the Commission the desire of the representatives of the three Governments for a more precise definition of the meaning.

Q. (Lord Hood) Could Monsieur Kaekenbeeck indicate whether the consequences to which he referred are the immediate practical consequences of the issue of the Declaration or the legal consequences ultimately entailed by the unconditional surrender of Germany?

A. (Monsieur Kaekenbeeck) If the Declaration imposes obligations on Germany on *behalf of* all the United Nations in whose interests the Four Powers have issued it, the legal consequences of such an order to the German authorities and people would be the creation of direct rights in favour of each of the United Nations as against Germany, and those rights could be enforced against Germany, after the supreme authority in Germany ceases to be exercised by the Controlling Powers, by each of the United Nations severally, in so far as their interests are respectively concerned.

Q. (Lord Hood) Does Monsieur Kaeckenbeeck suggest that every act of the Control Council must have the concurrence of all the United Nations in whose interest the Declaration has been issued?

A. (Monsieur Kaekenbeeck) No, that is not suggested. It is the ultimate legal consequences of the Declaration which are in question.

Mr. Saksin said that the replies given by the Belgian representative had clarified the position and would assist the Committee in making their report to the Commission.

Q. Referring to paragraph 5 of the Statement on Control Machinery in Germany, would the three Governments represented at this meeting be regarded as "United Nations Governments chiefly interested" for the purpose of liaison with the Control Council?

A. Countries like Belgium, Luxembourg and the Netherlands who have suffered the worst consequences of Nazi aggression and have taken an active part in military operations against Germany are undoubtedly included in this description.

Q. Referring to Article 2(*d*) of the Declaration (which covers the *de facto* evacuation of occupied territory), what steps are contemplated to restore the *de jure status quo?*

A. The Commission has considered this question, but the Committee is not empowered to give an authoritative reply. It will report this question and seek instructions.

Q. (Lord Hood) No purported "annexation" by the enemy of Allied territory has ever been recognised by the Four Great Powers. Would it not be for the Government concerned to make its position clear to its own people by proclaiming the nullity of any such unilateral "annexation" and asserting that its *de jure* sovereignty has never ceased?

A. (Monsieur Kaekenbeeck) The Governments concerned would wish to be assured that the Four Powers share their view that there is no question of the rules of State succession in International Law applying to such territories, i.e. that the "annexation", being based on brute force applied by the occupying Power, would not have burdened the territories with any encumbrances which may have been incurred during the occupation.

The Chairman said that the Committee would report accordingly to the Commission. Count De Leusse added that the French Government were in the same position as the Belgian Government in this matter and, after having ventilated it in the Commission, were quite satisfied that the issue of Article 2(*d*) of the Declaration was all that was necessary to be done on the part of the Four Powers collectively.

Q. As regards the list of treaties suggested for revival (Question No. VI) could not Germany be obliged to comply provisionally with all pre-war treaty obligations until the countries concerned notified the Control Council that they wished any of them to cease to have effect? Some of the interested Governments had been separated from their archives since 1940 and could not readily compile the suggested list of Treaty instruments.

A. The Committee cannot add to its reply, but would explain that it had no intention of seeking to exercise any judgment in the selection of treaties for revival but merely to inform itself as to the scope of the problem so as to advise the Commission how best to answer the question put by the representatives present.

After an exchange of compliments, the representatives of the three Governments withdrew.

LONDON, 11 June, 1945.

740.00119 EAC/6-945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 9, 1945—8 p. m.
[Received June 9—3 : 26 p. m.]

5862. Comea 282. At June 7 EAC meeting acting UK Rep Hood asked Soviet Rep if he could comment on publication in Moscow press of exact description of Soviet zone in Germany and map illustrating same.[44] Hood recalled past understanding that EAC deliberations and documents are secret and that nothing can be made public concerning them without discussion and agreement between member Govts. Gousev disclaimed info concerning this publication. It is matter for regret that Soviet Govt made unilateral announcement of Soviet zone. Manner of publication prevented public from realizing that this was only part of an agreement made by the three Govts at an earlier date and that division of zones was based on relative population and productive value rather than on extent of area alone. Soviet announcement may be due to Russian feeling that the Brit were not keen to see an immediate withdrawal into the zones of occupation assigned in zones agreement.

When Gousev has raised question concerning US attitude toward execution of agreement of zones of occupation in Germany, I have consistently left no doubt in his mind that US Govt intends carry out its agreement.

WINANT

[For correspondence between President Truman and Prime Minister Churchill and Marshal Stalin between June 9 and June 18 regarding the redeployment of American, British, and Soviet troops to their respective zones of occupation in Austria and Germany, see pages 132–137 *passim*.]

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[44] The text of this description is printed in *The Bulletin of International News* (The Royal Institute of International Affairs), vol. XXII, No. 13, June 23, 1945, p. 579.

740.00119 Control (Germany)/6–1445 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

PARIS, June 14, 1945—11 a. m.
[Received 2 : 28 p. m.]

3543. For Matthews. Dept will recall that Gen Eisenhower informed Joint Chiefs of Staff that from a mil point of view there were no grounds for our retaining the Kreis Lindau in connection with zone of occupation to be given French and that our military requirements would be met by arrangements under which French would afford us such transit and communication facilities as we may need. It has always been my view which I have stated informally in discussions here that for reasons of a general political as well as cultural nature we should have direct access to Switz thru Lindau over Lake of Constance and this point is brought out in an emphatic cable from Allen Dulles of OSS which has doubtless been repeated to Wash.[45] Gen Eisenhower's advisers feel and I believe properly that he cannot reverse his earlier opinion that retention of Lindau is unnecessary on mil grounds. I consider however that for reasons above stated we should review matter from standpoint of our retaining Lindau and offering French transit and communications facilities they may require. Since French have increased their original demands and have recently been difficult in negotiations re their zone, amendment of our original offer would seem justified and might place us in a better bargaining position. Apart from this is fact that our zone will be virtually enclosed in heart of Europe and I believe it would be a mistake voluntarily to submit to making our communications with Switz dependent upon an intermediary arrangement.

[MURPHY]

740.00119 Control (Germany)/6–1545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, June 15, 1945—6 p. m.
[Received June 15—5 : 45 p. m.]

3595. Mytel 3572, June 15.[46] In view of the fact that Bidault told me last night that instructions had been sent to Massigli agreeing to our suggestions for the French occupation zone the change suggested

[45] See memorandum from the Acting Director of the Office of Strategic Services to the Secretary of State, June 4, p. 324.

[46] Not printed; in it Ambassador Caffery reported that Foreign Minister Bidault had told him on the night of June 14 that the necessary instructions had been sent to Ambassador Massigli agreeing to the U.S. suggestions for the French occupation zone (740.00119 Control (Germany)/6–1545).

in Murphy's 3543, June 14 would have the most lamentable effect on the French at this juncture.[47]

Copy given to Murphy.

CAFFERY

740.00119 EAC/6–1645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 16, 1945—4 p. m.
[Received June 16—2 : 44 p. m.]

6102. Comea 288. Mytel 5622 to Dept; [48] repeated to Paris as mytel 337. Today Massigli handed me memorandum containing French reply to my verbal communication June 4 re French zone in Germany. Summary of memorandum follows:

(1) Regretting failure to reach agreement on basis its previous proposal for French zone and anxious not delay establishment of Allied Control French Govt presents following compromise proposal.

(2) "The boundaries which would thus be set for the French zone representing [in?] eyes of French Govt a provisional solution which should be revised at later date. Draft agreement to be presented by EAC for approval of four Govts should contain clause permitting revision of this agreement in so far as boundaries of French zone are concerned."

(3) Following districts to be transferred from British zone as defined in agreement Nov 14, 1944: Saar Palatinate Hesse west of Rhine Trier and Koblenz Bezirke including that part of Koblenz east of Rhine.

(4) Following would be taken from US zone: (*a*) Kreise of Oberwesterwald, Niederwesterwald, Unterlahn and Sankt Goarshausen; (*b*) Bezirke of Konstanz and Freiburg and Alhoskarlsruhe [*all of Karlsruhe?*] Bezirke south of Bruchsal-Mühlacker railway, leaving railway in US zone, (*c*) Kreis of Friedrichshafen in Württemberg (French Govt does not seek to occupy remaining districts in South Württemberg as offered by US but will accept them if US Govt insists); (*d*) Kreis of Lindau in Bavaria.

(5) Deployment of French forces to take place as soon as possible and simultaneously on both banks of Rhine. *End of summary.*

Having in mind Dept's 4561 June 7 [49] I at once stated personal view re paragraph 2 above that I saw no need to include in agreement provision for later revision of French zone and that we should not try

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[47] The Department replied in telegram 2782, June 16, 3 p. m., as follows: "The Department completely agrees with you." (740.00119 Control (Germany)/6–1545)

[48] Not printed; it reported that the French Representative to E.A.C. had been fully and emphatically informed on the U.S. viewpoint on French zone of occupation in Germany, in accordance with Department's telegram 4385, June 2, to London (740.00119 EAC/6–445).

[49] See footnote 36, p. 332.

now to foresee exact conditions of occupation and detailed requirements of occupying forces as they may be a year from now.

Re French request for greater part of Karlsruhe Bezirk I pointed out that Stuttgart–Bruchsal railway crosses Kreise of Pforzheim, Karlsruhe and Bruchsal and that there were strong administrative disadvantages in dividing up the small Kreis administrative units.

Sent Dept as 6102; repeated Paris as 372 (secret for Caffery and Murphy).

WINANT

740.00119 EAC/6–1945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 19, 1945—5 p. m.
[Received June 19—12 : 25 p. m.]

6193. Comea 290. Mytel 6102, June 16; repeated Paris 372. I have been considering French memo re zone in Germany. I agree with Caffery that French are now eager to complete agreement (Paris 3664, June 18 to Dept; repeated London 437).[49a] I believe French will yield demand re Karlsruhe Bezirk provided we give some recognition of willingness later to review assignment of area for French occupation.

It would I believe be undesirable include in zones agreement provision for revision as proposed in para 2 Massigli's memo June 16.[50] French anxiety to have written recognition US willingness later to review the zones could be allayed by stating in letter policy set forth in Deptel 4561, June 7 (repeated Paris 2602).[51] I suggest for consideration by Dept following draft letter which might be addressed by me to Massigli on signature of revised zones agreement:

"In signing today on behalf of my Govt, the revised draft agreement on zones of occupation in Germany and the administration of Greater Berlin, recommended to the four Govts by the EAC, I wish to inform you, on instruction of my Govt, that my Govt will be prepared, at a later stage in the Allied occupation of Germany, to review with the Provisional Govt of the French Republic the assignment of areas of occupation between the French and US zones, in the light of the then prevailing conditions of occupation and the requirements of the respective forces of occupation. I am sending copies of this letter to Soviet and UK representatives."

I believe unwise press French to occupy southern Württemberg. Great obstacles would confront population of Württemberg in recon-

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[49a] Not printed.
[50] See telegram 6102, June 16, 4 p. m., from London, *supra*.
[51] Not printed, but see footnote 36, p. 332.

structing regional political life if this compact territory, with its formerly strong liberal traditions, is arbitrarily divided between US and French zones of occupation. Territorial division of Württemberg between zones runs counter to policy of promoting political decentralization and development of local political responsibility as set forth in memo of Mar 23 [52] and revised JCS 1067.[53] In telephone conversation today Murphy concurred strongly this view.

Sent Dept as 6193; repeated Paris 380, for Caffery and Murphy.

WINANT

740.00119 EAC/6–2045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 20, 1945—6 p. m.
[Received June 20—2:16 p. m.]

6237. Comea 294. For Caffery and Murphy.[54] Mytel 6193, June 19; reptd Paris 380. De Leusse of French Delegation EAC today stated following view of General de Lattre regarding Karlsruhe. Inclusion of Karlsruhe in French zone important to French because administrative centers and archives for Baden are located there.

De Leusse proposed French give us transportation facilities in Karlsruhe. Alternatively US forces occupying Karlsruhe could give French full facilities for use of administrative center and archives.

Sent Dept as 6237; reptd Paris 382.

WINANT

740.00119 Control (Germany)/6–2145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State [55]

HOECHST, June 21, 1945—8 a.m.
[Received June 21—6:30 a. m.]

22. From London Embassy's tel Comea 288,[55a] repeated to me, it appears that the French in ostensibly accepting our proposal regarding their zone in Germany have in fact requested the additional area

[52] For text of the memorandum regarding American policy for the treatment of Germany, dated March 23, see p. 471.

[53] For text of the directive to Commander in Chief of U.S. (U.K.) (U.S.S.R.) forces of occupation regarding the military government of Germany in the period immediately following the cessation of organized resistance (post-defeat), dated January 6, see p. 378.

[54] Telegram 6237 was repeated to Paris for Caffery and Murphy as telegram 382.

[55] In the early part of June 1945, the Mission of the United States Political Adviser for Germany was moved to Hoechst, a suburb of Frankfurt in Germany, the new location of SHAEF Main. Starting on June 18, all telegraphic messages from the Mission emanated from Hoechst.

[55a] Telegram 6102, June 16, p. 340.

of Karlsruhe south of the railway Bruchsal Mühlacker. I interpret the comments made by Ambassador Caffery in his 3595, June 15, 6 p. m. to the Dept as being based on the assumption that the French had wholeheartedly accepted our proposal. In view of continued French bargaining in this question, I reiterate the recommendation I expressed in my 3543, June 14, 11 a. m. that we retain the Kreis Lindau to permit us direct access to Switzerland.

The additional reason suggests itself that with a view to encouraging local sentiment and confirming established administrative practice, we should retain in our zone as much of the Laender in their historical identity as is practicable. This is a point which does not seem to have been taken into account in the formulation of our offer to the French which was approved here, purely from the standpoint of military requirements. I infer from Ambassador Winant's message that apart from Kreis Friedrichshafen the French do not seek to occupy the remaining districts in South Württemberg and I am of the opinion that our interest in keeping to the traditional local state forms requires at least that we do not insist upon the French accepting the additional districts in South Württemberg.

Copy to Paris, repeated to London as No. 2.

MURPHY

740.00119 EAC/6–2145 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, June 21, 1945—2 p. m.

4980. 1. Your Comea 288 [56] has been considered. The contents of paragraph 2 of the summary of French memo should not be included in the agreement. Proposed letter to Massigli contained in Comea 290 [57] is approved.

2. As to paragraph 4 of memo, the inclusion in the French zone of the following is satisfactory:

a. Kreise of Oberwesterwald, Niederwesterwald (if the Kreis of Niederwesterwald is the same as the Kreis of Unterwesterwald) Unlerlahn and Sankt Goarshausen.
b. Bezirke of Freiburg and Konstanz.
c. Kreis of Friedrichshafen
d. Kreis of Lindau

While JCS previously approved as a last resort to settlement the ceding of the Bezirk of Karlsruhe to the French, subsequent conversations here with US officers from SHAEF indicate strongly that out of the Bezirk of Karlsruhe only the Kreise of Bühl, Baden Baden and

[56] Telegram 6102, June 16, 4 p. m., from London, p. 340.
[57] Telegram 6193, June 19, 5 p. m., from London, p. 341.

Rastatt previously offered should now be offered to the French. You should limit the US offer accordingly. You should note for your own information that the description contained in your Comea 288 of "Karlsruhe Bezirk south of Bruchsal-Mühlacker railway, leaving railway in US zone", is not a description which could be acted upon accurately in any event, for it does not appear how the line between Bruchsal and Mühlacker would be dealt with beyond Bruchsal. The reference to appropriate maps will show you the difficulty that would be experienced if it were necessary to determine what the French desires are in this respect.

3. As to part of the Province of Württemberg, it is the desire of this Govt that the French include in their zone Sigmaringen and that part of Württemberg south of the Autobahn and railway connecting Karlsruhe–Stuttgart–Ulm as defined by the following Kreis boundaries: Leonberg, Böblingen, Nürtigen, Göppingen, Ulm and that portion of Münsingen northeast of Autobahn, inclusive to the US. However, if the French strongly resist the inclusion of Sigmaringen and the above described Southern part of Württemberg in their zone that territory may remain in the US zone, except of course the Kreis of Friedrichshafen.

Please repeat to Paris for Caffery and Murphy.

GREW

740.00119 EAC/6–2545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 25, 1945—8 p. m.
[Received June 25—3 : 43 p. m.]

6399. Comea 299. Today De Leusse informed Mosely French Govt accepts US zone proposal set forth in Depts 4980 June 21 rptd to Paris as mytel 390, June 22, with inclusion of Sigmaringen, southern Württemberg and Lindau, on three conditions.

(1) Transmission of letter re later review of French zone (mytel 6193, June 19; rptd Paris 380) text of which is approved by French Govt.

(2) Re French access to administrative archives in Karlsruhe (mytel 6237, June 20; rptd Paris 382) French Govt request second letter. I believe following draft would meet French wishes. "In connection with the need of the French Military Govt authorities in Baden to utilize the administrative records of the state of Baden, as set forth by you in the discussions of the area in Germany to be occupied by forces of the French Republic, I wish to inform you, on instruction of my Govt that the US military authorities in Germany will be prepared to make available to the French military authorities in Germany the records and archives located at Karlsruhe and relating to the area of French occupation in Baden."

(3) French Provisional Govt desires publication of the letter proposed in mytel 6193 and approved by Dept's 4980. Mosely pointed out to De Leusse that publication of basic EAC documents can be determined only by EAC on instruction of four Govts; therefore publication of text of supplementary letter could not be determined bilaterally between French and US Govt. De Leusse then suggested that French Govt or French and US Govts together make public statement that US Govt will be prepared at later stage in Allied occupation to review assignment of areas of occupation between French and US zones. De Leusse was informed that question of public statement would be referred to US Govt.

Text of agreement amending protocol on zones to include French zone now being prepared. Urgent reply re conditions 2 and 3 above will expedite early signature.

Sent Dept as 6399; rptd Paris as 399 for Caffery and Murphy.

WINANT

740.00119 EAC/6–2545 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, June 26, 1945—4 p. m.

5177. Urtel June 25. US Govt approves draft letter contained in Condition 2.

Re Condition 3, US Govt concurs in public statement by French and US Govt provided that such statement includes the substance of the letter proposed in your 6193 June 19 particularly that phrase "in the light of the then prevailing conditions of occupation and the requirements of the respective forces of occupation". Suggest that public statement be drafted jointly with French rep and submitted to us.

GREW

740.00119 Control (Germany)/6–2745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

HOECHST, June 27, 1945—8 p. m.
[Received June 27—6 : 30 p. m.]

62. 1. This morning I discussed with Mosely by telephone subject of need for guarantee for US right of passage through French zone, an essential requirement which has not been mentioned in recent communications regarding the French zone in general.

Military authorities here have reaffirmed high importance of this matter and have recalled in this connection General Eisenhower's

message of April 19 to General Marshall (reference FWD 19462 [57a]) in which SCAEF stressed that it would be necessary to have a clear agreement with the French, guaranteeing rights of passage through any part of the French zone lying contiguous to the west of the US zone. He added that this was essential not only prior to the transfer of US line of communication to Bremen but also thereafter, in order to carry to the French ports the great load of traffic to be redeployed southward.

2. I regret the insistence that the French accept southern Württemberg against their apparent desires since it involves the division and possible political obliteration of an important and historically liberal German federal unit.

It is noted that Ambassador Winant and Mr. Mosely have voiced objection to this solution which appears to us to be at variance with the directive to obtain the political decentralization of the Reich, the sound accomplishment of which would seem to depend on rebuilding and reviving the traditional federal units of Germany other than modern Prussia.

Sent Dept repeated to London as No. 10; copy to Paris.

MURPHY

740.00119 EAC/6–2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 28, 1945—3 p. m.
[Received June 28—2 : 12 p. m.]

6509. Comea 303. Urtel 5177, June 26; text transmitted mytel 6399, June 25; repeated Paris 399. French Delegation EAC has approved text draft letter re access to archives at Karlsruhe.

US and French delegations EAC have agreed following text public statement re future review French zone:

"In connection with the announcement of the respective Allied zones of occupation in Germany, the US Govt has informed the Provisional Govt French Republic that it will be prepared, at a later stage in the Allied occupation of Germany, to review with the Provisional Govt of the French Republic the assignment of areas of occupation between the French and US zones, in the light of the then prevailing conditions of occupation and the requirements of the respective forces of occupation."

French and UK delegations suggest including UK Govt in this statement. If Dept sees no objection to this procedure, I will modify agreed public statement accordingly. Presumably time of announcement will be when EAC agreement delimiting French zone has been approved by four Govts.

[57a] Not found in Department files.

Re Murphy's 62, June 27 to Dept (repeated 10 London) French Delegation has repeatedly offered freedom of passage through zone. I have given French Delegation following draft letter to be addressed by French Amb to me on date of signature of EAC agreement:

"In signing today, on behalf of my Govt, the draft agreement on zones of occupation in Germany and the administration of Greater Berlin, recommended to the four Govts by the EAC, I will so inform you, on instruction of my Govt, that the French military authorities in Germany will assure to the U.S. forces of occupation the right of free passage across and above the French zone of occupation. Detailed arrangements regarding the exercise of the right of free passage will be worked out by mutual agreement between the French Commander in Chief and the US Commander in Chief in Germany."

De Leusse hopes for Paris approval this draft tonight.

Text draft agreement re French zone being reviewed today French and UK Delegations. When the three Delegations are satisfied with text it will be handed, probably tomorrow, to Soviet Delegation. If Soviet Delegation has authority sign it without reference Moscow, signature may be July 2.

Sent Dept as 6509, June 28; repeated Paris 410 for Caffery and Murphy.

WINANT

740.00119 EAC/6-2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 28, 1945—8 p. m.
[Received June 28—5 p. m.]

6544. Comea 304. Mytel 6509, June 28; rptd Paris 410. Re my draft letter re US right free passage across and over French zone in Germany, French EAC Delegation reports French Govt has approved draft.

In US-UK-French discussions re French zone have considered various UK and French proposals for division Greater Berlin in four parts and concluded impossible determine division without full knowledge local conditions. Draft report transmitting draft agreement to four Govts contains following recommendation:

"In view of the physical conditions prevailing in the area of Greater Berlin, the Commission has not attempted to delineate an area in Greater Berlin to be occupied by forces of the French Republic. It recommends that the four Govts instruct their respective Commanders in Chief in Germany, acting jointly, to determine the area in Greater Berlin to be assigned to occupation by forces of the French Republic."

728-099—68——23

De Leusse states French Govt willing approve this recommendation in draft report but fears failure to define in agreement French area in Berlin may result in failure French forces enter Berlin with US, UK forces and in Soviet insisting French forces wait until French Berlin area is defined.

De Leusse states French Govt would like assurance US military authorities intend a French force should accompany other Allied forces on first entering Berlin. US Delegation replied it is without information regarding military matter operational character and would inform Govt re French anxiety on this score. There is no indication in EAC whether Russians would actually raise this question in absence of specific provision in French zone agreement for French area in Berlin.

Sent Dept 6544; repeated Paris 412, for Caffery and Murphy.

WINANT

740.00119 EW/7–245

The Italian Minister for Foreign Affairs (De Gasperi) to the American Ambassador in Italy (Kirk) [58]

[Translation]

[ROME, June 28, 1945.]

MR. AMBASSADOR: I have the honor of transmitting to you the enclosed memorandum which recapitulates our views concerning Italian participation in the terms of unconditional surrender of Germany.

I take the liberty to draw your particular attention to this question, which is for us of great importance both in consideration of the necessity to define juridically Italy's position as a power participating in the war against Germany, and in providing in some way safeguards for Italian interests and citizens in German territory.

It is superfluous to emphasize that after nearly two years of Italian military cooperation in the war against the Germans our requests have a foundation in equity which appears evident and are, on the other hand, intended to regulate a situation in law and in fact that could not be, without advantage for anyone but of great detriment to us, left in the present state.

I shall be very grateful to you if you will explain this question to your government with kind urgency, and I beg you to believe, Mr. Ambassador, the assurances of my highest consideration.

DE GASPERI

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[58] Transmitted to the Department in despatch 1838, July 2, 1945, from Rome; received July 12.

[Enclosure—Translation]

Memorandum by the Italian Minister for Foreign Affairs (De Gasperi) to the American Ambassador (Kirk)

[ROME, undated.]

With the letter of September 12, 1944 [59] of the Under Secretary of State, Marchese Visconti Venosta, addressed to the Ambassadors of the United States and Great Britain at Rome, the Italian Government advanced the question of Italian participation in the Armistice that was foreseen would be imposed on Germany.

Following upon the act of unconditional surrender by Germany signed May 7, 1945 [60] by the representatives of the High Command of the Allied Expeditionary Forces and the Soviet High Command on one hand, and the German High Command on the other, with letter of May 12, 1945 [61] the General Secretary of the Ministry of Foreign Affairs,[62] making references to the preceding letter of Marchese Visconti Venosta of September 12, 1944, took up again the question, informing that if the terms of military surrender would be followed by other terms defining the conditions of surrender and of Armistice, they should have been stipulated also in the name and in the interest of Italy, since she was a co-belligerent against Germany.

In *Notes Verbale* substantially identical, of dates May 26 and 29, 1945,[63] the American and British Embassies, referring to the request made in the letter of Marchese Visconti Venosta that Italy should be placed in a position to participate in the Armistice that had been imposed on Germany by the United Nations, communicated that such a request had been examined by the respective governments and that, consequently, the Italian Government was invited to submit its views in a non-official form, with regard to the agreements concerning the surrender of Germany, to the representatives in Rome of the United States, the United Kingdom, the Union of Soviet Socialist Republics, and of the French Government for examination and eventual submission to the European Advisory Commission. The two Notes added that it was understood naturally that the Allied Governments did not accept beforehand any obligation in matters concerning the possibility of putting the views of the Italian Government into effect.

The Royal Minister of Foreign Affairs, referring to the invitation that has been tendered him, advances the following:

[Here follows summary of the terms of unconditional surrender of Germany signed May 7 and confirmed May 8, the June 5 declara-

[59] *Foreign Relations*, 1944, vol. I, p. 64.
[60] See bracketed note, p. 280.
[61] Not printed.
[62] R. Prunas.
[63] Neither printed.

tion concerning the defeat of Germany and the assumption of supreme authority with respect to Germany on the part of the Governments of the United States, the Soviet Union, the United Kingdom, and France, and the June 5 Four-Power statements concerning the zones of occupation in Germany, the control machinery in Germany, and consultation with governments of other nations.]

2. The Italian Government, with a view to putting forth, following upon the invitation that has been tendered to it, its views concerning the Italian position with regard to the agreements relative to the surrender of Germany, feels that it has to assume necessarily, as a point of departure, the position of Germany as defined by the terms above mentioned.

The first point that, in the opinion of the Italian Government, requires to be considered derives from the fact that Italy has not directly participated in the act of unconditional surrender of Germany as was envisaged in the letter of Marchese Visconti Venosta of September 12, 1944. Other states also which found themselves in a state of war with Germany have not directly participated in the said act, but they are included among the United Nations in the name of which the Allied High Command accepted and signed the act of surrender of Germany. Italy, not being one of the United Nations, finds itself in a position which with respect to juridical consequences should be regularized.

In this regard the Italian Government, making reference to the declaration of June 5, 1945, according to which the Governments of the four occupying powers, in the absence of a central German government, have temporarily assumed the exercises of "supreme authority in Germany", expresses the desire that the said Governments will recognize in due form that the terms relative to unconditional surrender of Germany are valid also with regard to Italy, which is a co-belligerent power having actively participated in military operations against Germany. The demand for such recognition is justified not only by the necessity to define juridically the position of Italy as a power participating in the war against Germany, but also from the particular importance of Italian interests in Germany and of the importance of safeguarding them.

The position of Italy which would result from such recognition in respect to Germany, in its relations with the Governments of the four occupying powers should later on allow, in view of the Italian Government, the following consequences:

(*a*) The extension to Italian prisoners of war and internees in Germany of the conditions imposed on Germany insofar as they concern prisoners of war and citizens of the United Nations interned in the Reich;

(*b*) The extension in favor of Italian ships which on the date of June 5, 1945 found themselves under German orders or control, of the

arrangements adopted for the ships of the United Nations that on the date above indicated found themselves in the same conditions, except for further agreements with the Italian Government;

(*c*) The extension to Italian citizens, goods and interests in Germany for the period of Allied occupation the same protection and the same treatment under law and in fact reserved for the citizens, the goods and interests of the United Nations;

(*d*) The power of the Italian Government to nominate a mission accredited to the inter-Allied Council of Control in Germany as it is recognized to the "Other Governments of the United Nations Principally Interested" by paragraph 5 of the declaration of June 5, 1945, relative to the mechanism of control of Germany. The Italian mission accredited to the Control Council would have a special task of creating liaison between the Italian Government and the Control Council for questions relative to Italian interests in Germany (property interests of the State and of Italian citizens) and for the safeguarding of Italian citizens who find themselves in German territory.

(*e*) The taking into consideration also of the Italian Government in respect to the declaration by which the Governments of the four powers have announced their intention of consulting with other governments in matters concerning the exercising of supreme authority assumed by them in Germany.

The Italian Government, in making known its views concerning the position of Italy with respect to the present state of Germany, makes reservations for its demands for reparations from Germany, to be presented at the seat of the peace conference, to which she regards her participation necessary as a power that has taken part with the Allied Nations in the war against Germany.

The Royal Minister of Foreign Affairs begs the Ambassador of the United States of America to courteously bring the above to the attention of his Government and expresses the hope that the American Government, together with the Governments of the other powers occupying German territory, will take into solicitous and benevolent consideration the *desiderata* of the Italian Government in that spirit of friendly understanding which is necessary to bring about a peaceful European settlement.

740.00119 EAC/6–2945 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, June 29, 1945—5 p. m.

5294. Proposed public statement in Comea 303 [64] is approved.

Draft letter respecting freedom of passage is approved subject to

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[64] Telegram 6509, June 28, 3 p. m., from London, p. 346.

following modifications. For first sentence of letter substitute the following:

"In signing today, on behalf of my Govt, the draft agreement on zones of occupation in Germany and the administration of Greater Berlin, recommended to the four Govts by the EAC, I inform you on instruction of my Govt that French Govt assures to the US forces of occupation the right of free passage across and above French zone of occupation including exclusive rights to US constructed bridges over the Rhine and US constructed communication facilities built in Germany with the right of passage for the French over these US constructed facilities in or leading into the French zone."

Re Comea 304,[65] draft report is approved with inclusion of following phrase at the end:

"and the consequent adjustments in the zones of the other three forces."

War Dept now considering sympathetically question of French force to accompany other Allied forces when entering Berlin. Shall advise you as soon as possible on this point.

GREW

740.00119 EAC/6–2945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 29, 1945—9 p. m.
[Received June 29—5 : 10 p. m.]

6583. Comea 306. Today delineations of UK and French zones in Germany as stated in draft EAC agreement were approved UK and French delegations. Draft agreement and report presented EAC today.

Re provision in report transmitted mytel 6544, June 28 (repeated Paris 412) for four Commanders decide French area in Berlin, Soviet Rep stated in EAC this matter no concern Soviet Commander and that UK, US and French Commanders should agree to French area formed from US and UK areas; he added Soviet area defined in agreement Sept 12, 1944 and was satisfactory to Soviet Govt.

US Delegation pointed out that wording draft para left decision on French Berlin area to four Commanders, who would decide it on spot under instructions their Govts. UK Rep urged reconsideration all Berlin areas (1) in light French participation; (2) in view destruction in Berlin. No decision could be reached today.

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[65] Telegram 6544, June 28, 8 p. m., from London, p. 347.

Dept will recall informal UK and French proposals re redivision Berlin provided for Soviet giving up one district in order equalize loss of area by US, UK and Soviet forces.

Sent Dept 6583; rptd Paris 416—for Caffery and Murphy.

WINANT

740.00119 Control (Germany)/4–748

Notes of a Conference, by the Commanding General, First Airborne Army (Parks) [66]

NOTES OF CONFERENCE BETWEEN MARSHAL ZHUKOV AND SOVIET REPRESENTATIVES, GENERAL CLAY AND US REPRESENTATIVES, GENERAL WEEKS [67] AND BRITISH REPRESENTATIVES AT MARSHAL ZHUKOV'S HEADQUARTERS ON JUNE 29, 1945, BEGINNING AT 1430 HOURS

Marshal Zhukov opened the meeting by saying the principal problem to be settled was the taking over of the Zones of Berlin and occupation by Russian forces of Germany west of Berlin.[68] He stated that apparently it would be necessary to discuss some things pertaining to the Big Three Conference [69] as well. Marshal Zhukov suggested discussing the problems of the agenda by paragraphs. All agreed that this was a good plan.

Marshal Zhukov desired to discuss the number of troops British and US desired to bring into Berlin Zone and what Soviets want to

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[66] Transmitted to the Department by the United States Political Adviser for Germany in his letter of April 7, 1948, to the Assistant Secretary of State for Occupied Areas, Charles Saltzman. This letter reads in part as follows: ". . . I enclose a copy of the complete notes made by the American representative of the conference between Marshal Zhukov, General Clay and General Weeks in Berlin on June 29, 1945. This was the meeting at which a number of decisions were taken regarding the practical features of the quadripartite occupation of Berlin and the use of the corridor Berlin-Helmstedt by railroad and air. As you understand, this agreement was never formalized, each party having made his own notes. However, during the interval that has elapsed since June 29, 1945, the lines of the agreement have become established by daily usage and practice." In a memorandum of April 1, 1948, to Maj. Gen. Alfred M. Gruenther, then Director of the Joint Staff of the Joint Chiefs of Staff, General Parks transmitted a copy of these notes and identified them as his own (Department of the Army Files). This meeting was described in Lucius D. Clay, *Decision in Germany* (Garden City, New York, 1950), pp. 24–27. The events of this meeting are summarized in telegram 87, June 30, 8 p. m., from the United States Political Adviser for Germany in Hoechst, *Conference of Berlin (Potsdam)*, vol. I, p. 135.

[67] Lt. Gen. Sir Ronald Weeks, Deputy Military Governor and Chief of Staff, British Zone of Occupation in Germany.

[68] For additional documentation regarding the entry of Allied military forces into Berlin and the establishment of access routes to Berlin, see *Conference of Berlin (Potsdam)*, vol. I, pp. 85–155 *passim*, and Truman, *Year of Decisions*, pp. 306–307.

[69] Between July 17 and August 2, 1945, President Truman, Generalissimo Stalin, and Prime Minister Churchill (later Prime Minister Clement Attlee), with their advisers, met in conference at Berlin. For minutes and other records of the conference proceedings, see *Conference of Berlin (Potsdam)*, vol. II, pp. 31–606. For correspondence regarding the genesis and arrangements for the conference, see *ibid.*, vol. I, pp. 1–156.

keep there themselves. This problem is important because other points hinge on it—supplies, food, and movement of troops. US expect to bring approximately 30,000 troops. British somewhat less, perhaps 25,000, which would be the maximum, and almost all are administrative troops. Soviet forces will be about 25,000 within the zone of greater Berlin. The Marshal asked General Clay if the US expect to bring tanks. General Clay replied that one Armored Division with tanks will be part of the original force entering Berlin. Later it will be replaced with another type of division—an Airborne Infantry Division without tanks. British basis will be an Armored Division with a few tanks for a parade. Marshal Zhukov stated that Soviet troops consist mostly of Infantry, Service and QM [71] troops. General Clay stated the US plan was similar but at present only the Armored Division is available. Russians had no objections to the preliminary figures. Marshal Zhukov stated that if there were no further questions by British or Americans, discussion of paragraph 1 will be considered concluded. All agreed.

Second point Marshal Zhukov suggested was occupation of Berlin and Soviet occupation of western Germany. First the date and the order of movement of troops, and technical questions involved. General Clay said the planning date used by the US was 1 July, but it could be changed if desired by the Soviets. Marshal Zhukov requested British and US to express their points and then he would give his. The Marshal asked when the Americans can move out of German area west of Berlin. General Clay said withdrawal can begin on 1 July, moving in three phases taking nine days, which was an agreement discussed with Soviet Commanders on front lines so that Soviets can move in right behind. The Marshal desired to know if the question was that US couldn't move quicker, or that the Soviets couldn't follow. General Clay stated this was a tentative arrangement with Soviet Field Commanders. The Marshal stated they had no authority to make such a statement and that the entire area could be taken over in 24 hours. The Marshal added that Americans should not accept any statement from Field Commanders as final or authoritative; the occupation can be done with mobile forces in one day. The Soviets can move staff, billeting, and training troops right behind the American troops moving to the west. General Parks stated the Berlin District desired to retain Halle for staging of troops scheduled to go into Berlin. The Marshal asked what purpose necessitated retention of Halle since it was not large enough to stage the entire American Berlin occupation forces. General Parks stated that occupying troops had not been released from parent organizations and it is necessary to stage them at just one day's march from Berlin and SHAEF had

[71] Quartermaster.

obtained authority to use Halle for the staging area. Marshal Zhukov said it was agreeable to retain Halle for this purpose.

British stated they could evacuate Wismar (*sic*) pocket in one day, (Northern area), and the Southern pocket around Magdeburg in two days, unless it was desired by the Soviets to move them in step with the US forces alongside in which case it would take 6 days to conform. Soviets reminded British that the Southern sector of the area which they occupy requires a move of 85 kilometers in a straight line, 100 kilometers by road. British feel that important point is ability to deal with and make decisions with Soviet Field Commanders. Marshal Zhukov said it will be better to decide at the meeting and give an order. Marshal Zhukov indicated that local arrangements can be made to carry out the order, but the Field Commanders will not have the right to change the order. Agreed: One day for British withdrawal from its Northern sector, and two days for its Southern sector. General Clay mentioned six days for American sector. (This was changed later to four days, provided General Bradley [72] concurred.)

General Parks said that the break up of Berlin using nine days would be difficult, as it was necessary that the maximum number of troops be allowed in as quickly as possible. Marshal Zhukov asked if it would be possible for the Americans to clear out of Russian zone of Western Germany faster. General Clay said he thought it could be done in six days, but he would have to confirm with General Bradley. The Americans have a much greater distance to evacuate than the British. Marshal Zhukov said the quicker the move, the quicker the entry into Berlin. For instance, the QM and reconnaissance or billeting people can go into Berlin on perhaps 1 July, or 2, 3, 4, depending on time that troops are moving to west. For the British, if 1 July is starting day of movement to the west, recce [73] party could start on 1 July and main body on 4 July. Russians and British agreed, with Russians getting permission to send out recce parties into present British occupied territory for places to set up staffs, billeting, etc. The Soviets will furnish a list of the places they desire to reconnoiter and their recce parties will not have more than 100 men each, with a total of 1,000 or 1200 into the entire zone without tanks, artillery—just cars and motorcycles. In addition, the Soviets desired to inspect airdromes occupied by British in Northern zone. British stated that no airdromes are occupied by them in Russian zone to be, but that it was satisfactory for Soviets to make recce of the airdromes in the zone now occupied by British. It was decided that Soviets had complete agreement with British on the occupation of Berlin and German territory west of Berlin.

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[72] Gen. Omar Bradley, Commanding, General, U.S. Twelfth Army Group.
[73] Reconnaissance.

Marshal Zhukov stated the Soviets desired to do the same with the US forces up to the border. They had 12 scouting parties for ground reconnaissance and additional scouting parties for the airdromes. They will furnish a list of airdromes and spots they desire to reconnoiter. Airdromes are to be available for inspection on 2 July, a day after the ground spots. American can send Berlin recce parties on 1 July, and the main body can enter Berlin on day that movement is complete. General Parks indicated Berlin District desires to build up Berlin occupation force at Halle and use Halle-Dessau-Berlin autobahn to enter Berlin. 2nd Armored Division is now bivouacked near Halle and if it does not move into Berlin at the earliest possible moment, it will be in Soviet zone. Marshal Zhukov inquired why the troops must be in three groups instead of being in one place as a whole. It was explained that Halle is not large enough to hold such a force. General Clay then asked Marshal Zhukov why, if US forces release one-third of German-occupied area to Russians on first day, cannot US be permitted one-third of US occupation force into Berlin. Marshal Zhukov said this was impossible. General Clay then said he now had the impression that the Soviets would like to move into their area as soon as possible. If that was so, he would consult with American authorities and see if the move could not be done more quickly. Subject to confirmation tomorrow, we will set 4 July to be out of Russian zone and expect to move into Berlin District the last day we leave the Russian zone. General Parks stated he understood that troops will be allowed to bivouac as they are now settled until they are permitted to move to Berlin. This was agreed to by the Russians, although they desired the US forces to concentrate on the road to Berlin. General Parks states this could not be because it would disrupt the meager communications we now have. Soviets have allotted one road for Americans to use in entering Berlin. General Parks informed that it takes two days to move an Armored Division, so it was agreed they could start on 3 July and complete move by midnight 4–5 July, although during the moving time they will be in Russian Zone. This was agreeable to Marshal Zhukov. It was also agreed that billeting parties could start on 1 July, with main body closing in Berlin on day that evacuation of Russian zone is completed.

During the movement of British-American troops to the west, with the Soviet forces following, 1 to 2 kilometers will separate the Infantry troops and there will be 3 to 5 kilometers between Soviet armored vehicles and the tail of the British-American forces. This was agreed by all 3 Powers represented. British stated they have several guard posts and desired Russians to take over the strongpoints by advance Soviet parties. Marshal Zhukov stated there will be such a short

time lapse between rear echelons and the forward Soviet elements that the take over of strong points will be simple. British suggested meeting of Soviet and British Field Commanders to decide on strong points to be taken over, which was agreed by Marshal Zhukov. Lt Gen Barker,[74] a Corps Commander, will meet with Marshal Zhukov's Deputy [75] at Kiel, and another Corps Commander will meet Marshal Zhukov's Chief of Staff [76] near Magdeburg. General Clay requested a Soviet Liaison Officer come to Wiesbaden, Headquarters of General Bradley, to discuss security strong points in the American occupied zone. Col General Chuikov [77] will fly to Wiesbaden tomorrow to call on General Bradley. Will bring an aide, an interpreter, and perhaps his Chief of Operations. Will leave Dresden at 1200 Moscow time. General Clay will have auto transport arranged to meet General Chuikov at the airfield.

Marshal Zhukov raised the question of Soviet citizens—former prisoners—displaced persons, and German nationals. Marshal Zhukov requested that camps be kept intact so that Russian military authorities can take them over. Russians do not want to take over any captured Germans nor any wounded or sick prisoners. Russians suggest that Americans take over and remove displaced persons, but not Russians. General Clay said the Americans will allow those who desire not to go, to remain, but will take no Russian citizens except by mistake which will be corrected later. Marshal Zhukov said displaced persons should be turned over to their respective Governments to which General Clay replied that this would have to be referred to the Governments. British have few displaced persons, but they have 70,000 military prisoners. Russians insist that British march them, 50 kilometers a day if necessary, to get them out of Russian sphere. It would be permissible to keep British guards with prisoners which will enable an orderly movement to the west. Russians asked for length of time required, but British were unable to make definite commitment. British stated, however, they will notify time of movement, will provide the food and will move the German prisoners as soon as they can. Regarding Russian citizens, Marshal Zhukov desired 3 day's food in British area and 5 day's in American area after evacuation. This food was only for those Russians who were in camps, as those now feeding by other means would continue to do as they have been. General Clay said the food situation in American zone was critical and he was unable to make such a commitment as

[74] British Lt. Gen. E. H. Barker, Commanding General, 8th British Corps.
[75] Soviet Gen. Vasily D. Sokolovsky, First Deputy of the Supreme Chief of the Soviet Military Administration in Germany (Zhukov).
[76] Soviet Col. Gen. V. V. Kurasov, Chief of Staff of the Soviet Military Administration in Germany.
[77] Soviet Col. Gen. Vasily I. Chuikov, Chief of the Soviet Military Administration in Thuringia.

requested. It was finally agreed that Americans would be responsible for food up to 4 July, when they leave 1st zone, up to 5 July, when they leave 2nd zone, and up to 7 July, when they clear last zone. British said they would feed Russian citizens through the time they occupied the Russian area and will let as much food as possible but cannot guarantee three days additional. Will consult status of food situation and let Marshal Zhukov know tomorrow. Marshal Zhukov asked that German prisoners not be released in Russian zone, to which the British agreed. General Clay, in agreeing not to dismiss prisoners, stated that it must be left for Governmental decision in the near future inasmuch as zone prisoners had already been released. Marshal Zhukov stated apparently the Control Council will discuss that problem next time it meets.

Next paragraph dealt with roads and railroads and order of movement. Marshal Zhukov stated he received requests for railroads from Berlin to Hamburg and Bremen, Berlin–Stendal–Hannover, Berlin–Brandenburg–Magdeburg–Hannover, and a 2½ kilometer rail line within the Russian zone; that he had requests for two highways, one from Berlin through Dessau, Halle, Erfurt, Eisenach, Kassel to Frankfurt, and the other from Berlin–Magdeburg–Braunschweig; and requests for air lanes from Berlin to Bremen as well as Berlin to Frankfurt. It was apparent that all roads and lanes cut across Russian Zone of Occupation and due to the necessity of protecting these roads and lanes an extremely difficult administrative problem arises. Marshal Zhukov stated that one railway and one highway should be enough to feed and supply a small garrison of 50,000 troops, the overall combined figure of British and American occupying forces. He cannot agree to two air lines and suggests as substitute a route from Berlin through Magdeburg and Goslar. That would be 50 kilometers longer, which isn't too much flying. General Clay defended requests for several roads and two air lines.[78] American sole port is Bremen in Northwest Germany, our occupation area is in Southwest Germany, and Berlin is the administrative occupation zone. It is necessary to have freedom of access and rights on roads and lanes. Americans have not asked for exclusive use of the roads and lanes, but must have rights to use them as we need. Marshal Zhukov stated he is not turning down the right but the Soviet authorities are not expected to give any corridor. If Americans do not like route through Magdeburg it can be changed but Marshal Zhukov chose Magdeburg route because it was a central lane, reasonable to both British and American forces. The railway and highway both go through Magdeburg and the cen-

[78] For excerpts from military correspondence between June 25 and June 28 regarding the question of freedom of access to Berlin, see Truman, *Year of Decisions*, pp. 306–307.

tral route would be most economical. General Clay asked only for right to move without restriction under whatever Russian regulations are set down. Marshal Zhukov asked if French will have any additional requirements to which General Clay replied that he didn't think so, but British and Americans cannot speak for them. It was agreed to accept Magdeburg-Berlin railway, the gauge of which has not been changed and will not be changed without prior notice to British and Americans. Regarding Magdeburg bridge, it was agreed that it will be rebuilt with American material and Russian engineers. The British agreed not to make further demands for the Hamburg–Berlin railway. It was agreed to accept the autobahn Hannover–Magdeburg–Brandenburg–Berlin road for use by both British and American forces. Marshal Zhukov asked that US forces release request for other roads. General Clay accepted the one road with right reserved to reopen question at the Control Council in the event the one road is not satisfactory. Marshal Zhukov stated that possibly all points discussed at this conference may be changed.

General Parks stated that movement of American occupying troops from Halle into Berlin will require at least two weeks. Marshal Zhukov said it was impossible for them to be delayed more than 4 days as the Soviets will be requiring the road for their own troop movement and supply. General Parks urged strongly to General Clay not to release the road from Halle to Berlin, but General Clay said he couldn't hold up negotiations for one short road. General Clay then stated that if the Halle–Berlin road were released, it would be necessary to have a staging area in Magdeburg which Marshal Zhukov said would not be objectionable. General Parks brought up question of Signal Communications stating that long lines—formerly German cables—have been put in shape and now are operating all the way from Frankfurt to Leipzig. They will be the main communication link to Frankfurt for the conference and must be serviced by American troops. Marshal Zhukov stated this question would be settled in discussion of next paragraph. General Clay asked for unlimited access to roads and Marshal Zhukov stated he did not understand just what the British and Americans desired. It will be necessary for vehicles to be governed by Russian road signs, military police, document checking, but no inspection of cargo—the Soviets are not interested in what is being hauled, how much, or how many trucks are moving. This was agreeable to all 3 Powers represented. The exchange of forces for occupation of Berlin and German territory west of Berlin will not have passes due to the imminence of the move. There were no objections to all points and agreement established.

Signal communications were the basis of next paragraph for discussion. Marshal Zhukov stated there is a big cable between Berlin and Leipzig which joins with Frankfurt. This cable is underground

and not subject to damage or breakage like an overhead line. It will have Russian repair and Russian guard. Where the cable is in the American territory, it should be brought up to high standard by the Americans and maintained. Any part which later comes under Russian control will be maintained by the Russians after they have taken over. Whenever American or British authorities desire to inspect lines they are welcome to do so at any time and can come in with Soviet pass. Vehicles can be sent into Russian zone at any time with Soviet pass to inspect, repair, and supply teams within the Russian zone. This cable should be big enough to handle both British and American requirements. The British made reservation to request another line from Hannover through Magdeburg to Berlin, which they have constructed thus far to Magdeburg. This is an overland line and would be completed with Russian permission to do so. This cable will be discussed again soon, possibly in Berlin with Control Council. There was discussion as to the possibility of an underground cable from Berlin to Hannover but neither the Soviets nor the British knew if it was there.

The plan of radio communications for conference is completed. US forces desire radio relay points between Berlin District and Frankfurt as we can get better transmission and speech circuits. This question will be discussed by technical experts of Signal Divisions of each nation concerned. British and Americans asked that decisions be left with specialists which was agreed by all parties. Radio telephone for Washington to be used during conference has been agreed upon.

The next point for discussion was air ways and rights. Russians stated they gave best airdrome to US and British for conference. Gatow has been designated for full use by both British and American delegations. Russians maintain right of exterior guard and will furnish necessary mess and housekeeping personnel if desired. Guard for fuel hangars, etc., will be responsibility of British and Americans on field. Soviets will exercise no control within the field.

After conference, Gatow becomes British field as it lies within British zone according to Soviet official map. Staaken is in the Russian zone and Russians expected British to give Russians the buildings which are in the British zone. British countered that they had not counted on Gatow and expected to get Staaken from the Russians inasmuch as the buildings were within the British zone. Templehof goes to the Americans which was readily agreed. General Weeks stated that his map supposedly official, did not show Gatow in the British zone. Marshal Zhukov stated flatly that Staaken was not available as it was being prepared for another delegation. Gatow will handle all aircraft incident to conference and all authorities have agreed. British desired Gatow and Staaken airfields considered by Governments later or by the Control Council. This was satisfactory.

Americans can move in recce party onto Templehof on 2 July and take over the field on the 4th. This was agreed. Marshal Zhukov asked if an occasional aircraft could land at Templehof and General Hill stated there would be no objection.

General Hill asked for authority to fly in an arc bounded by Hamburg, Berlin and Frankfurt, using whatever direct route to Berlin was required depending on originating point of flight without restriction, and authority to fly 50 miles east of Berlin for instrument landing. Marshal Zhukov stated he would report to his Government that the Americans and British will accept an air lane with the understanding that we operate under US and British regulations, notifying Soviet authorities with the same notice given US and British authorities. For a short while there will be no answer from the Governments; therefore, there should be no problem with previous agreements about aircraft coming into Berlin area. Americans and British will accede to Russian request to notify Soviets one hour before take off time, or arrival over Soviet territory, giving number of aircraft and destination.

Regarding air lanes into Berlin, the main lane from Magdeburg to Berlin will be used. From Magdeburg one lane goes to the southwest to Frankfurt and the other to Hannover to the American and British centers respectively. British and Americans will present the air lane picture to their Governments and give confirmation to Soviets tomorrow.

General Parks asked for permission to bring in an additional 100 vehicles and 500 men to implement force at Babelsberg charged with getting conference area established. Authority was granted by Marshal Zhukov. General Hill asked when the Soviets would vacate Gatow and was told that they can be moved whenever Americans and British desire to take over.

General Weeks stated that he asked British Mission to Moscow to secure permission to bring in troops in a signal dated about 22 June and Marshal Zhukov stated that he had not yet received authority from Moscow. Marshal Zhukov stated further that all requests received had been honored. He also stated that any additional reasonable request would be granted. British desired to bring in 3,500 and the Marshal stated there wasn't room to accommodate them in the compound. Authority was given for 1,500 to 2,000 more and after 4 July they will be able to move in whatever they please. General Weeks stated that they had secured additional space thru Col Gen Kruglov [79] and could accommodate the requested number of men to which Marshal Zhukov replied that 3,000 troops could come in subject to billeting area designated by General Kruglov.

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[79] Col. Gen. Sergey Nikiforovich Kruglov, First Deputy People's Commissar for Internal Affairs of the Soviet Union.

740.00119 Control (Germany)/6-3045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 30, 1945—3 p. m.
[Received June 30—12: 05 p. m.]

6595. Comea 308. Urtel 5294, June 29. I have noted Dept's addition "and the consequent adjustments in zones of the other three forces", to draft paragraph of report transmitting agreement French zone in Germany (mytel 6544, June 28, repeated Paris 412). Dept will meanwhile have considered June 29 EAC discussion re division Greater Berlin (mytel 6583, June 29, repeated Paris 416) showing clash of UK and Soviet views.

Original US draft designed expedite immediate settlement French zone in Germany without prejudicing redivision Berlin. From June 29 EAC discussion seems probable Soviet representative EAC is instructed insist on either (1) direct statement that French area in Berlin will be formed from US, UK areas by agreement between US, UK, French commanders; or (2) specific definition US, UK, French areas in Berlin for inclusion in draft agreement on French zone leaving Soviet Berlin area unchanged. UK Delegation is instructed insist reconsideration all four areas in Berlin.

Since urtel 5294 crossed mytel 6583, US Delegation will await Dept's comments remytel 6583. Before presenting proposed amendment in EAC, important know whether Dept wishes insist on this provision, with likelihood prolonged delay conclusion French zone agreement, or whether I can recede to my orig draft leaving open question redivision Berlin.

Sent Dept as 6595; reptd Paris as 419 for Caffery and Murphy.

WINANT

740.00119 EAC/7-145 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, July 1, 1945—1 p. m.

5343. Suggestion in Comea 308 [80] that you recede to your original draft is acceptable provided you make it clear that you are withholding action and not taking a definite stand at this time on the question which as far as you are concerned remains open, of whether commanders-in-chief should consider readjustment of all zones in Berlin to take account of provision of a French zone and destruction within city. (Rptd to Murphy and Caffery.)

GREW

[80] Telegram 6595, June 30, 3 p. m., from London, *supra*.

[On July 4, the European Advisory Commission approved in substance the draft agreement on the French zone of occupation in Germany, subject to checking by a subcommittee of experts. On July 5, the Experts Subcommittee of the European Advisory Commission approved the text of the agreement except for the preamble. On July 6, the European Advisory Commission approved the preamble to the agreement on the French zone and also approved all but the last paragraph of the text of the report to accompany the agreement. For the subsequent negotiations in the European Advisory Commission regarding the disputed final paragraph of the report to accompany the agreement on the French zone of occupation in Germany, see *Conference of Berlin (Potsdam)*, volume I, pages 598–604, and *ibid.*, volume II, pages 1001–1006.]

740.00119 EAC/7–545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State [81]

LONDON, July 5, 1945—7 p. m.
[Received July 5—2:45 p. m.]

6775. Comea 322. French EAC delegation has proposed slight redraft proposed letter re US right of passage in French zone in Germany (mytel 6634, July 1; [82] urtel 5294, June 29). *Beginning of text:*

In signing today on behalf of my Govt agreement on zones of occupation in Germany and administration of "Greater Berlin," recommended to four Govts by EAC, I inform you on instruction of my Govt that the French Govt assures to the US forces of occupation the right of free passage across and above the French passage [*zone*] of occupation. It is understood that the US forces will exercise exclusive control over US constructed bridges over the Rhine and US constructed communication facilities built in Germany with the right of passage and use for French forces over these US constructed bridges and facilities in or leading into the French zone. Detailed arrangements regarding these matters will be worked out by mutual agreement between the French Commander in Chief and the US Commander in Chief in Germany. *End of Text.*

Suggestion of "exclusive control" instead of "exclusive right" seems appropriate since reference is made below to French "right of passage."

WINANT

[81] On July 3, 1945, James F. Byrnes succeeded Edward R. Stettinius as Secretary of State.

[82] Not printed; it reported that the revised draft letter regarding freedom of passage through the French zone of occupation in Germany had been handed to the French EAC Delegation on June 30 (740.00119 EAC/7–145).

740.00119 Potsdam/7–1745

Memorandum by the Assistant Secretary of War (McCloy) to the Assistant Secretary of State (Dunn)

WASHINGTON [*Babelsberg*], 17 July 1945.

General Clay advises me today that he has tentatively worked out with General Weeks, Deputy Military Governor of the British Zone, an agreement that a French Area of Occupation in the City of Berlin will be formed from the existing areas allocated to the United Kingdom and the United States Forces of Occupation. It would seem appropriate now to inform Ambassador Winant that agreement with the British and French on this point seems likely and to request that he agree in the European Advisory Commission with the British, the Russians and the French that the matter may be referred to the Control Council for Germany for settlement, with the understanding that the French Zone will be created out of the areas presently assigned to the United States and the United Kingdom Forces.

General Clay expects to confer with General Weeks and General Koeltz [82a] on this matter on Thursday [83] and to work out a definitive scheme, subject to final ratification by the Joint Chiefs of Staff if that turns out to be necessary.[84]

JOHN J. MCCLOY

740.00119 Control (Germany)/7–545

The Acting Secretary of State to the Minister of Luxembourg (Le Gallais)

WASHINGTON, July 24, 1945.

The Acting Secretary of State presents his compliments to the Honorable the Minister of Luxembourg and has the honor to refer to the Legation's note of July 5, 1945 [85] concerning the readiness of the Grand Ducal Government of Luxembourg to place two battalions of light infantry at the disposition of the Allied Military Authorities for use in the occupation of Germany.

[82a] Lt. Gen. Louis Koeltz, Deputy Military Governor, French Zone of Occupation in Germany.

[83] July 19.

[84] In his telegram S–13632, July 23, to the War Department, General Eisenhower reported as follows:

"Reference is made to the area in Greater Berlin to be assigned to the French. Clay and Weeks have consulted with Koeltz, who has agreed to accept Reinickendorf and Wedding [districts of Berlin] with details as to movement of supplies by rail and air to be settled by the three Commanders. Koeltz states he has full authority to effect settlement. Weeks has recommended to British Government the approval of the proposed assignment and its presentation to the Group Council for ratification. I recommend approval of this course of action." (Murphy Files). In telegram V–311–BG–368, July 26, to General Eisenhower, the Joint Chiefs of Staff approved General Eisenhower's recommendation and reported that the State Department concurred (Murphy Files).

[85] Not printed.

On June 5, 1945 the Governments of the United States, the Union of Soviet Socialist Republics, the United Kingdom and the Provisional Government of the French Republic issued a statement on the zones of occupation in Germany, which contained the following provision:

"Each of the four Powers may, at its discretion, include among the forces assigned to occupation duties under the command of its Commander-in-Chief, auxiliary contingents from the forces of any other Allied Power which has actively participated in military operations against Germany."

In as much as the Luxembourg Government would find particularly agreeable the use of its forces in the occupation of German territories on the borders of Luxembourg, it is believed that the Luxembourg Government will wish to direct its request primarily to the Power occupying German territory adjacent to Luxembourg. Final agreement with regard to the zones of occupation in Germany has not yet been ratified, but according to present plans the zone to be occupied by United States forces does not include German territory adjacent to Luxembourg.

740.00119 EAC/7–2645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, July 26, 1945—8 p. m.
[Received—9 p. m.]

7546. Comea 343. EAC (European Advisory Commission) this evening signed agreement amending protocol of 12 September 1944 to [*on*] zones occupation Germany and administration Greater Berlin.[86]

Text of agreement is as reported my telegrams to Department 6776, July 5 [87] and 6856, July 7 [88] repeated Frankfurt for Murphy as 17 and 20.

Text of covering report transmitting agreement to four governments [89] is as reported my telegram to Department 6856 with addi-

[86] For text of the agreement between the Governments of the United States, the Union of Soviet Socialist Republics, the United Kingdom and the Provisional Government of the French Republic regarding amendments to the protocol of 12th September, 1944, on the zones of occupation in Germany and the administration of "Greater Berlin", signed in London, July 26, 1945, see Department of State, Treaties and Other International Acts Series No. 3071, or *United States Treaties and Other International Agreements*, vol. 5, pt. 2, p. 2093. Notification of approval by the respective signatories was given by their representatives on the Commission on the following dates; the United States, July 29; the United Kingdom, August 2; France, August 7; and the Soviet Union, August 13. For documentation regarding approval of the agreement by the United States, see *Conference of Berlin (Potsdam)*, vol. II, pp. 1004–1006.

[87] Not printed.

[88] *Conference of Berlin (Potsdam)*, vol. I, p. 598.

[89] For text of the report by the European Advisory Commission to the four Governments concerning the later delimitation of the French area in "Greater Berlin", see *ibid.*, vol. II, p. 1003.

tional final sentence as proposed by Soviet delegation and reported my telegram to Department 6997, July 11,[90] repeated Frankfurt for Murphy as 34.

Signed texts sent Department by courier; additional copies will be sent to Department and Berlin.

According to previous arrangement at time of signature Massigli handed me letter[91] regarding free passage for US forces French zone text reported my telegram to Department 6775, July 5 and my telegram to Frankfurt for Murphy 23, July 7.

Same time I handed Massigli letter[92] regarding French use Karlsruhe records text reported my telegram to Department 6399, June 25, repeated Paris for Caffery and Murphy as 399.

I also handed Massigli letter[93] regarding possible future adjustments between French and US zones, text reported my telegram to Department 6193, June 19, repeated Paris for Caffery and Murphy as 380. For greater accuracy phrase "revised draft agreement" in that letter was changed to "agreement regarding amendments to the protocol". British representative[94] handed Massigli similar letter regarding future adjustments between French and British zones.

Sent Babelsberg[95] for the Secretary.

WINANT

740.00119 Control (Germany)/8–245

Minutes of the First Meeting of the Control Council for Germany, Held at Berlin, July 30, 1945, at 1:15 p. m.[96]

[Extracts]

CONL/M(45)1 [BERLIN,] 30 July 1945.

MEMBERS PRESENT

General of the Army Eisenhower (Chairman)
Marshal Zhukov
Field Marshal Montgomery
Lt. Gen. Koenig

. . . . . .

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[90] *Conference of Berlin (Potsdam)*, vol. I, p. 601.

[91] For the significant portion of this letter, which was transmitted to the Department in despatch 24517, July 27, from London, see *ibid.*, vol. II, p. 1005, footnote 2.

[92] For the significant portion of this letter, see *ibid.*

[93] For the pertinent portion of this letter, see *ibid.*

[94] Sir Ronald H. Campbell, who succeeded Sir William Strang as British Representative on the European Advisory Commission.

[95] Suburb of Berlin, site of the headquarters of the American Delegation to the Conference of Berlin.

[96] Transmitted to the Department by the United States Political Adviser for Germany as an enclosure to despatch 782, August 2, from Potsdam, not printed.

5. *French sector of Berlin.*

Field Marshal Montgomery stated that he had been authorized by his government to offer the two districts of Reinickendorf and Wedding, including the Hermann Goering Barracks, to the French as their sector in Berlin. General Koenig stated that he had been authorized by the French Government to accept this offer. General Eisenhower agreed with these views and stated that he would make available all possible facilities for the French occupation of their sector. Marshal Zhukov stated that since this decision did not affect the Russian sector, he had no observations to offer. The Council agreed that certain details regarding the French sector should be worked out by the Deputies to the British, French, and American Commanders, respectively. General Koenig requested that facilities should be given to the French to enable them to effect rapid occupation of their sector in Berlin. The other three members of the Council agreed that their Deputies would assist General Koenig's Deputy in every way possible to effect this.[97]

. . . . . .

740.00119 Control (Germany)/8–1845

The British Chargé (Balfour) to the Secretary of State

His Majesty's Chargé d'Affaires presents his compliments to the Secretary of State and under instructions from His Majesty's Principal Secretary of State for Foreign Affairs[98] has the honour to recall that the protocol of the proceedings of the Crimea Conference[99] contained the following passage:

"The study of the procedure for the dismemberment of Germany was referred to a Committee consisting of Mr. Eden (Chairman) Mr. Winant and M. Gousev. This body would consider the desirability of associating with it a French representative." [1]

2. As Mr. Byrnes [2] will be aware the first informal meeting of the Committee took place on March 7th last. Mr. Eden and the United States and Soviet Ambassadors discussed terms of reference for the Committee. These were finally settled at the beginning of April. The second informal meeting of the Committee was held at the Foreign Office on April 11th last, when it was agreed to ensure that if

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[97] For documentation regarding participation by the United States in the work of the Control Council and the Allied Control Authority for Germany, see pp. 820 ff.

[98] Ernest Bevin, British Secretary of State for Foreign Affairs from July 27, 1945, succeeding Anthony Eden.

[99] For text of the Protocol of the Proceedings of the Crimea Conference, February 11, 1945, see *Conferences at Malta and Yalta*, p. 975.

[1] *Ibid.*, p. 978.

[2] James F. Byrnes became Secretary of State on July 3, 1945.

any of the three representatives had proposals or suggestions to put forward, these would be communicated to his colleagues. No further meetings have taken place and no proposals have been put forward.

3. In the course of discussion of a memorandum submitted by the Soviet delegation on the administration of the Ruhr,[3] Marshal Stalin remarked at the 11th plenary meeting at Potsdam on July 31st last that, whereas previously the three Heads of the three Governments had rather favoured the idea of dismembering Germany after the war, more recently their views seemed to have been modified.[4] In his proclamation of May 9th last to the Soviet people Marshal Stalin said that the Soviet Union "did not intend either to dismember or to destroy Germany".

4. Mr. Bevin agrees with Marshal Stalin that the views previously held have been modified. This seems to him to be confirmed by the general trend of the Berlin Conference and in particular by the agreement concluded there on "the principles to govern the treatment of Germany in the initial control period" which prescribes, amongst other things, uniformity of treatment of German civilian population, treatment of Germany as an economic unit and, subject to a general policy of decentralization, the establishment of certain essential central German administrative departments.

5. Mr. Balfour is instructed to inquire whether the United States Government agree that in the light of the above circumstances there is no need for the Committee set up at the Crimea Conference to proceed with the work allotted to it.

6. His Majesty's Government are addressing similar inquiry to the Soviet Government.

WASHINGTON, August 18, 1945.

740.00119 Control (Germany)/8–1845

The Acting Secretary of State to the British Chargé (Balfour)

The Acting Secretary of State presents his compliments to the British Chargé d'Affaires and refers to the Embassy's note of August 18, 1945 dealing with the Committee to study the procedure for the dismemberment of Germany, which was established at the Crimea Conference.

The United States Government is in agreement with His Majesty's Government that there is no need for this Committee to proceed with the work allotted to it.

WASHINGTON, September 6, 1945.

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[3] For text of the Soviet proposal of July 30, 1945, on the Ruhr industrial district, see *Conference of Berlin (Potsdam)*, vol. II, p. 1000.

[4] *Ibid.*, p. 522.

III. PRINCIPLES TO GOVERN THE TREATMENT OF GERMANY DURING THE PERIOD OF ALLIED CONTROL

740.00119 EAC/1–645

Memorandum by the Assistant Secretary of War (McCloy) to the State-War-Navy Coordinating Committee [5]

[WASHINGTON,] 1 January 1945.

PENDING DRAFT DIRECTIVES [6] PREPARED BY THE U.S. ADVISERS EAC,[7] NOT ACTED UPON BY THIS COMMITTEE OR BY THE JCS [8]

1. The draft directives, which are listed in Appendix A,[9] prepared by the United States Advisers, European Advisory Commission, have not as yet been acted upon, either by this committee or by the Joint Chiefs of Staff. At conferences [10] preceding the dispatch from the State Department to Ambassador Winant [11] of the Cable No. 10371, dated 12 December 1944 [12] (Annex B to Appendix "A" SWNCC 1 [13]), it was determined that no further draft directives would be submitted for the criticism of the War and Navy Departments or of the Joint Chiefs of Staff at this time. The draft directives listed in Appendix "B" [14] have been the subject of comment already transmitted to London, although in two instances (JCS Memo for Information 341 and JCS Memo for Information 346 [15]) revised drafts of directives, criti-

[5] At its 4th meeting, on January 6, 1945, the State-War-Navy Coordinating Committee approved the recommendation contained in paragraph 3 of this memorandum, and the memorandum was submitted to the *ad hoc* Subcommittee on German Affairs of the State-War-Navy Coordinating Committee for action.

[6] The United States Delegation on the European Advisory Commission during 1944 prepared and forwarded to Washington for comment and clearance a series of suggested policy statements to meet the short-range problems of the occupation in Germany. These suggestions were drafted as directives designed, after approval by the Governments, to be issued by the Governments to each of the Commanders in Chief in Germany in order to provide them with a basis for uniform action. For a review of the evolution of these draft directives during 1944, see memorandum of January 22, 1945, *Foreign Relations*, 1944, vol. I, p. 429.

[7] European Advisory Commission.

[8] Joint Chiefs of Staff.

[9] Appendix A not printed; for a listing of draft directives awaiting approval from Washington at the beginning of 1945, see bracketed note *infra*.

[10] See letter from the Deputy Director of the Office of European Affairs, H. Freeman Matthews, to the Assistant Secretary of War, John J. McCloy, dated November 15, 1944, and enclosure, *Foreign Relations*, 1944, vol. I, p. 407.

[11] Ambassador in the United Kingdom John G. Winant, who was also the United States Representative to the European Advisory Commission.

[12] *Foreign Relations*, 1944, vol. I, p. 418.

[13] Document designation for State-War-Navy Coordinating Committee paper.

[14] Appendix B not printed; it listed 12 draft directives which had been the subject of Department of State or Joint Chiefs of Staff comments to London and which subsequently were submitted to the European Advisory Commission for consideration. For a complete list of United States draft directives circulated in the European Advisory Commission, see bracketed note, p. 537.

[15] Draft directive on the removal of German officials and civilians from territory formerly under German control and draft directive on the disarmament of the German Armed Forces and disposal of enemy equipment, neither printed.

cized at an earlier date here, have been submitted by the United States Advisers in London for further comment which has not yet been furnished.

2. It has been brought to my attention that it may be helpful to the United States Advisers, EAC, to have prepared in summary form statements of policy on points not dealt with either in JCS 1067 as presently revised [17] or in draft directives hitherto approved in Washington. As stated in the above mentioned cable of 12 December 1944, any such statements of policy should be confined to broad basic principles and should not deal with details of procedures or administration. It seems to me desirable to have the *ad hoc* subcommittee on German matters, either directly or through subsidiary working parties, prepare such statements of policy, so that this committee may be ready (either directly or after consulting the Joint Chiefs of Staff) to assist the State Department in furnishing to London general guidance on points of policy as to which no guidance has heretofore been furnished.

3. It is requested, therefore, that the draft directives listed in Appendix "A" be referred to the *ad hoc* subcommittee on German affairs for study, recommendation, and the preparation of appropriate statements of policy confined to broad basic policy principles not dealt with in JCS 1067, as presently revised, or in directives hitherto approved for transmittal to London.

JOHN J. MCCLOY

[Draft directives (none printed) prepared by the United States Delegation to the European Advisory Commission and awaiting approval from Washington as of January 6, 1945, were as follows:

Control of Education Institutions in Germany	September 14, 1944.
Property Control	October 6, 1944.
Disposition of Political Prisoners	October 12, 1944.
International Agreements	October 20, 1944.
Control of Food and Agriculture	October 20, 1944.
Apprehension and Detention of War Criminals	October 21, 1944.
Control of Labor	October 23, 1944.
Dissolution of Nazi Party and Purge of Nazi Personnel	October 23, 1944.
United Nations Prisoners of War (Revised)	October 24, 1944.

[17] For text of the directive to SCAEF regarding the military government of Germany in the period immediately following the cessation of organized resistance (post-defeat), dated September 22, 1944, which was circulated to the Joint Chiefs of Staff as J.C.S. 1067, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, p. 143; for revision dated January 6, 1945, see *post*, p. 378.

Control of Coal Industry	October 28, 1944.
Removal of German Officials and Civilians from Territory Formerly Under German Control (Revised)	November 3, 1944.
Control of German Foreign Relations	November 3, 1944.
Control of Displaced Persons and Refugees	November 8, 1944.
Disarmament of the German Armed Forces and Disposal of Enemy Equipment (Revised)	November 18, 1944.
Control of Oil Industry	November 30, 1944.
Control of Foreign Trade	December 6, 1944.
Control of Internal Trade	December 6, 1944.
Control of Finance	December 18, 1944.
Control of Aviation in Germany	December 29, 1944.
Control of Public Health	January 6, 1945.]

740.00119 EAC/1–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 4, 1945—5 p. m.
[Received 6:35 p. m.]

105. Comea [18] 142. For the Secretary and Assistant Secretary Dunn. Tuesday's [19] meeting of the European Advisory Commission brought to light certain unexpected obstacles to an early discussion of the treatment of United Nations prisoners of war found in Germany upon surrender or collapse. You will recall that in its memorandum to Eden [20] of October 25 (my despatch 19746 of December 8 [21]), the Soviet Government gave the highest priority to this question. On December 1 the Commission agreed to set up a committee on this problem (my 10609, December 1, 6 p, m., Comea 132 [22]). At the time the Russians were willing to act, I was left without instructions.

On Tuesday Strang's [23] pressing of Gousev [24] to begin immediate discussion of this problem led to a flareup between them. Gousev pointed out the great Soviet interest in the problem because of the

[18] Series designation for telegrams from London concerned with the negotiations in E.A.C.
[19] January 2.
[20] Anthony Eden, British Secretary of State for Foreign Affairs.
[21] Neither the text of the memorandum nor the transmitting despatch is printed. Pertinent parts of the memorandum were referred to in telegram 9851, November 11, 1944, 8 p. m., from London, *Foreign Relations*, 1944, vol. I, p. 393.
[22] *Ibid.*, p. 413.
[23] Sir William Strang, United Kingdom Representative on the European Advisory Commission.
[24] Fedor Tarasovich Gousev, Representative of the Soviet Union on the European Advisory Commission.

large numbers of Soviet citizens who have suffered inhumane treatment at German hands. He also stressed the current Soviet resentment over the treatment and status of Soviet nationals captured by Allied armies. Gousev insisted with considerable emotion that it was contrary both to international law and to good relations among Allies for British military authorities to treat captured Soviet nationals as prisoners of war, and stated in conclusion that in view of the failure to find a satisfactory solution to this problem, especially between the United Kingdom and Soviet Governments, he had no instructions regarding participation in discussion of United Nations prisoners of war. When Strang pressed for discussions on United Nations prisoners of war found in Germany on surrender as a subject distinct from the current problem, Gousev insisted that those questions were closely bound together.

In this connection, I recall my conversations with officials of the International Red Cross prior to our being in the war. I urged Maisky [25] to intercede with his Government in favor of adhering to the Hague and Geneva conventions,[26] but at that time the Russians seemed little interested.[27] The losses which Russia has suffered in manpower and the brutal treatment of Russians in German-occupied areas, which aroused the sympathy of the Russian people and reacted on their Government, have been responsible for a change of policy. In the last few months the Soviet Government has shown a desire to relieve and assist their own people who have fallen into German hands, regardless of the military or paramilitary uses to which the Germans have put them. I also find a growing impression that the Soviet Government would accept the return of white Russians with the exception of a few outstanding anti-Soviet personalities. This new attitude may be accounted for by an unwillingness to save [*have?*] small unfriendly minority Russian groups in other countries.

I thought you ought to have this additional background on the Soviet attitude toward Allied treatment of captured Soviet nationals, especially as it may affect the status of American prisoners of war captured by the Russian forces in eastern Germany. In view of the Russians' constant emphasis on their equal role as a great power and their recurring insistence on what they interpret as reciprocity in inter-Allied relations, it is possible that they may decide to organize

[25] Ivan Mikhailovich Maisky, then Ambassador of the Soviet Union in the United Kingdom.

[26] For text of the convention regarding the laws and customs of war on land, signed at The Hague on October 17, 1907, see *Foreign Relations*, 1907, pt. 2, p. 1204, or 36 Stat. 2277. For text of the international convention relative to the treatment of prisoners of war, signed at Geneva, July 27, 1929, see *ibid.*, 1929, vol. I, p. 336.

[27] For documentation regarding efforts by the United States to persuade the Soviet Union to adhere to the Geneva Convention of 1929 relative to the treatment of prisoners of war, see *ibid.*, 1941, vol. I, pp. 1005 ff.

American war prisoners captured in Germany during the operational period as labor battalions behind the Russian lines. I do not want to be a party to inaction in respect to safeguarding the interests of our soldiers who are prisoners of war.

While the question of the current status of Soviet prisoners is naturally a matter for negotiation in Washington and at SHAEF,[28] I believe it would be most helpful in strengthening our position and in safeguarding the future welfare of our prisoners, 90% of whom are located in eastern Germany, if I could be furnished with instructions as I requested on October 24 (my 9134, 7 p. m., Comea 116[29]) and on December 1.[30] In the opinion of my joint advisers and General Barker, G–1, ETOUSA and SHAEF,[31] the revised United States draft directive on prisoners of war (see my 11158, December 15, 9 p. m.[32]) fully safeguards American interests. Early circulation of the United States directive in the EAC would, I feel, convince the Russians of our good will towards their prisoners and might help a great deal in securing early consideration for this vital question. Please furnish paraphrase to Generals Hilldring[33] and Strong.[34]

WINANT

740.00119 Control (Germany)/1–545

Memorandum by the Director of the Office of European Affairs (Matthews)[35]

[WASHINGTON,] January 5, 1945.

You will recall that Secretary Morgenthau[36] at the lunch yesterday complained that we had not kept the Treasury people informed

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[28] Supreme Headquarters, Allied Expeditionary Force.

[29] Not printed; it requested that action on a new directive regarding prisoners of war be expedited by the Department (740.11009 EAC/10–2444).

[30] Telegram 10609, Comea 132, *Foreign Relations*, 1944, vol. I, p. 413.

[31] Maj. Gen. Ray W. Barker, Chief of the Personnel Division, General Staff (G–1), European Theater of Operations, U.S. Army (ETOUSA) and SHAEF.

[32] Not printed.

[33] Maj. Gen. John H. Hilldring, Director of the Civil Affairs Division of the War Department.

[34] Presumably, Maj. Gen. George V. Strong, Senior Army Representative on the Joint Post-War Committee of the Joint Chiefs of Staff.

[35] Addressed to Assistant Secretary of State Dunn, Under Secretary of State Grew, and the Secretary of State. The memorandum bears the following handwritten marginal notations by Mr. Dunn and Mr. Grew: "I think this is extremely important; we should consult Treasury on financial but not all questions. J C D" "I concur. J C G"

[36] Henry L. Morgenthau, Jr., Secretary of the Treasury.

with regard to the revision of the proposed interim directive (JCS 1067)[37] on Germany and that we had not discussed with the Treasury any of the papers submitted to the European Advisory Commission. With regard to 1067 I explained that the revision was being undertaken at the request of the War Department and that it was up to them to have so indicated if they desired Treasury participation. (I did not say so but Mr. McCloy definitely told me that he did not want Treasury participation in the revision discussions. He undertook to clear the revised paper with the Treasury afterwards.)

As regards the larger question of discussion of all EAC papers with the Treasury, I should like to present some important considerations. Of course any questions having to do with the financial aspects of treatment of Germany should and would be discussed with the Treasury before transmission to our representative on the EAC. As it happens, no such questions (aside from the financial section of 1067) have yet arisen. All matters which to date we have studied and transmitted to the EAC have had to do with political and military matters and they have been carefully and sometimes at considerable length coordinated with the War and Navy Departments before transmission. The functions of the EAC in recommending governmental policy are highly important in the political field of our foreign relations. For this reason the American representative on the EAC is a representative of the State Department, the American Ambassador at London. I know of few questions in the field of foreign policy of importance equal to the treatment of Germany and to take the position that our instructions to our Ambassador in this field should be subject to review or approval of the Treasury Department would, in my opinion, be tantamount to abdication of our traditional function as the instrument for the execution of the President's foreign policy. (The Treasury's position that they should be consulted with regard to political instructions to our representative on the EAC seems to me analogous to a claim on our part that the Treasury should consult the State Department on the timing, amount and interest rate of a war bond issue, or on a new tax program.)

Aside from the important question of principle involved, we have the practical question of urgency. You are aware of the long delays we have encountered in obtaining clearance for the many urgent papers by the War and Navy Departments and the Joint Chiefs of Staff. If to this is added the need for clearing with the Treasury Department, I should hate to forecast how long it would take to get Winant the instructions for which he has in recent weeks been so urgently pleading.

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[37] See footnote 17, p. 370.

(By the foregoing I do not wish to imply that we should not exchange views with the Treasury on the question of the long-term economic treatment of Germany. I am referring specifically to Mr. Morgenthau's complaint that our EAC papers are not communicated to or drafted in consultation with the Treasury Department.)

H. FREEMAN MATTHEWS

740.00119 Control (Germany)/12–2744 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy), at London

WASHINGTON, January 6, 1945—midnight.

152. In reply to your 11453, December 27, 10 a. m.,[38] in the absence of likelihood of early approval of JCS 1067 by the Combined Chiefs of Staff, a redraft thereof to make the document suitable for presentation to EAC has been completed and is now going forward to Ambassador Winant for presentation to the EAC.[39] The revision is quite similar in context to JCS 1067. The War and Navy Departments attach great importance to 1067.

The purpose of paragraph 8 (*a*) of JCS 1067 was to lay down a much more stringent policy of clearing out all Nazi influences than was pursued in Italy[40] with respect to Fascists, and particular stress is laid on this paragraph which has not been changed in the revision. The Italian policy in retrospect is regarded as having been mild even for Italy and definitely inappropriate for Germany. Nazis are considered much more dangerous than any analogous Italian groups. Accordingly it is our view that a more rigorous policy should be followed in Germany and such a policy for the post-defeat period in Germany was agreed upon by State, War and Treasury Departments in JCS 1067 and has not been changed. Although paragraph 8 (*a*) is intentionally more stringent than the policy pursued in Italy, it is an attempt to do a more thorough purging but at the same time to be sufficiently flexible to meet the necessities of practical administration.

Under these circumstances, and in the absence of agreed EAC policies and of a further directive from CCS,[41] it is believed that you should exert every effort to inject the thinking of JCS 1067 into

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[38] Not printed; it asked the Department for information regarding the status of discussions with the Combined Chiefs of Staff on the subject of post-surrender occupation policy in Germany (740.00119 Control (Germany)/12–2744).

[39] See instruction 4980, January 13, to London, p. 378.

[40] For documentation regarding the concern of the United States for the maintenance of responsible government in Italy, see *Foreign Relations*, 1944, vol. III, pp. 996 ff.

[41] Combined Chiefs of Staff.

policies formulated for the SHAEF post-surrender period and toward bending the pre-surrender directive [42] to SHAEF in a manner which will make it as consistent as possible with the policies outlined in 1067.

STETTINIUS

740.00119 Control (Germany)/1–1145

Memorandum by the Secretary of the Treasury (Morgenthau) to the Secretary of State

WASHINGTON, January 11, 1945.

There is attached a memorandum which I am sending to the President, relating to the problem of what to do with Germany after her defeat.

I am looking forward to discussing the German problem with you next Wednesday.[43]

HENRY MORGENTHAU

[Annex]

Memorandum by the Secretary of the Treasury (Morgenthau) to President Roosevelt

[WASHINGTON,] January 10, 1945.

During the last few months we have been giving further study to the problem of what to do with Germany after her defeat.

We are more convinced than ever that if we really mean to deprive Germany of the ability to make war again within a few years it is absolutely essential that she be deprived of her chemical, metallurgical and electrical industries. We don't think that this alone will guarantee peace, but that it is one of the steps we must take now.

We base this conclusion on the following premises, which seem to us unassailable:

(1) The German people have the will to try it again.
(2) Programs for democracy, re-education and kindness cannot destroy this will within any brief time.
(3) Heavy industry is the core of Germany's warmaking potential.

Nearly all Americans grant the first point. A few, such as Dorothy Thompson,[44] appear to disagree with the second; but all that we know and have learned recently—our experience with war prisoners, for

[42] For text of the directive to the Supreme Commander, Allied Expeditionary Force in respect of military government in Germany for the pre-surrender period, see *Foreign Relations*, 1944, vol. I, p. 217.
[43] January 17.
[44] Newspaper columnist and radio commentator.

instance—seems to argue against them. As to the third, America's own accomplishments in four years seem to us a shining lesson of what an equally versatile people can do. Our industry was converted from the world's greatest peacetime producer in 1940 to the world's greatest producer of military weapons in 1944. The Germans are versatile. Leave them the necessary heavy industry to build on and they can work as fast and as effectively as we.

The more I think of this problem, and the more I hear and read discussions of it, the clearer it seems to me that the real motive of most of those who oppose a weak Germany is not any actual disagreement on these three points. On the contrary, it is simply an expression of fear of Russia and communism. It is the twenty-year-old idea of a "bulwark against Bolshevism"—which was one of the factors that brought this present war down on us.

Because the people who hold this view are unwilling (for reasons which, no doubt, they regard as statesmanlike) to come out in the open and lay the real issue on the table, all sorts of smoke screens are thrown up to support the proposition that Germany must be rebuilt. Examples are:

(*a*) The fallacy that Europe needs a strong industrial Germany.
(*b*) The contention that recurring reparations (which would require immediate reconstruction of the German economy) are necessary so that Germany may be made to pay for the destruction she has caused.
(*c*) The naïve belief that the removal or destruction of all German war materials and the German armament industry would in itself prevent Germany from waging another war.
(*d*) The illogical assumption that a "soft" peace would facilitate the growth of democracy in Germany.
(*e*) The fallacy that making Germany a predominantly agricultural country, with light industries but no heavy industries, would mean starving Germans.

We can submit to you studies which in our opinion will demonstrate that these propositions and others leading to the same conclusions are false.

This thing needs to be dragged out into the open. I feel so deeply about it that I speak strongly. If we don't face it I am just as sure as I can be that we are going to let a lot of hollow and hypocritical propaganda lead us into recreating a strong Germany and making a foe of Russia. I shudder for the sake of our children to think of what will follow.

There is nothing that I can think of that can do more at this moment to engender trust or distrust between the United States and Russia than the position this Government takes on the German problem.

P.S.: I have given a copy of this to Ed Stettinius.

740.00119 EAC/12–1244

The Secretary of State to the Ambassador in the United Kingdom (Winant)

No. 4980 WASHINGTON, January 13, 1945.

The Secretary of State refers to the Department's telegram no. 10371 of December 12, 1944 [45] relative to the presentation to the European Advisory Commission of a general directive on Germany. In accordance with the information given in that telegram, there is transmitted herewith a copy of "Directive to Commander-in-Chief of U.S. (U.K.) (U.S.S.R.) Forces of Occupation regarding the Military Government of Germany in the Period Immediately Following the Cessation of Organized Resistance (Post Defeat)". The financial section of this directive is not included; it is being given further study here and will be transmitted at a later date.

This draft directive is a revision of JCS 1067 which has been approved by the State, War and Navy Departments. It is transmitted for presentation to the European Advisory Commission as an American proposal for an over-all directive.

The British Ambassador in Washington [46] has already indicated that his Government is ready to discuss this document in the European Advisory Commission and it is hoped that negotiations thereon in the Commission can be undertaken as soon as possible.

[Enclosure]

DIRECTIVE TO COMMANDER IN CHIEF OF U.S. (U.K.) (U.S.S.R.) FORCES OF OCCUPATION REGARDING THE MILITARY GOVERNMENT OF GERMANY IN THE PERIOD IMMEDIATELY FOLLOWING THE CESSATION OF ORGANIZED RESISTANCE (POST DEFEAT) [47]

[WASHINGTON,] January 6, 1945.

1. This directive is issued to you as Commander-in-Chief of the U.S. forces of occupation and is intended to cover the establishment of military government over Germany on a tripartite basis and to lay down certain policies with respect to the administration of civil affairs in Germany for the initial period after the end of organized resistance in Germany. Identical directives are being issued simul-

[45] *Foreign Relations*, 1944, vol. I, p. 418.

[46] Lord Halifax.

[47] Filed separately under 740.00119 Control (Germany)/3–2245. A note by the Secretariat of the State-War-Navy Coordinating Committee entitled "Redraft of JCS 1067 as a Tripartite Directive (Initial Post-Defeat Directive Germany)", designated SWNCC 2, dated January 8, 1945, reads as follows:

"1. At its meeting on 6 January 1945 the State-War-Navy Coordinating Committee agreed to recommend to the Secretary of State that the enclosed redraft of JCS 1067 be transmitted to the United States Representative in the European

taneously to the Commanders-in-Chief of the U.K. and U.S.S.R. forces of occupation. From time to time supplemental directives will be issued to you.

2. In carrying out this directive, you will, in matters affecting Germany as a whole, act jointly with the Commanders-in-Chief of the armed forces of the U.K. and the U.S.S.R. The three Commanders-in-Chief acting jointly, will constitute a Control Council which will be the supreme organ of control over Germany in accordance with the Agreement on Control Machinery in Germany, herewith attached as Annex A. The agreed policies of the Control Council shall be determinative throughout the Zones. Subject to such policies the administration of military government in each of the three zones of occupation shall be the sole responsibility of the Commanders-in-Chief of the forces occupying each zone. You should, however, coordinate your administration with that of the other Commanders-in-Chief through the Control Council. The administration of each zone and of the regional and local branches of any centrally directed German agencies shall be such as to insure that all policies formulated by the Control Council will be uniformly put into effect throughout Germany.

3. Prior to the defeat or surrender of Germany the primary objective of the administration of civil affairs has been to aid and support the military objective: the prompt defeat of the enemy. The primary objectives now are the occupation and administration of a conquered country with only such military operations as are necessary for the complete elimination of all resistance.

4. Pending receipt of directives containing long-range policies your objectives must be of short-term and military character in order not to prejudice whatever ultimate policies may be later determined. Germany will not be occupied for the purpose of liberation but as a defeated enemy nation. The clear fact of German military defeat and the inevitable consequences of aggression must be appreciated by all levels of the German population. The German people must be made to understand that all necessary steps will be taken to guarantee against a renewed attempt by them to conquer the world. Your aim

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Advisory Commission for use as a basis of tripartite negotiations in the European Advisory Commission and as representing the United States view on the matters covered in the paper. The redraft is designed to rephrase that paper (originally in the form of a directive from the Combined Chiefs of Staff to a combined theater commander) as a directive from each of the three governments (U.S., U.K., U.S.S.R.) to its commander-in-chief. Such a redraft was necessary in order to put JCS 1067 in an appropriate form for discussion (as requested by the British Ambassador) in the European Advisory Commission rather than in the form of a Combined Chiefs of Staff directive. Certain changes were also appropriate in view of the recently approved Control Machinery Protocol (JCS 1130, 1130/1, and 1130/2)."

The note is signed by Wallace E. Whitson, Kelvin Nutting, and Harold W. Mosely of the Secretariat of the State-War-Navy Coordinating Committee.

728-099—68——25

is not oppression, but to prevent Germany from ever again becoming a threat to the peace of the world. In the accomplishment of this objective the elimination of Nazism and militarism in any of their forms and the immediate apprehension of war criminals for punishment are essential steps. It is envisaged that control or surveillance of Germany will be maintained in some form for a prolonged period, and that military government will, when practicable, be replaced by other methods of control involving smaller commitment of forces. Military government should be so conducted as to facilitate the orderly development of forces and the tendencies within German life which will be conducive to the future introduction of less direct forms of control.

5. Your occupation and administration will be just but firm and aloof. You will strongly discourage fraternization between your troops and the German officials and population.

6. The rights, powers and status of the military government in Germany are based upon the unconditional surrender or defeat of Germany. The text of the instrument of Unconditional Surrender of Germany is attached hereto as Annex B.[48] The provisions set forth in this instrument will be imposed on Germany and fully implemented as a matter of Allied policy even though the defeat of Germany is not followed by a formal signing of this instrument.

7. *a.* Subject to the provisions of the foregoing Article 2, you are by virtue of your position clothed with supreme legislative, executive and judicial authority in the areas occupied by forces under your command. This authority will be broadly construed and includes authority to take all measures deemed by you necessary, desirable or appropriate in relation to military exigencies and the objectives of a firm military government.

b. You are authorized at your discretion to delegate the authority herein granted to you in whole or in part to members of your command and further to authorize them at their discretion to make appropriate sub-delegations.

c. You should take the necessary measures to enforce the terms of surrender and complete the disarmament of Germany.

d. The Military Government shall be a military administration which will show the characteristics of an Allied undertaking acting in the interests of the United Nations.

8. The military government personnel in each zone, including those in regional and local branches of the departments of the central German administrative machinery, shall be selected by the commander-in-chief of that zone except that liaison officers of other nationality may be furnished by the commanders of the other two zones. The respec-

[48] Annex B not printed: for text of the instrument of surrender of Germany, see *Foreign Relations*, 1944, vol. I, p. 256.

tive commanders-in-chief shall have exclusive jurisdiction over the members of the armed forces under their command and over the civilians who accompany them throughout the whole of Germany.

9. Representatives of civilian agencies of the U.S., U.K., U.S.S.R. governments and of other Allied governments shall, if permitted to function in Germany, be subject to the authority of the military government. United Nations' organizations which may be admitted by the Control Council to operate in Germany will, in respect of their activities in Germany, be subordinate to the Allied control machinery and answerable to it.

10. Military administration shall be directed toward the promotion of the decentralization of the political structure of Germany. You may utilize in the beginning whatever German administrative agencies may serve the purposes of military government. You will wherever possible, however, endeavor to make use of and strengthen local municipal and regional administrative organs.

11. Appendix "A", Political Directive; Appendix "B", Financial Directive; Appendix "C", Economic Directive; and Appendix "D", Relief Directive, are attached hereto.

APPENDIX "A"

POLITICAL DIRECTIVE

1. You will search out, arrest, and hold, pending receipt by you of further instructions as to their disposition, all persons included in the following list of categories:

a. Adolf Hitler and his chief Nazi associates;

b. All persons suspected of having committed war crimes and other offenses;

c. Officials of the Nazi Party and its formations (Gliederungen), affiliated associations (angeschlossene Verbande), and supervised organizations (betreute Organisationen), down to and including Local Group Leaders (Ortsgruppenleiter) and officials of equivalent rank;

d. All members of the political police, including the Gestapo [49] and Sicherheitsdienst der S.S.; [50]

e. The officers and non-commissioned officers of the Waffen S.S.[51] and all members of the other branches of the S.S.;

f. All General Staff Corps officers;

g. Officials of the police holding a rank, or equivalent positions of authority, above that of Lieutenant;

h. Officers of the SA [52] holding commissioned rank;

i. The leading officials of all ministries and other high political officials down to and including urban and rural burgermeister and

[49] Geheime Staats Polizei (German Secret State Police).
[50] Security Forces of the Schutzstaffel (Nazi Black Guards).
[51] Military Formations of the Schutzstaffel.
[52] Sturmabteilung (Nazi Storm Troops).

officials of equivalent rank, and those persons who have held similar positions, either civil or military, in the administration of countries occupied by Germany;

j. Nazis and Nazi sympathizers holding important and key positions in (1) National and Gau civic and economic organizations; (2) corporations and other organizations in which the government has a major financial interest; (3) industry, commerce, agriculture, and finance; (4) education; (5) the judiciary; and (6) the press, publishing houses and other agencies disseminating news and propaganda. It may generally be assumed in the absence of evidence to the contrary that any persons holding such positions are Nazis or Nazi sympathizers;

k. All judges, prosecutors and officials of the People's Court (Volksgericht), Special Courts (Sondergerichte), and other extraordinary courts created by the Nazi regime;

l. Any national of any of the United Nations or associated states who is believed to have committed offenses against his national law in support of the German war effort;

m. Any other person whose name or designation appears on lists to be submitted to you or whose name may be notified to you separately.

n. All persons who, if permitted to remain at large, would in your opinion endanger the accomplishment of the objectives of your military government.

If in the light of conditions which you encounter in Germany you do not believe all of these persons should be subjected immediately to this treatment, you should report to the Control Council giving your recommendations and the reasons therefor.

2. Regulations dealing with the registration and identification of persons within Germany will be issued as deemed advisable.

3. A proclamation dissolving the Nazi Party and its affiliates will be issued. Every possible effort should be made to prevent any attempts to reconstitute them in underground or disguised form. The laws establishing the political structure of National Socialism will be abrogated and all necessary measures taken to uproot and discredit Nazi doctrines. No secret organizations or societies of any kind shall be permitted. Property, real and personal, of the Nazi party and its affiliates wherever found, shall be taken into custody and may be used for such purposes as you may direct. You may require health or welfare organizations which were set up, operated or controlled by the Party but which are of direct benefit to the people to transfer their functions and personnel, purged of Nazi elements and practices, to new organizations formed to carry out such functions.

4. Special efforts will be made to preserve from destruction all records, books, documents, papers, files, scientific, industrial and other information and data belonging to or controlled by the following:

a. The German Reich or any agency of government in Germany, whether central, regional, or local;

b. German military and para-military organizations; agencies and societies engaged in military research or propaganda;

c. All police organizations, including security and political police;
d. The Nazi Party and its affiliates;
e. Nazi economic organizations and industrial establishments;
f. Institutes and special bureaus devoting themselves to race, political, or similar research;

All records included in the above categories and such other records as you may deem advisable should be seized and secured, and held at the disposal of the Control Council.

5. All laws, decrees, regulations or provisions thereof, which discriminate on the basis of race, color, creed, or political opinions will be immediately abrogated. All persons who are detained or placed in custody by the Nazis on these grounds will be released, subject to the interests of the individuals concerned. You will take steps to insure that such people, if not released, are provided with adequate clothing, food and quarters.

6. The criminal and civil courts of Germany will be closed. After the elimination of all Nazi elements, at such time and under such regulations, supervision and control as may be determined, the courts will be permitted to resume functioning. Full power of review and veto will be retained by the occupation authorities over all courts which are allowed to function. All politically objectionable courts; e.g., People's Courts and Special Courts, will be abolished. Criminal and ordinary police, and such others as it may be proper to retain, under appropriate supervision, must be purged of Nazi or otherwise undesirable elements, who will also be arrested and held for disposition.

7. No person in Germany, other than authorized United Nations nationals, shall be permitted to possess arms of any character except that such local police as may be utilized to maintain order may be armed with appropriate law enforcement weapons.

8. *a.* All members of the Nazi party and ardent supporters of Nazism will be removed immediately from all government positions (other than clerks and non-policymaking functionaires) and from all leading positions in industry, banking, education, judiciary, and other public services. Under no circumstances shall such persons be retained in such offices for the purpose of administrative convenience or expediency.

b. You will decide whether the objectives of military government are better served by the appointment of officers of the occupation forces or by the use of the services of Germans who have been cleared by the security branches of the Allied armies. Failure by such Germans as are permitted to fill Government posts to conform with Allied directives and instructions will be cause for removal and such punishment as you may deem advisable.

9. Subject to the provisions of paragraph 11 and to the extent that military interests are not prejudiced, freedom of speech and press,

and of religious worship, will be permitted. Consistent with military necessity, all religious institutions will be respected. All efforts will be made to preserve historical archives, classical monuments and works of art, except that all archives, monuments and museums of Nazi inception, or which are devoted to the perpetuation of German militarism shall be appropriately dealt with, seized or closed and their properties held pending further instructions.

10. *a.* Prisoners of war belonging to the forces of the United Nations and associated nations will be freed from confinement and placed under military control or restriction as may be appropriate pending other disposition.

b. All nationals of allied nations who have been removed to Germany under duress to serve in labor battalions, or any other units organized by the Nazis, after identification will be repatriated in accordance with the regulations to be established after consultation with the governments of the countries concerned. Pending repatriation, such persons should be adequately taken care of and, if deemed advisable, their freedom of movement restricted. Former prisoners of war released by the Axis may be found among the forced laborers. They should be identified and requests addressed to their respective military commands for instructions as to their disposition.

c. All allied civilians resident or interned in Germany as a result of their presence in that country upon the outbreak of war shall be identified, examined closely and may, if deemed advisable, be placed under restricted residence. These people will be dealt with in accordance with agreements reached after consultation with the governments of the countries concerned. In general, all practical measures will be taken to insure the health and welfare of United Nations nationals, including provision for employment as authorized and practicable, and repatriation should be undertaken as rapidly as military conditions permit.

d. All diplomatic and consular officials of powers with whom the United States (U.K.) (U.S.S.R.) remains actively at war will be taken into protective custody and held for further disposition. All other nationals of such powers will be interned. All nationals of other countries with which any of the United Nations are or have been at war (except Germany) will be identified and registered and may be interned or their activities curtailed as may be necessary under the circumstances. Diplomatic and consular officials of such countries will be taken into protective custody and held for further disposition.

e. All German diplomatic and consular officials and other agents will be recalled. If their recall cannot be effected or if their recall is not practicable by reasons of nationality, their authority as agents for Germany will be terminated. All records and files of these agents

and officers will be ordered returned to Germany or otherwise made available for appropriate inspection.

f. Nationals of neutral countries must register with the appropriate military authorities. Every facility and encouragement will be given these people to return to their home countries, except those neutrals who have actively participated in any way in the war against any one of the United Nations in which event they will be detained, pending receipt of further instructions as to their disposition. Neutral nationals will be accorded no special privileges of communication or business relationships with their home countries or people resident outside Germany. Restrictions on neutrals entering Germany shall be imposed as may be deemed advisable. Persons and property of diplomatic and consular officials of neutrals will be accorded full protection.

11. *a.* Dissemination of Nazi doctrines and Nazi propaganda in any form shall be prohibited. All schools and universities will be closed. Elementary schools should be reopened as soon as Nazi personnel have been eliminated and text-books and curricula provided which are free of Nazi or militaristic doctrines. Steps should be initiated to prepare satisfactory text-books and curricula and obtain teaching personnel free of any taint of Naziism or militarism for secondary schools. You should report to the Control Council prior to reopening secondary schools.

b. No political activities of any kind shall be countenanced unless authorized by the occupation authorities. No political personalities or organized political groups shall have any part in determining the policies of the military administration. It is essential to avoid any commitments to any political elements.

c. The publication of all newspapers, magazines, journals and other publications and the operation of all German radio stations and the dissemination of news or public information by mail, motion pictures, telephone, cable or other means will be suspended. Thereafter, the dissemination of news or information may be permitted subject to such censorship and control as are considered necessary in the interests of military security and intelligence and in order to carry out the principles laid down in this directive.

12. Except in accordance with regulations established by the Control Council, no person shall be permitted to leave or enter the area under your command without your authority.

13. No German parades, military or political, civilian or sports, shall be permitted anywhere in Germany. No German military music, or German national or Nazi anthems shall be played or sung in public or before any group or gatherings. Public display of German national or Nazi flags and other paraphernalia of Nazi or affiliated organizations shall be prohibited. All flags, publications, and

other paraphernalia of the Nazi party or affiliated organizations shall be seized and amounts shall be set aside to distribute to approved foreign museums and the remainder will be held for disposition under your direction.

APPENDIX "B"

FINANCIAL DIRECTIVE

No draft of Financial Directive is included in this paper. The Financial Directive draft is being studied further and will be submitted at a later date. Pages 15 to 21, inclusive, are reserved for this purpose.

APPENDIX "C"

ECONOMIC DIRECTIVE

1. You shall assume such control of existing German industrial, agricultural, utility, communication and transportation facilities, supplies, and services, as are necessary for the following purposes:

a. Assuring the safety of your forces, the satisfaction of their needs, and the accomplishment of your mission.

b. Assuring the immediate cessation of the production, acquisition or development of implements of war.

c. Assuring, to the extent that it is feasible, the production and maintenance of goods and services essential (1) for the prevention or alleviation of epidemic or serious disease and serious civil unrest and disorder which would endanger the occupying forces and the accomplishment of the objectives of the occupation; and (2) for further military operations to be conducted in other theaters (but only to the extent that specific directives of higher authority call for such goods or services).

d. Preventing the dissipation or sabotage of German resources and equipment which may be required for relief, restitution, or reparation to any of the Allied countries, pending a decision by the appropriate Allied governments whether and to what extent German resources or equipment will be used for such purposes.

e. Exercising appropriate supervision over transactions of all types between your zone and areas outside Germany.

f. Facilitating the prompt restitution to liberated countries of identifiable property looted by Germans.

g. Prohibiting exports from Germany except for restitution, making surpluses available to liberated areas and for other purposes as may be specified in agreed policies of the Control Council. Except for the purposes specified above, you will take no steps (1) looking toward the economic rehabilitation of Germany, nor (2) designed to maintain or strengthen the German economy. Except to the extent necessary (1) to accomplish the purposes set out above, and (2) to assure

thorough elimination of discriminatory Nazi practices in actual operation of economic controls, the responsibility for and the task of dealing with such economic problems as price controls, rationing, unemployment, production, reconstruction, distribution, consumption, housing or transportation will be left in German hands. You should, however, take such steps as may be necessary to assure that economic controls are operated in conformity with the above purposes and the general objectives of military government.

2. You will make a survey to determine:

(*a*) the extent to which productive capacity and supplies within your zone are or can be made available for shipment to other zones of occupation or to other countries or for relief and rehabilitation in the devastated areas of Europe, and

(*b*) the extent to which the fulfillment of the purposes stated in paragraph 1 above will necessitate shipment of supplies to your zone from other zones of occupation or from zones outside of Germany.

3. You will take such steps as are necessary to protect from destruction by the Germans, and maintain for such ultimate disposition as may be determined by the Control Council all plants, property, patents and equipment and all books and records of large German industrial companies and trade and research associations that have been essential to the German war effort and the German economy. In this connection you will pay particular attention to research and experimental establishments of such concerns.

4. You should take measures to prevent transfers of title of real and personal property intended to defeat, evade or avoid the orders, proclamations or decrees of the military government or the decision of the courts established by it.

5. Substantial amounts of private and public property of various categories have been seized, looted or otherwise improperly acquired by various Nazi officials and others. While it is contemplated that a suitable commission will ultimately deal with this problem you should take such steps as may be practicable to collect any available information as to property of this kind and to preserve any such property found in the area under your control.

6. *a.* All property in the German territory belonging to any country with which any of the United Nations are, or have been at war may be controlled, subject to such use thereof as you may direct.

b. Your responsibility for the property of the United Nations, other than U.K., U.S. and U.S.S.R., and their nationals, in areas occupied by Allied forces shall be the same as for the property of U.K., U.S., and U.S.S.R., and their nationals, except where a distinction is expressly provided by treaty or agreement. Within such limits as are imposed by the military situation you should take all reasonable steps necessary to preserve and protect such property.

7. You will take all practicable steps to uncover and compile evidence concerning property held abroad for German public or private account or benefit.

APPENDIX "D"

RELIEF DIRECTIVE

1. You will be responsible for the provision and distribution of supplies for civilian relief to the German population only to the extent necessary to prevent disease and such disorder as might endanger or impede military occupation. For this purpose you will make maximum use of supplies, stockpiles and resources available within Germany in order to limit the extent to which imports, if any, will be required. German import requirements shall be strictly limited to minimum quotas of critical items and shall be subordinated to the fulfillment of the supply requirements of any liberated territory.

2. German food and other agricultural supplies will be utilized for the German population. It will be necessary to hold German consumption in your zone to a minimum so as to augment the supply of agricultural products to zones having a deficit of such products and to the devastated areas of Europe. You will report on any surpluses that may be available. If supplies available in your zone are insufficient for fulfillment of the purposes set forth in Appendix C, paragraph 1, you will report such deficits to the Control Council, which will establish policies with respect to the inter-zonal problem resulting from regional surpluses and deficits.

3. You will permit the German authorities to maintain or reestablish such health services and facilities as may be available to them under the circumstances. In the event that disease and epidemics should threaten the safety of Allied troops or endanger or impede military occupation, you shall take such steps as you deem necessary to protect the health of Allied troops and to eradicate sources of contamination.

740.00119 Control (Germany)/1–1145

Memorandum by the Chief of the Division of Central European Affairs (Riddleberger) [53]

[WASHINGTON,] January 15, 1945.

I have read the attached memorandum from the Secretary of the Treasury to the President [54] respecting the treatment of Germany.

[53] Addressed to the Secretary of State and to the Director of the Office of European Affairs. A marginal note by Riddleberger states that Assistant Secretary of State Dunn had read and approved the memorandum.

[54] January 10, p. 376.

In its general outline, it is very much the same plan that the Secretary of the Treasury advanced several months ago,[55] except for the omission of his scheme for the partition of Germany. In face of the fact that the President has, on at least two occasions, indicated that he wished to discuss these matters first with the State and War Departments, my advice is that we should avoid any discussion with the Treasury on this matter.

If it should again become known that Mr. Morgenthau is actively advancing his ideas, we should once again be presenting Goebbels[56] with some excellent propaganda material which he will no doubt know how to use most effectively inside Germany.

JAMES W. RIDDLEBERGER

740.00119 Control (Germany)/1–445

Minutes of a Meeting of January 17, 1945[57]

Participants:

Mr. Morgenthau, Mr. White[58] from Treasury

Mr. Stettinius, Mr. Dunn, Mr. Clayton,[59] Mr. Acheson,[60] Mr. Pasvolsky,[61] Mr. Matthews, Mr. Riddleberger, Mr. Despres,[62] Mr. Yost,[63] Mr. Durbrow,[64] and Mr. Raynor[65] from State (Is this complete?)

Mr. Morgenthau began by stating that our three major objectives in Europe should be: (1) An economically strong and prosperous Britain, (2) development of friendly relations with Russia, not tainted by

[55] The records of the Second Quebec Conference, September 11–16, 1944, which are scheduled for publication in a subsequent volume of *Foreign Relations*, will contain documentation regarding the discussions within the executive branch of the Government during August and September 1944 of United States economic policies towards a defeated Germany including the policy proposals of the Secretary of the Treasury. For continuation during October and November 1944 of the discussions within the Government concerning economic policy toward Germany, see *Conferences at Malta and Yalta*, pp. 143–197. See also *The Memoirs of Cordell Hull* (New York, The Macmillan Company, 1948), vol. II, pp. 1602–1622; Henry L. Stimson and McGeorge Bundy, *On Active Service in Peace and War* (Harper and Brothers, New York, 1947), pp. 568–583; Henry Morgenthau, Jr., *Germany Is Our Problem* (New York, Harper and Brothers, 1945).

[56] Joseph Goebbels, German Minister for Public Information.

[57] File copy is marked "revised draft".

[58] Harry Dexter White, Assistant Secretary of the Treasury in charge of Monetary Research and Foreign Funds Control.

[59] William L. Clayton, Assistant Secretary of State for Economic Affairs.

[60] Dean Acheson, Assistant Secretary of State for Congressional Relations.

[61] Leo Pasvolsky, Special Assistant to the Secretary of State for International Organization and Security Affairs.

[62] Emile Despres, Adviser on German Economic Affairs.

[63] Charles W. Yost, Executive Secretary of the Joint Secretariat of the Executive Staff Committee.

[64] Elbridge Durbrow, Chief, Division of Eastern European Affairs.

[65] G. Hayden Raynor, Special Assistant to the Secretary of State.

mutual suspicion, and (3) an economically weak Germany, incapable of further aggression.

[Here follow comments on post-war conditions in Britain and a reference to the Secretary of the Treasury's views on relations with the Soviet Union, the latter not recorded in this document. For documentation regarding the negotiations on the extension of credit to the United Kingdom, the liberalization of world trade, and the settlement of lend-lease, see volume VI, pages 1 ff.]

With respect to Germany, Mr. Morgenthau said that although he felt confident that he and Mr. Stettinius would work as a team in the future, he thought it necessary, in order to remove any possible misapprehensions, to review the history of Treasury participation in the policy deliberations regarding Germany. Last August, while he and Mr. White were on their way to Europe, Mr. White showed him the ECEFP document on reparation.[66] He was distressed by this document because it seemed to envisage the full maintenance of German productive power for the sake of securing reparation. While in England, Mr. Morgenthau looked into the plans regarding Germany, talking to General Eisenhower,[67] Mr. Eden, Mr. Winant and to others at SHAEF [68] and EAC. General Eisenhower expressed the view that during occupation the Germans should not be pampered but should "stew in their own juice". Mr. Morgenthau got the impression at that time that Mr. Eden also favored a severe policy, (though this was not borne out by Mr. Eden's later attitude at Quebec [69]). However, Mr. Morgenthau was greatly disturbed by the benevolently paternalistic character of the planning which was going forward at SHAEF and at EAC. Upon his return to Washington Mr. Morgenthau told Mr. Hull [70] of his findings and impressions and reported them to the President. As an outgrowth of this, the President sent a memorandum [71] to Secretary Stimson [72] criticizing the SHAEF handbook on Germany.[73] (Mr. Morgenthau has never seen this memorandum, apart

[66] For text of the document by the Executive Committee on Foreign Economic Policy, designated ECEFP D–37/44, dated August 12, 1944, and entitled "Summary: Report on Reparation, Restitution, and Property Rights—Germany", see *Foreign Relations*, 1944, vol. I, p. 287.

[67] General of the Army Dwight D. Eisenhower, Supreme Allied Commander, Allied Expeditionary Force.

[68] Supreme Headquarters, Allied Expeditionary Force.

[69] See footnote 55, p. 389.

[70] The then Secretary of State, Cordell Hull.

[71] Memorandum by President Roosevelt to the Secretary of War, dated August 26, 1944, *Foreign Relations*, 1944, vol. I, p. 544.

[72] Henry L. Stimson, Secretary of War.

[73] A German Country Unit which was set up as a special staff of Supreme Headquarters, Allied Expeditionary Force early in 1944 prepared a *Handbook for Military Government in Germany* for the use of the military government officers who would operate in occupied Germany. The third draft edition of this *Handbook* completed in August 1944 was the version which came into the hands of Secretary Morgenthau and was criticized by President Roosevelt. For discussions of this *Handbook*, see Forrest C. Pogue, *The Supreme Command*, in the official Army history *United States Army in World War II: The European*

from the excerpts printed by Drew Pearson.[74]) The President then set up a Cabinet Committee consisting of the Secretaries of State, War, and Treasury, and, as a member of that Committee, Mr. Morgenthau submitted a memorandum setting forth a program to weaken Germany.[75] Shortly thereafter he was summoned to the Quebec Conference, where he was called upon to participate in discussion of policies toward Germany, among other matters. Mr. Morgenthau indicated that he remains deeply interested in doing what he can to see that a policy which strikes at the roots of Germany's war making potential is adopted.

Mr. Morgenthau then outlined his views regarding treatment of Germany, which were not substantially different from those set forth in his memorandum to the President of last September.[76] He said that our policy must have two central objectives: (1) to make Germany incapable of further aggression, and (2) to assure the Soviet Union that we do not look to Germany as a buffer and possible future ally against her. The only means of accomplishing both objectives is by assuring an economically weak Germany. A strong Germany would be a source of future European rivalries; Germany, by using her influence to promote divisive tendencies in Europe, could pave the way for renewed successful aggression. The people who oppose drastic economic weakening of Germany, both within and outside Government, are motivated largely by anti-Russian attitudes.

Mr. Morgenthau's program to weaken Germany consists of elimination of the metallurgical, electrical, and chemical industries. He is opposed to any reparation, unless the removal to other countries of existing German capital equipment and supplies be considered as reparation. Germany's loss of heavy industry might be accompanied by a further intensification of German agriculture, so that Germany might become a predominantly agrarian country. Concerning the scope of the industrial measures, Mr. Morgenthau said that he personally favored going so far as to seal up the coal mines for fifty years, but he suggested that his own advisers didn't go along with him to this extreme point. Mr. White said that under the Treasury's proposal Germany would still be left with some types of industry, a transportation system, utilities, etc.

Upon the conclusion of Mr. Morgenthau's remarks, Mr. Stettinius stated that the Department was thoroughly in accord with Mr. Morgenthau's objective of making Germany permanently incapable of

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Theater of Operations (Washington, Government Printing Office, 1954), p. 353, and Harold Zink, *American Military Government in Germany* (New York, The Macmillan Company, 1947), pp. 19–20.

[74] See Drew Pearson's syndicated newspaper column "Washington Merry-Go-Round" for September 21, 1944.

[75] A photographic copy of the memorandum is reproduced immediately preceding p. ix of Morgenthau, *Germany Is Our Problem* (first edition).

[76] See footnote 55, p. 389.

further aggression, and all officers of the Department were of one mind about this. Mr. Morgenthau was somewhat skeptical, and Mr. Stettinius asked Mr. Riddleberger to summarize the contents of a recent memorandum on this subject.[77] When Mr. Riddleberger began by saying that this memorandum had called for destruction of manufacturing facilities in armament and aircraft, Mr. Morgenthau remarked that measures against the armament industry alone were inadequate to achieve the desired result. Mr. Despres said that despite the full agreement which existed regarding the objective, there was a difference of emphasis between the State Department and the Treasury regarding the economic measures appropriate to that objective. He then said that the Department had taken the view that the depth of the cut initially taken into the German economy mattered less than sustained enforcement of whatever program for complete disarmament was adopted, and that the Department favored the program which had the best chance of being sustainedly enforced. Mr. White said that in their view both were important. Mr. Morgenthau then asked Mr. Despres whether the State Department's recommendations regarding policy were based on a genuine desire to make Germany incapable of further aggression. Mr. Despres replied that they were, and Mr. Dunn and others joined in confirming this answer. Mr. Stettinius then designated Mr. Dunn, and Mr. Morgenthau designated Mr. White, to discuss these matters further.

740.00119 EAC/1–1845

The British Embassy to the Department of State

AIDE-MÉMOIRE

His Majesty's Government have had under consideration the forum and machinery for inter-Allied discussion of long-term policy towards Germany.

2. It seems to His Majesty's Government to be essential to have and use inter-Allied machinery of the character of the European Advisory Commission to prepare the way for decisions on long-term policy towards Germany, which will of course have to be taken at the highest level. British studies of long-term German problems have shown how complex they are and how difficult it is to decide on the best way of obtaining the common objective that Germany shall never again be able to embark upon aggression. These problems need to be fully

[77] Possibly the memorandum referred to here is the paper prepared by the Department of State entitled "Economic Policies Toward Germany—Summary", not dated. For text, see *Conferences at Malta and Yalta*, p. 190.

debated between the major Allies so that the various alternatives and their pros and cons can be submitted to the Governments as raw material for the necessary high-level decisions.

3. Without such preliminary Allied study it is difficult to see how satisfactory and lasting decisions could ever be taken. The major Allies are agreed upon the broad objectives, namely, the destruction of German power to make war and proper retribution for Germany for her crimes against the Allies, but there are an ever increasing number of alternative ways of reaching these objectives. The decision between the various alternatives invariably depend upon intricate questions of detail—geographical, political, military and economic—which should be thoroughly studied before the heads of governments are asked to give a final decision on them. For example, it is generally agreed that some form of permanent control should be established over German industry's war potentialities in the Ruhr-Rhine area; when it comes to deciding how this should be done, alternatives are presented ranging from the suggestion to turn the area into a pastoral community to the idea of setting up some form of separate state under Allied control whose industry would be made to work as hard as possible to repair the damage done to Allied countries.

4. His Majesty's Government believe that the European Advisory Commission is the right body to devil these very difficult questions for the Governments. The Commission as at present constituted has the great advantage that it includes the French on an equal footing which is essential if any lasting plans are to be made about Germany.

5. It is true that the European Advisory Commission has hitherto worked slowly. In the view of His Majesty's Government the remedy is to reform the working of the Commission rather than to duplicate the Commission or to attempt the impossible task of discussing these complicated problems by diplomatic correspondence.

6. The German problem is of course well within the terms of reference of the Commission which cover "European questions connected with the termination of hostilities which the three Governments may consider it appropriate to refer to it".[78] Long-term German problems have indeed already been laid before it. After the decision of the Tehran Conference in December 1943 [79] to refer the question of dismembering Germany to the Commission, the United Kingdom representative raised the matter at the Commission. The United States Government have suggested that reparation and economic security should be studied under the aegis of the Commission. The Soviet rep-

[78] See annex 2 to the Secret Protocol of the Tripartite Conference of Foreign Ministers, signed at Moscow, November 1, 1943, *Foreign Relations*, 1943, vol. I, p. 756.

[79] For documentation regarding the conference at Tehran, November 27–December 1, 1943, see *Foreign Relations*, The Conferences at Cairo and Tehran, 1943.

resentative in October last submitted a plan of work for the Commission which included the abolition of "the Hitlerite regime" and the control of German economy.[80]

7. This question of machinery and procedure for the study of long-term policy towards Germany is one which it will be essential to discuss at the next high-level meeting.[81] His Majesty's Government think the United States Government may care to consider their view set out above before this meeting takes place. They are hopeful that the United States Government will share their view that the European Advisory Commission is the proper forum for inter-Allied discussion of long-term policy towards Germany.

WASHINGTON, January 17, 1945.

740.00119 EAC/1–1845

Memorandum of Conversation, by the Assistant Secretary of State for European, Far Eastern, Near Eastern, and African Affairs (Dunn)

[WASHINGTON,] January 18, 1945.

Mr. Michael Wright, Counselor of the British Embassy, came in this morning and left with me the attached memorandum,[82] which makes the following two points:

a) That the European Advisory Commission is the proper forum for the discussion of long-range policy toward Germany;

b) That at the forthcoming meeting[83] of the President, the Prime Minister, and Marshal Stalin, agreements should be arrived at to give an extra impetus to the work of the European Advisory Commission with a view to expediting the discussion in that body of our long-term policy, particularly toward the treatment to be accorded German industry.

I told Mr. Wright that it has always been our view that the European Advisory Commission, according to the terms of reference under which it was established by the Moscow Conference, is the proper place for the discussion of long-range policy toward Germany including the question of what to do with German industry. I recalled that we fully expected the Commission to go into the discussion of this long-range policy as soon as it had completed its work of preparing recommendations as to the control machinery to be set up in Germany after the surrender.

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[80] See telegram 9227, October 26, 1944, from London, *Foreign Relations*, 1944, vol. I, p. 369.

[81] The Yalta Conference, February 4–11, 1945.

[82] British *aide-mémoire* of January 17, *supra*.

[83] At Yalta.

I also stated that although it did not seem necessary in my opinion for this matter to be brought up in the forthcoming high level meeting, there would be no objection as far as I could see to the British trying to obtain from the Russians an agreement to give a further impetus to the work of the Commission in an effort to have the discussion on long-range policy taken up as soon as possible.

JAMES CLEMENT DUNN

[For memorandum from the Department of the Treasury dated January 19, 1945, elaborating a long-range policy for Germany, the memorandum by the Ambassador in the Soviet Union dated January 20, 1945, reporting a conversation with the Assistant People's Commissar for Foreign Affairs of the Soviet Union concerning Soviet views on the treatment of Germany, and the Department of State papers "Treatment of Germany: Summary", dated January 12, 1945, and "Economic Policies Toward Germany: Summary", not dated, see *Conferences at Malta and Yalta*, pages 175–193.]

740.00119 EAC/1–2645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)[84]

WASHINGTON, January 26, 1945—1 p. m.

603. There has been transmitted to you as an enclosure to Department's instruction 4980, January 13, 1945, a revision of JCS 1067 designed to adapt it in form but without any change of substance or of policy, for use as a basis of tripartite negotiation in EAC. The revision sets forth a statement of general policy and includes as appendices more specific statements of political, economic and relief policy. An appendix on financial policy will follow. We intend to supplement this revision of JCS 1067 by other statements of policy of subjects not covered either by it or by draft directives or statements of policy heretofore forwarded to you. We expect within a few days to transmit statements of policy regarding prisoners of war and disarmament.

We believe that revised 1067 including appendices should be submitted by you to EAC in substantially the form transmitted to you. We appreciate that you may not be able to persuade EAC to accept it as the basis for discussion of tripartite agreement. In such case

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[84] Marginal note reads: "Drafted by C.A.D. (Civil Affairs Division) of War Department."

we repeat, as indicated in our cable of 12 December,[85] that you are authorized to subdivide 1067, or to rephrase or change the form of any parts thereof (or of any other policy directive furnished you) for purposes of negotiation in EAC so long as any such revised documents are consistent in policy and substance with the views expressed in 1067 and in the other approved policy documents forwarded to you. Any documents agreed to in EAC will of course be subject to final approval by this Government.

In general we believe and we understand that you agree that EAC action should be taken only on broad general policies appropriate for discussion on a governmental level and that it should be a function of the zone commanders collectively as members of the Control Council to prepare and issue supplementary directives, as may be appropriate, covering the implementation of such broad policies. They should do likewise individually in the separate areas of responsibility of the zone commanders. Such supplementary action by the Control Council should not require separate approval by the three Governments as long as it is reasonably within the broad policies previously approved.

GREW

740.00119 EAC/1–2645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 26, 1945—9 p. m.
[Received 10:27 p. m.]

947. Personal for Assistant Secretary Dunn. Department's instruction 4980 of January 13 received.

I have been struck by one peculiar feature in the appended economic directive. It appears throughout to emphasize the idea of operating each zone as a separate economic unit, with a minimum of provisions for consultation with the control machinery, such as those contained only in paragraphs 1–G and 3.

Unless I am able to offer in the European Advisory Commission fuller comment on United States economic policy toward Germany than is contained in the economic directive, it is going to be very difficult to present the United States proposal effectively. For example, paragraph 2 of that directive might be interpreted as requiring the zone commander to establish detailed control over movements of goods, currency, valuables and persons across inter-zonal boundaries and to assume responsibility for organizing all exchanges of goods between his own zone and other zones. At least there is no indication that the Control Council will have anything to do with these matters.

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[85] Telegram 10371, December 12, 1944, to London, *Foreign Relations*, 1944, vol. I, p. 418.

Paragraphs 1–E and 1–G might appear to place on the zone commander complete responsibility for movement of goods and valuables between his zone and foreign countries.

Paragraphs 1–F and 1–G imply that the zone commander is to be solely responsible for the complicated problem of restitution of property found in his zone. In general it can be foreseen that this first official statement of the United States economic policy toward Germany will lead to my being closely questioned on the long-range question of economic unity versus economic dismemberment. I do not find in the instructions so far provided by the Department any basis for dealing with such questions in the Commission.

A policy of economic dismemberment would, I believe, run directly counter to the views so far expressed informally and frequently by the Soviet representative in the EAC. Gousev has regularly stressed, as reported from time to time by me, that Germany should be treated as an economic unit by the victors and that the zone boundaries should in no sense be regarded as economic boundaries. Our draft economic directive may therefore come as a serious shock to the Soviet Government.

If the Russians come to feel that our Government has decided on a policy of economic dismemberment, such feeling might influence their attitude toward the agreement on zones of occupation and the agreement on control machinery, which are awaiting approval by their Government. Until these two agreements have been approved by all three Governments, our one completely firm agreement regarding Germany is the instrument of surrender. The instrument provides for the Allies taking absolute power over Germany but contains no arrangements for allocation of zones or for exercise of Allied authority as among the Allies themselves.

If the Russians should conclude that United States economic policy toward Germany is in direct opposition to the general spirit in which they are approaching the question of controlling Germany and to the achievement of their direct economic aims, they may delay approval of the two draft agreements until Germany has collapsed. Upon that collapse, in the absence of agreed arrangements for occupation and control, any last-minute arrangements made at the military level might be determined by the *de facto* military situation prevailing at the moment of German collapse, which might greatly complicate execution of present plans for deployment and logistical support.

Because of uncertainty regarding implications which stem from a premature EAC discussion of the Department's draft economic directive, I am withholding the papers transmitted in Department's instruction 4980 for the time being, until I can be provided with certain clarifications. It is particularly important for me to be informed, in advance of discussion of the directive in the Commission, whether or

not economic dismemberment is a settled aim of our policy.[86] I had understood that this was to be discussed at the forthcoming meeting of the three Governments.

WINANT

740.00119 EAC/1–2645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, February 3, 1945—11 p. m.

849. We agree with the view expressed in your 947 of 26 January, 9 p. m., that it would be most unfortunate if our proposed economic directive were interpreted in EAC as providing for the operation of each zone as a separate economic unit. It is the view of the Department that, while feasible decentralization of German administration should be encouraged, we should seek the greatest attainable measure of uniformity in policy among the several zones, and zonal boundaries should not be allowed to become economic barriers. I suggest that, in submitting this directive, you make such clarifying comments along these lines as seem to you desirable.

In interpreting the economic directive, the provisions of paragraph 2 of the basic directive are, of course, applicable. Thus, agreed policies of the Control Council are to be determinative throughout the zones, and coordination of administration is to be effected through the Council. The economic directive, like others, does not attempt to define in advance the precise division of responsibility between the Control Council and the zones; the scope of responsibility of the Council will depend upon the extent of agreement reached on specific questions.

In response to your observations regarding paragraph 1 of the economic directive, it should be borne in mind that the directive is addressed to the Commanders-in-Chief in their roles as members of the Control Council as well as in their capacities as Commanders of the respective forces of occupation. The objectives and policies set forth in this paragraph are not to be considered as matters for independent, uncoordinated action in each zone. This paragraph, along with the remainder of the directive, is regarded as providing guidance to the Control Council as well as to the zonal authority, so that necessary coordination may be secured.

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[86] In letters to President Roosevelt and to the Secretary of State, both dated January 28, 1945, Ambassador Winant further elaborated his views regarding the "Directive to Commander-in-Chief of U.S. (U.K.) (U.S.S.R.) Forces of Occupation regarding Military Government of Germany in the Period Immediately Following the Cessation of Organized Resistance". For the texts of these letters, see *Conferences at Malta and Yalta*, pp. 130–133.

Paragraph 2 of the economic directive is not designed to erect barriers to the interzonal movement of goods. On the contrary, it was recognized that the fact of zonal occupation might tend to hamper interzonal movements, unless affirmative action were taken to facilitate essential traffic; paragraph 2 was designed to pave the way for affirmative action if it should prove necessary. The responsibility of the Control Council with respect to interzonal trade is made explicit in the second paragraph of the relief directive.

GREW

740.00119 EAC/2–345

Memorandum by Mr. Philip E. Mosely, Political Adviser to the United States Representative on the European Advisory Commission (Winant)

[LONDON,] February 3, 1945.

1. *Receipt of Revised JCS 1067.*

The E.A.C. Delegation has now received a revised 1067 consisting of four parts: Overall Military Government Directive; Appendix A, Political Directive; Appendix B, Economic Directive; Appendix D, Relief Directive; a Financial Directive is still being revised in Washington for transmission (Department's instruction No. 4980 of January 13, 1945).

2. *Overall or Military Government Directive.*

This directive has been very considerably revised. Unlike the original 1067, it no longer relates to the interim period which had been envisaged as extending from the German surrender or collapse to the establishment of the Control Council in Berlin—the so-called post-surrender SHAEF period—, but relates directly to the period of Control Machinery.

However, even in its new form, the Military Government directive will be a difficult document to negotiate. Some Articles, such as Articles 2 and 6 and the second sentence of Article 9, paraphrase the Agreement already made regarding Control Machinery. Other Articles, such as Articles 3, 4, 5 and 10, are purely declaratory or exhortatory in character. Articles 7*b* and 8, and the first sentence of Article 9 are matters for domestic housekeeping by each commander-in-chief and do not require Allied agreement. This analysis shows that the revised overall Military Government directive provides practically nothing which requires agreement or is appropriate in form to serve as a basis of negotiation.

3. *The Three Appendices.*

On the other hand, the three attached directives have scarcely been revised at all. One example of such revision is found in Article 3 of

the Economic Directive, which formerly provided that German business and industrial property and records should be protected from destruction and held for ultimate disposition by the Combined Chiefs of Staff. The revised directive provides that they shall be held for disposition, "as may be determined by the Control Council". Aside from three or four such substitutions of Control Council for Combined Chiefs of Staff, no effort has been made to adapt these three directives to use in the period of joint Allied control of Germany, and thus they have been sent to the E.A.C. Delegation in a form which appears inconsistent with the emphasis of the overall revised Military Government directive on joint policies and on the role of the Control Council.

The attached directives are excessively detailed in some respects and completely silent regarding other important matters. For example, Article 1 of the Political Directive lists 14 broad categories of persons who must be searched out, arrested and held "pending receipt by you of further instructions as to their disposition". There is no indication as to the source from which these "further instructions" are to be received.

4. *Political Directive.*

Article 4 of the Political Directive requires that "all records, books, documents, papers, files, scientific, industrial and other information and data" belonging to any one of a list of six broad categories of German agencies should be preserved from destruction. Apparently no estimate has been made of the number of military personnel which would be required to give effect to this requirement.

Article 6 of the Political Directive provides that courts will be allowed to resume their functions "at such time and under such regulations, supervision and control as may be determined". There is no indication as to how that time and those regulations will be determined, whether by the Control Council, the zone commander, or by individual local Government administrators.

Article 10 again goes into considerable detail on the handling of six different categories of persons requiring special handling.

Aside from these few problems which are treated in considerable detail, though without clear provision for either zonal or central control, there is a wide series of political questions which are omitted from this directive, without indication as to whether they will be left entirely to the zone commander or will be treated in later directives to the members of the Control Council.

5. *Economic Directive.*

The Economic Directive requires the zone commander to exercise "appropriate supervision over transactions of all types between your zone and areas outside Germany", to facilitate "the prompt restitution

to liberated countries of identifiable property looted by Germans", to prevent "the dissipation or sabotage of German resources and equipment which may be required for relief, restitution or reparation to any of the Allied countries", to make a survey "to determine the extent to which productive capacity and supplies within your zone are or can be made available for shipment to other zones of occupation or to other countries or for relief and rehabilitation in the devastated countries of Europe", etc., etc., etc.

It can be argued that these economic policies are binding on the zone commander only until overriding general policies are laid down, in accordance with the recognition in the Military Government Directive of a Control Council. However, if such is the intention, it would have been more useful, for purposes of negotiation, to channel the provisions of the proposed Economic Directive toward a consideration of those economic problems which will require uniform handling throughout Germany, rather than to devote it almost exclusively to measures which are to be taken in the separate zones.

The general impact of the Economic Directive on the reader is that it implies the operation of each of the three zones as a separate economic entity, with the zone commander responsible for organizing all commercial and other transactions between his zone and other zones in Germany and with other countries. This concept runs directly counter to Soviet and British emphasis on operating the German economy as a unit with a large measure of Allied control in order to assure to the devastated countries a maximum of German material needed for their speedy reconstruction.

6. *Relief Directive.*

Article 2 of the Relief Directive sets forth the principle of holding German consumption to a minimum. Yet neither it nor the Economic Directive makes any provision for overall Allied control of German rationing, prices, wages and transport, which, in an economy of scarcity, will be essential if the purpose of providing maximum relief to the Allied countries is to be achieved.

7. *Presentation of JCS 1067.*

By its 603 of January 26, the Department instructs the Ambassador to present the revised JCS 1067 as a basis of tripartite negotiation in the European Advisory Commission. In passing, it might be pointed out that since November 27 all E.A.C. negotiations are on a quadripartite basis.

The Department states that it intends to supplement this document by "other statements of policy on subjects not covered either by it or by draft directives or statements of policy previously forwarded". There is no indication of what these subjects will be. Apparently the Ambassador is expected to ask the other Delegations to accept 1067

on faith and without being able to give them any advance assurance that any particular subject will be covered in additional statements.

The Ambassador is authorized to subdivide 1067 or to re-phrase any parts of it "so long as any such revised documents are consistent in policy and substance with the views expressed in 1067 and any other appropriate policy documents forwarded" to him. Again in passing, it should be pointed out that the 15 draft directives already approved by our Government and circulated in the E.A.C. are in many respects not consistent with the very narrow substance of 1067.[87]

8. *Remaining Scope of E.A.C. Negotiations.*

The same telegram from the Department states that "E.A.C. action should be taken only on broad general policies suitable for discussion on a governmental level" and that all supplementary action should be taken collectively by the zone commanders as members of the Control Council or individually in their separate areas of responsibility, and that "such supplementary action by the Control Council would not require separate approval by the three Governments so long as it came reasonably within the broad policies agreed previously".

The E.A.C. Delegation does not know what those "broad policies previously approved" are. It has never been provided with policy statements from Washington on any of the "broad policies", unless 1067 is supposed to fill that bill.

It is not clear whether the E.A.C. is intended to negotiate 1067 and the present 15 U.S. directives which are before the Commission, or whether it is to go on beyond the "policy statements so far furnished" to it and to negotiate "the broad policies" on the basis of which the separate national commanders are to exercise their responsibility for governing and reconstructing Germany without reference back to their Governments.

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[87] The titles of the United States draft directives and the dates of their circulation in the European Advisory Commission are as follows: (1) Censorship of Civilian Communications, November 23, 1944; (2) Control of Works of Art and Monuments, November 23, 1944; (3) Control of Public Information in Germany, November 23, 1944; (4) Securing and Examining Information and Archives, November 23, 1944; (5) Disposition of German and German Controlled Naval Craft, Equipment and Facilities, November 23, 1944; (6) Control of Merchant Shipping Subsequent to Surrender, November 23, 1944; (7) Control of Inland Transport, November 23, 1944; (8) Disposition of German or German Controlled Aircraft, Aeronautical Equipment and Facilities, November 23, 1944; (9) Disposition and Control of the German Police, November 25, 1944; (10) Control and Disposal of Nationals, Armed Forces and Property of Enemy Countries Other Than Germany, November 25, 1944; (11) Administration of Justice, November 25, 1944; (12) Religious Affairs, November 25, 1944; (13) Elimination and Prohibition of Military Training in Germany, December 8, 1944; (14) Control of Post, Telegraph and Telephone Services in Germany, December 14, 1944; (15) Disposal of German Armed Forces, January 1, 1945. For text of draft directive on Control of Works of Art and Monuments, see *Foreign Relations*, 1944, vol. II, p. 1060. None of the other directives is printed, but all can be found in the European Advisory Commission files of the Department of State.

The U.S. Government is committed toward its Allies to negotiate broad policy regarding Germany in the E.A.C., and there is no indication that any Government except the U.S. Government is even contemplating transferring that responsibility to a mainly military group such as the Control Council. Prior to discarding the E.A.C. as a center of negotiation for common Allied policy towards Germany in favor of an unknown and untried alternative body, it would seem essential to give to the E.A.C. Delegation adequate statements of broad U.S. policy as a basis for negotiating Allied policy in the E.A.C. The revised 1067 can hardly be intended to fulfill that function.

P[HILIP] E. M[OSELY]

740.00119 EAC/2–545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 5, 1945—11 p. m.
[Received 11 : 50 p. m.]

1277. Comea 173. Attention of Assistant Secretary Dunn. Since receiving Department's instruction 4980 of January 13, I have been making a careful study of the revised 1067 Military Government Directive, exclusive of its appendices, with a view to working out the best approach for negotiating it in the European Advisory Commission. I should appreciate Department's comments on the following points in order to be prepared to answer certain questions which are likely to be raised in the Commission.

1. Several articles of the revised 1067 are paraphrases of subjects on which agreement has already been reached in the surrender instrument and the control machinery agreement. For example, article 2 of 1067 in general repeats articles 1, 3 and 5 of the control machinery agreement. Article 6 is basically a restatement of the underlying purpose of the surrender instrument. The second sentence of article 9 repeats article 9 of the control machinery agreement. I should appreciate being informed on the grounds which the Department wishes to have advanced in the EAC for negotiating these points a second time.

2. Articles 7 B, 8, and the first sentence of article 9 deal with matters lying within the jurisdiction of each of the Commanders-in-Chief and not readily susceptible of inter-Allied agreement.

3. Article 3 is declaratory and expository in character. Article 4, similarly, sets forth a statement of intentions or promises [*premises?*] rather than a precise basis of agreement. Article 5 is exhortatory in its wording and would be difficult to negotiate as an agreement without fuller definition of such words as "just", "firm", and "fraternization". Article 10 proclaims a desirable ultimate objective without setting forth any defined arrangements to be made between the Allies for its attainment during the period of Allied military government.

In general, most of the provisions of this draft directive would seem to be more suitable for issuance to the German people as a broad statement of Allied intentions than for negotiation as an agreement among the Allied Governments. Reference is made in this connection to paragraph 10 of the Commission's report transmitting the control machinery agreement to the three Governments.

Experience in negotiating the agreements on unconditional surrender, zones of occupation and control machinery shows the need for precise and clear wording of any undertakings designed to regulate the joint action of the occupying forces. If the Commission is to devote a large amount of time to inserting a clear and definite content in the revised 1067, it will be greatly delayed in its basic task of arriving at agreements on the really vital questions of broad policy toward Germany.

If the Department, nevertheless, wishes the revised 1067 to be pressed energetically in the Commission, I should appreciate being forearmed with its comments regarding 1, 2 and 3 above. Likewise, since I am directed to state, in presenting 1067, that it will be supplemented by "other statements of policy on subjects not covered by it" or by United States draft directives now before the EAC (Department's 603 [87a]) it will be essential to give the Commission some indication of the nature and scope of those supplementary statements, of the subjects they will cover, and of the time when they will be presented in the EAC.

As the Department is aware, the United States draft directives which we have prepared here have been submitted to Washington for consideration not as finished expositions of United States policy, but as a means of eliciting broad statements of United States policy as a basis for arriving at Allied agreement, leaving the implementation of broad policy to be worked out by the Commanders-in-Chief in the Control Council. The following United States draft directives on political and administrative subjects are awaiting consideration in Washington: control of education, disposition of political prisoners, international agreements, war criminals, removal of German officials and civilians from territory formerly under German control, control of German foreign relations, control of public health.[88]

A clear indication of the time when these draft directives, or of policy statements dealing with these subjects, can be considered and cleared in Washington for presentation to the EAC might assist me considerably in persuading the Commission that a prompt discussion of revised 1067 will be followed by the presentation of United States policy on further matters requiring agreement between the occupying powers and not covered or not covered adequately in 1067.

WINANT

[87a] Dated January 26, p. 395.

[88] None printed.

740.00119 EAC/2–545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 5, 1945—11 p. m.
[Received February 6—2 : 30 a. m.]

1278. For Assistant Secretary Dunn. I was glad to receive the clarifications of the economic directive (Department's instruction 4980 of January 13) contained in Department's 849, February 3, 11 p. m. These explanations will undoubtedly be of assistance in presenting the directive in the European Advisory Commission. Department's 849 is the first interpretation of the revised 1067 received through Department channels.

Receipt of the revised 1067 and of Department's 849 will, I believe, help correct a serious misapprehension which has developed in recent months among military authorities engaged in planning United States participation in control of Germany. Some top people in the United States nucleus control group [89] have interpreted 1067 as meaning that, whether or not any overall policies are arrived at in matters affecting Germany as a whole, the United States military policy is to run the United States zone as a separate entity.

The United States side of SHAEF has apparently regarded the future Control Council as an advisory rather than a policy determining body. Responsible United States officers of SHAEF, in consultations with my advisers, have repeatedly emphasized their view that United States membership on the Control Council gives the United States Commander-in-Chief power to veto the adoption by the Council of a uniform policy in any field, and, as a result of such a veto, military government in each zone will proceed along its own lines. United States SHAEF officers also maintain that even in those cases in which an agreed policy is laid down in the Control Council and with the participation of the United States Commander-in-Chief, the zonal authorities will use their own judgment as to whether to carry out that joint policy in the United States zone or to ignore the decisions, or, as they put it, the recommendations, of the Control Council. In expressing these views they seem to ignore the basic fact that the United States Commander-in-Chief is at the same time a member of the Control Council for Germany as a whole and the supreme authority in the United States zone, and concentrate entirely on his allegedly exclusive responsibility as the supreme authority in his zone.

I feel the Department should know of this divergence of interpretation of 1067. It would be most unfortunate if negotiations on the revised 1067 should proceed in the EAC on the assumption, as stated

[89] A reference to the United States Group, Control Council (Germany). For related information, see footnote 24, p. 171.

by the Department, that "the greatest obtainable measure of uniformity in policy among the several zones" should be sought, while United States military authorities charged with giving effect to United States policy in Germany operate on a directly opposite interpretation of the same directive. Since the directives issued to the United States nucleus group in London and to the United States side of SHAEF emanate from the War Department in Washington, clarification of this basic confusion should be sought there.

Department's 849 points out that the revised 1067 "does not attempt to define in advance the precise division of responsibility between the Control Council and the zones". However, if great confusion and working at cross purposes are to be avoided, it will be essential to define as early as possible the general scope of the Council's responsibility for working out agreed policies in the various fields, even though direct responsibility for execution of all policies will rest with the zonal authorities. One of the main purposes of the United States draft directives, 15 of which are already before the Commission, is to delimit in broad terms the spheres of responsibility as between the Control Council and the zonal authorities. It will be confusing to the Commission if the proposed overall directive and its appendices ignore even the need for a broad delimitation of the responsibility for policy making as between the Control Council and the zonal authorities.

I note from Department's 603, January 26, 1 p. m., that the Department intends to supplement the revised 1067 "by other statements of policy on subjects not covered" by it. This intention had not been made clear by Department's instruction 4980, which referred only to the future transmission of a financial directive.

Before I can persuade the EAC to accept the existing economic directive as a basis for quadripartite agreement, I must be in a position to set forth a list of the additional economic subjects which the Department proposes to cover in these additional policy statements, as well as the extent to which our Government will seek agreement in the EAC on specific questions not treated in the economic directive (Department's 849).

Some of these supplementary economic subjects are covered in draft directives prepared by my joint advisers. Of those draft directives which have been cleared in Washington and circulated in the EAC, two relate to economic matters: Control of merchant shipping and control of inland transport.[90] The following draft directives,[91] which are awaiting consideration in Washington, would provide a useful basis for giving content to an agreement among the occupying powers to act jointly in controlling Germany's economic life: Property con-

[90] Neither printed.
[91] None printed.

trol, control of food and agriculture, control of labor, control of coal industry, control of oil industry, control of foreign trade, control of internal trade, control of finance, control of aviation.

The draft directives submitted by me have been based on all the policy statements and studies available, particularly those of the Department. They have been prepared in close collaboration with the officers of the control group and with United States civilian experts available here, and have been reviewed with great care by my advisers in cooperation with the control group, with departmental experts, and more recently with United States SHAEF officers. In preparing draft directives my advisers have striven to eliminate all unnecessary detail and to confine them to setting forth a few broad bases on which coordinated policies could be worked out by the Control Council. These remarks apply to all our draft directives—not only to the economic ones.

At my conference of November 6 [92] with Mr. Dunn and Mr. McCloy it was my understanding what policy statements on those subjects which require agreement at the governmental level as a basis for the effective functioning of Allied control in Germany would be cleared and transmitted to me. In this connection, I cannot accept the statement of the November 6 understanding as set forth in JCS 1223/2 of January 11,[93] since the latter states that no further consideration will be given to specific draft directives and that United States views will be expressed only in an expanded JCS 1067.

I believe profoundly that, if we intend to make a serious effort to attain and preserve Allied unity in the treatment of Germany, statements of policy beyond those contained in the revised 1067 will, as promised in Department's 603, be absolutely essential as a basis for arriving at workable agreements on policy. The need for EAC is pressing. But it is no more pressing than the need for such statements by the nucleus United States control group for its use in planning and in collaborating with the other national components of the Control Council, and by the United States side of SHAEF in planning for administration in the United States zone.

I must therefore urge the Department to clarify the discrepancy between the statement in JCS 1223/2 that no further draft directives will be cleared and the statement in Department's 603 that JCS 1067 will be supplemented by additional statements of policy on subjects not covered by it or by draft directives previously forwarded to me.

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[92] See letter of November 15, 1944, from the then Deputy Director of the Office of European Affairs (Matthews) to the Assistant Secretary of War (McCloy), *Foreign Relations*, 1944, vol. I, p. 407.

[93] Not found in Department files.

In this connection, Colonel Wildman, my Assistant Military Air Adviser, has informed me of his conversation with Mr. McCloy resulting in Colonel Marcus' [94] memorandum to General Hilldring of January 3 (CAD/DM/71748).[95] This memorandum urged that additional directives on subjects not covered in 1067 should be studied at once with a view to clearing them for transmission to me for use in the EAC. Colonel Marcus' recommendation of January 3 accords with my understanding of our arrangement of November 6.

Meanwhile, if Department's 849 expresses, as I believe it does, the true purport of 1067, it would, I believe, be wiser to state this affirmatively and unequivocally in the draft submitted to the EAC, rather than to risk arousing suspicion of our allegiance to the principle of acting together in all matters relating to Germany as agreed at the Moscow Conference [96] by presenting 1067 in its present ambiguous form. Any comments which I might make in an effort to relate 1067 to our real position would have to be embodied in written revisions of 1067 if they are to become the basis of an effective agreement among the occupying powers. Such revisions for the purpose of clarifying 1067 might better be made now, in advance of its circulation, so that time and effort in the EAC negotiations may be devoted to forwarding affirmatively the basic principles sought by us, rather than being diluted by defensive acknowledgments by me in the EAC of the need for revising 1067 and for supplementing it by additional policy statements.

The same considerations apply to the instruction in the Department's 604, January 26, 2 p. m.[95] to press for the activation of the Control Council. As the Department is aware, I have constantly urged this step since last June and am continuing to urge it. However, before the three or four Control Council groups can cooperate effectively, it is essential to clarify in the minds of our military authorities the relation between zonal and central authority in the military government of Germany. If the Soviet control group were at this time to begin working with the United States control group and were to discover the strong emphasis which the United States group places on independent operation of the United States zone, the effect on continued cooperation in the administration and control of Germany and on other aspects of Allied cooperation might be extremely serious.

WINANT

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[94] Col. David Marcus, Civil Affairs Division, War Department.

[95] Not printed.

[96] For documentation regarding the Tripartite Conference in Moscow, October 18–November 1, 1943, see *Foreign Relations*, 1943, vol. I, pp. 513 ff.

740.00119 EAC/2–545

The Secretary of State to the Ambassador in the United Kingdom (Winant)

No. 5087 WASHINGTON, February 9, 1945.

The Secretary of State refers to the draft directive on "United Nations Prisoners of War" [97] prepared by the American delegation to the European Advisory Commission and encloses a redraft of this directive as a general statement of policy on the subject for presentation to the European Advisory Commission.

There is likewise transmitted with this instruction a copy of a memorandum of February 5, 1945 communicating the approval of the State, War and Navy Departments of this redraft and making certain comment thereon.

[Enclosure]

Memorandum by the Chairman of the State-War-Navy Coordinating Committee (Dunn) to the Secretary of State

WASHINGTON, February 5, 1945.

The State-War-Navy Coordinating Committee has reviewed the United States draft directive on "United Nations Prisoners of War in Germany" prepared by the United States Adviser, European Advisory Commission. They have approved the appended redraft (enclosure #1) of this directive as a general statement of policy on the subject.

The State-War-Navy Coordinating Committee recommends that this redraft be transmitted to the United States representative on the European Advisory Commission for his guidance.

The Coordinating Committee invites the attention of the Secretary of State to the cable to the American Ambassador in London (10371—12 December 1944) [98] a copy of which is attached as enclosure #2. In accordance with the policy set forth in this cable, the Coordinating Committee has approved a statement of policy on the subject of United Nations Prisoners of War which differs from the somewhat detailed directive submitted by the United States Adviser, European Advisory Commission, in that it contains only general policy provisions of the type on which agreement should be reached in the European Advisory Commission negotiations. It has been phrased in a form applicable for inclusion as a section or part of a broad

[97] Not printed.

[98] For text of telegram 10371, December 12, 1944, to London, see *Foreign Relations*, 1944, vol. I, p. 418.

general directive, or appendix thereto, dealing with the initial governing of Germany.

The Coordinating Committee has given consideration to the possibility of including in this statement of policy (enclosure #1), provisions covering the treatment of internees as suggested in recent cables from the American Ambassador in London. The reason for this suggestion was not stated by the Ambassador and was not apparent to the Coordinating Committee. Internees in enemy custody will not normally be found in prison camps where prisoners of war are also placed. Upon release from detention, they will not, as will prisoners of war, be a part of the armed forces or merchant marine of their nations. Their treatment and disposition would ordinarily differ from that to be afforded to prisoners of war. The Coordinating Committee, however, will be prepared to re-examine this question upon receipt of information as to the reasons supporting the Ambassador's suggestion.

The Joint Chiefs of Staff have advised the Secretary of War and the Secretary of the Navy that they have considered the proposed statement of policy on United Nations Prisoners of War submitted to them by the State-War-Navy Coordinating Committee, and that they perceive no objection, from the military point of view.

This advice on the part of the Joint Chiefs of Staff was given prior to the enlarging of the definition of United Nations Prisoners of War to include certain members of the armed forces of ex-enemy countries. However, the Combined Chiefs of Staff have approved the policy in substantially the same form with respect to Italy.

JAMES CLEMENT DUNN

[Subenclosure]

UNITED NATIONS PRISONERS OF WAR [99]
(Reference J.C.S. Memo No. 336)[1]

1. The term "United Nations prisoners of war" as used in this directive includes all personnel held in German custody,

(*a*) who are or have been members of, or persons accompanying or serving with the armed forces or merchant marine of any of the United Nations *or*

(*b*) who as members of the armed forces of ex-enemy countries have been captured by the Germans while engaged in serving the cause of the United Nations

[99] Circulated in the European Advisory Commission as United States Draft Directive No. 17, designated E.A.C. (45) 31, dated April 14, 1945.

[1] Same as the revised draft directive on United Nations' prisoners of war prepared by the U.S. Delegation to the E.A.C. and transmitted to the Department as enclosure to despatch 18790, October 23, 1944, from London, neither printed.

and who, under the rules and customs of war, should be treated as prisoners of war even though not recognized as such by Germany. The term does not include the nationals of any country who are interned in Germany, but who are not included in the group covered by the preceding sentence: further, such term does not include personnel who, although formerly held in German custody as prisoners of war, have accepted release from that status in exchange for employment in Germany. Persons in the latter classes, after appropriate identification, should be dealt with as displaced persons.

2. The transfer into the control of their respective national authorities of United Nations prisoners of war, and their repatriation, will be treated as a matter of urgency second only to military operations and to maintenance of the forces of occupation in Germany and will receive priority above that of displaced persons, refugees and internees. In determining the order of such transfer and subsequent disposition of such prisoners, the following factors will be taken into account as important considerations, giving due regard to the need for equality of treatment regardless of nationality or branch of military service:

a. Military operations throughout the world and maintenance of forces of occupation.
b. Requirements of any United Nations for personnel having special qualifications for its war effort elsewhere.
c. Integration with over-all transportation requirements.
d. Availability of adequate subsistence and accomodation for repatriated or transferred prisoners of war at destination.

3. The Control Council will coordinate policies with respect to United Nations prisoners of war.

4. In your zone you will free from confinement all United Nations prisoners of war in German custody, assume command of them, and order them to stand fast pending arrangements for their subsequent disposition.

5. The German authorities will be held responsible for the safety and well being of all United Nations prisoners of war. You will require the German authorities to maintain the essential administrative supply and other services for all United Nations prisoners of war, including the provision of adequate food, shelter, clothing and medical care, until such prisoners are evacuated or until otherwise directed by you. It will, however, be your responsibility to see that proper care and maintenance are, in fact, accorded United Nations prisoners of war by the appropriate German authorities, and to supply any deficiencies therein arising out of the failure of the German authorities to make adequate provision therefor. You will, as soon as practicable, place an officer in command of each prisoner of war camp in your zone.

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Pending such action, you will direct the German authorities to hand over each camp together with its stores, records, arms and ammunition to the command of the local United Nations Camp Leader, senior officer or other designated representative of the United Nations prisoners of war.

6. You will render all possible aid to such prisoners of war, consistent with the means at hand, to the end that their safety, health and well-being will be protected from adverse conditions which may exist in Germany and that the conditions under which they live will be as comfortable as practicable under the circumstances.

7. You will accord liaison on prisoner of war matters to representatives of each of the other two Allied Powers accredited therefor by their respective Commander-in-Chief, and to representatives of any United Nation accredited therefor by the Control Council or other competent authority. You will arrange for such representatives to have access to prisoners of war who are nationals of their countries, and you will wherever practicable permit them to utilize the facilities of their governments for purposes of relief, transfer and repatriation.

862.50/2–1545

Memorandum by the Adviser on German Economic Affairs (Despres)[2]

[WASHINGTON,] 15 February 1945.

The attached memorandum, prepared by Mr. John deWilde,[3] reviews the development and present status of economic planning work for Germany. Of necessity, it takes no account of the decisions reached at the recent conference at Yalta.

Apart from the conference, the progress to date on economic planning for Germany has been slight. Not only has discussion at the intergovernmental level been meager, but divergences among government departments on basic issues have prevented the formulation on an agreed American position. This lack of definition is due to disagreement over (1) the responsibilities and functions of the occupying powers, and (2) policy with respect to economic weakening of Germany.

1. *Functions of Military Government*

The conception of military government which is now ascendant, and is embodied in the latest U.S. general directive[4] forwarded to Ambassador Winant for negotiation in E.A.C., is one of limited liability. The occupation authorities should concern themselves ex-

[2] Addressed to the Assistant Secretary of State (Clayton) and his Deputy, Mr. Edward S. Mason.

[3] Assistant Adviser on German Economic Affairs.

[4] Directive . . . regarding the military government of Germany in the period immediately following the cessation of organized resistance (post defeat), January 6, 1945, p. 378.

clusively with matters of direct interest to the Allies, such as demilitarization and denazification; they should concern themselves with the functioning of the German economy only to the extent of preventing such unrest or disease as would endanger the occupying forces. The War Department favors this limited definition of the Army's tasks because (1) they favor a simple, clear-cut military occupation, (2) they wish, by limiting the task, to minimize the need for consultation and negotiation among the commanders of the several zones of occupation, and (3) they wish to keep the job within the capabilities of the occupation forces. The Treasury supports the doctrine of limited liability because (1) they consider that extreme disruption in Germany is not in conflict with Allied interests, and (2) acceptance of any responsibility for the minimum functioning of the German economy would cause us to make compromises with respect to elimination of Nazis.

The Department, while sharing the view that denazification should not be tempered by administrative expediency, has sought to oppose the principle of limited liability. This issue, though it arises most sharply with respect to the economic directives, is essentially political in character. It is envisaged that the execution of any Allied program for Germany will require Allied machinery for surveillance and enforcement over a considerable period of years. We have an interest, from the beginning, in preventing the development of an unmanageably chaotic situation, and, thereafter, in fostering the emergence of a German government which will carry out the peace settlement imposed on Germany, subject to necessary Allied surveillance.

Because of this basic interest, and secondarily, because of the need for maintaining German production of civilian necessities in order to minimize the diversion of United Nations supplies and transport while the Far Eastern war is in progress, we cannot avoid responsibility for the functioning of the German economy. The speed and success with which we can discharge this responsibility will depend, of course, upon the character of German collapse; such tasks as, for example, prevention of inflation may prove in the circumstances to be beyond the capacity of the occupation forces. However, the greater these difficulties, the slower will be the process of bringing a German government into existence. If we are slow in recognizing the nature of our responsibilities, the process will be needlessly prolonged. The notion that the major powers can assume supreme authority over Germany and follow a "hands-off" policy is the major factor hampering advance planning for the economic aspects of the occupation.

If a broader view of the nature of our responsibilities with respect to the German economy is adopted, the need becomes evident for avoiding interzonal barriers to the movement of goods and for the largest practicable uniformity in economic policy throughout Germany. It is

also evident that the occupation forces cannot carry out by themselves a broad program to assure the minimum functioning of the German economy. Reliance must be placed on German agencies. Recognizing this need, the British have been inclined to limit the scope, or adjust the timing, of their planned denazification in order to preserve existing institutions. An implication of our position on denazification is that we must either pick out new executive and administrative personnel to replace dismissed Nazis or permit the German people to select such personnel. Existing U.S. draft directives, however, instruct the occupation authorities both to remain aloof and to restrict drastically any political activity on the part of Germans.

2. *Economic Weakening of Germany*

It is essential that our policies with respect to "economic disarmament", reparation and abolition of German high-cost, self sufficiency production should be mutually consistent.

Abolition of high-cost production will have to be postponed for a considerable period in the interest of more immediate Allied objectives. In the beginning the necessity of meeting minimum civilian needs will be largely controlling; although production of a few industrial items, such as synthetic oil and rubber may be discontinued, German agricultural production will have to be maintained so far as possible. For a considerable period thereafter, the largest practicable portion of export proceeds will be earmarked for reparation, and imports will be held to a minimum. If, in addition, an attempt is made to curb German heavy industry, the integration of Germany into world trade on the basis of efficient specialization will be further postponed. Abolition of German high-cost production implies enlarged dependence on exports, and tends to conflict, therefore, with restrictions on industries in which Germany is predominant and with reparation. In the long run, we should aim at the assimilation of the German economy into the world economy on a non-discriminatory basis. For some years, however, this will be impracticable.

The more immediate problem is that of reconciling reparation and "economic disarmament". The task of keeping Germany disarmed is primarily one of enforcement, not economic disablement. If other countries are prepared to act promptly in response to an unambiguous step toward rearmament nothing more is required; if it is doubted that other countries will respond to an unambiguous step by Germany, there is even more reason to doubt that an ambiguous step, such as erection of a blast furnace or machine tool factory, will evoke any action in response. It is extremely doubtful that other countries would be willing to enforce comprehensive economic controls over Germany for much more than a decade. Nevertheless, reduction of Germany's

underlying economic potential has a strong, present appeal as a security measure. It is also allied with other objectives, such as elimination of German economic domination, industrial development of liberated European countries and removal of competition with British and American exports. Along with this demand for economic restraints on Germany, there is an insistent demand for reparation. The two demands are not in conflict so long as reparation is confined to transfers of existing capital assets and labor services, but the possibility of conflicting demands arises when reparation from current production is also envisaged. Restraints on German production and exports will have to be reconciled somehow with the necessity of securing payment for such imports as may be needed for the minimum functioning of the German economy and the production of reparation goods. Unless Germany is allowed to export enough to pay for such imports, the United States may have to supply necessary foodstuffs and raw materials to Germany at its own expense.

Our program for Germany should "add up" within itself, and it should add up at a figure which leaves to the Germans the opportunity of achieving a tolerable living standard even during the period of economic controls. Our measures for reducing Germany's underlying economic potential should be subject to continuous review and adjustment, and should be so framed as to permit the eventual removal of economic discriminations when and if the victorious powers become convinced that German aggressiveness has been destroyed. Finally, economic controls over Germany should be directed toward the objective of accelerating the reconstruction and economic development of the United Nations. This implies integration of the program of German reparation and economic disarmament with positive programs for the industrial development of other areas.

Such a program would call both for German reparation deliveries of existing capital equipment and some types of current production, and for restrictions on other categories of German exports to protect the new industries being developed in other countries. Germany is, above all, predominant in the metallurgical, chemical, electrical equipment, machine tools and allied industries. With respect to these industries, we would have to investigate where non-German capacity could soundly be strengthened and developed. Decisions on this question would largely depend on the availability of raw materials and markets and of adequate labor, engineering skill and know-how. A country like Yugoslavia, for example, might be enabled to build up an aluminum industry since it has bauxite and hydroelectric power resources susceptible of development. In Britain, France, Belgium, Czechoslovakia, and the Soviet Union, the machine tool industry might be strengthened. The iron and steel industry might be further

developed in Poland, France, Belgium and the Soviet Union. Czechoslovakia and France could be assisted in developing their output of high-grade alloy steels. Countries in Eastern and Southeastern Europe where industrial development might be retarded by lack of engineering skill and know-how could be provided with technical assistance by the industrially advanced countries.

It would be highly desirable if the forthcoming reparation conversations in Moscow [5] resulted in the formation of an Allied organization to develop and supervise the execution of policies with respect to reparation and economic disarmament, along the broad lines indicated above. There is ground for hoping that agreement can be reached on the need for an Allied organization to carry out this task. Indeed, it may provide a basis for attaining the long-range objectives which were envisaged in the proposal for a European Economic Committee.[6] In the process of formulating an agreed economic program for Germany, it will be necessary to reach agreement on economic problems over a much broader field.

[Annex]

Memorandum by the Assistant Adviser on German Economic Affairs (deWilde)

[WASHINGTON,] February 13, 1945.

This memorandum reviews the present status of the work on the economic treatment of Germany. It is intended to survey the preparations made for the Allied government of Germany and the progress achieved in determining basic long-term policies toward that country.

THE GOVERNMENT OF OCCUPIED GERMANY

In determining the machinery and directives for the administration and treatment of occupied Germany a distinction has been drawn between a pre-surrender period and a post-surrender period. In the first period the primary objective of the occupation will be to facilitate further military operations against the enemy; in the second period the principal objective will be to disarm Germany and to enforce the terms of the final settlement which will be imposed on that country. Before final surrender military government will be in

[5] Article III of the Communiqué issued at the end of the Yalta Conference provided for the establishment of a Reparation Commission which would carry on its work at Moscow. For text of Communiqué, which was released to the press on February 12, 1945, see *Conferences at Malta and Yalta*, p. 968. For documentation regarding the negotiations relative to German reparations, see *post*, pp. 1169 ff.

[6] For documentation regarding Anglo-American-Soviet discussions relating to the establishment of a European Economic Committee, see *Foreign Relations*, 1944, vol. ii, pp. 614 ff.

the hands of officers attached to the operating armed forces. After complete surrender, or cessation of organized resistance, Germany will be governed by the four principal powers—the United States, the Soviet Union, the United Kingdom and France—operating within the framework of an international agreement and in accordance with the terms of unconditional surrender whether or not these are signed by competent German authorities.

A. *The Pre-Surrender Period*

The directives which will govern the administration of German territory falling under the control of SHAEF during the pre-surrender period have been the subject of negotiation in the Combined Civil Affairs Committee (CCAC) of the Combined Chiefs of Staff. In April 1944 the Combined Chiefs of Staff issued a basic pre-surrender directive [7] to General Eisenhower in his capacity as Supreme Commander, Allied Expeditionary Forces (SCAEF). This directive is couched in very general terms. It provides for the establishment of a purely military government on captured German territory and clothes the Supreme Commander with unlimited legislative, executive and judicial authority and power. It contains directions on the dissolution of the Nazi party and affiliated organizations, on the denazification of the German administration, the arrest and detention of certain categories of persons, and the release and treatment of Allied prisoners of war and foreign workers. Provisional measures governing the use of occupation currency and the control of banking and government finance are also included. In general economic and relief measures are to be limited to those strictly necessary to prevent serious disease and civilian unrest which would endanger the occupying forces and the accomplishment of the objectives of the occupation.

While SCAEF is expected to take no steps that would prejudice the attainment of "ultimate objectives", the directive gives military government officers no guidance on the adoption of interim measures of reparation and restitution. Nor does it define the degree of responsibility which these officers should assume for the functioning of economic life or the extent to which they should utilize and adapt existing administrative machinery and economic controls. In particular it offers little or no guidance on the attitude which military government officers should take toward the continuation or resumption of non-war production, allocation of available raw materials, prices and wages, and similar subjects.

In a subsequent clarification of the pre-surrender directive SCAEF was instructed to take no steps looking toward the economic rehabilita-

[7] For text of the directive to the Supreme Commander, Allied Expeditionary Force, in respect of military government in Germany for the pre-surrender period, see *Foreign Relations*, 1944, vol. I, p. 217.

tion of Germany except for those immediately necessary in support of military operations and to keep no active Nazis or ardent sympathizers in office for purposes of administrative convenience or expediency.

B. *The Post-Surrender Period*

Plans for the joint control and administration of Germany during this period have been the subject of negotiation in the European Advisory Commission (EAC) in London on which the United States, the United Kingdom and the Soviet Union have been represented. France has recently been admitted to full membership in this Commission. The recommendations of EAC are subject to approval by the governments concerned. Ambassador Winant, the American member of the Commission, has been assisted by a staff of political, military, naval and air advisers. Recently the State Department and FEA [8] have jointly designated an economic adviser, Mr. William T. Stone, who also directs a newly organized Division on German Economic Affairs in the American Embassy.

The EAC has drafted, and the three principal powers have approved, the surrender instrument for Germany.[9] This is almost wholly a military instrument by which the German authorities would agree to the cessation of hostilities and would undertake to withdraw all military forces outside the pre-1938 boundaries of the Reich and to put at the disposal of the Allies all armed forces, army, navy and air installations, all shipping and all war material. Moreover, they would be obliged to accept any additional political, administrative, economic, financial, military and other demands which the Allies might subsequently present. Actually there is considerable doubt as to whether competent German authorities will be found after collapse in Germany to sign this instrument. Failing signature, however, its terms will simply be announced to the German people by proclamation.

The EAC has also formulated agreed recommendations on the machinery to be set up by the occupying powers for governing Germany [10] and on the delimitation of the zones to be occupied by the armed forces of each of the participating powers.[11] These recommendations at present provide for tripartite control and occupation,

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[8] Foreign Economic Administration.

[9] For text of the instrument of surrender for Germany, approved by the European Advisory Commission on July 25, 1944, see *Foreign Relations*, 1944, vol. I, p. 256. For documentation regarding governmental approval of the surrender instrument, see *ante*, pp. 160 ff.

[10] For text of the agreement between the United States, the United Kingdom, and the Soviet Union, signed at London, November 14, 1944, see Department of State, Treaties and Other International Acts Series (TIAS) No. 3070, or *United States Treaties and Other International Agreements* (UST), vol. 5 (pt. 2), pp. 2062–2066.

[11] For text of the protocol between the United States, the United Kingdom, and the Soviet Union, signed at London, September 12, 1944, with amending agreement signed at London, November 14, 1944, see TIAS No. 3071, or 5 UST (pt. 2), pp. 2078–2089.

having been drawn up prior to the participation of France in EAC. France has approved them in principle, but they are to be revised on a quadripartite basis. By the terms of these recommendations, the Commanders-in-Chief of the armed forces of each occupying power would be military governors in their respective zones and would together constitute a supreme authority in Berlin. This supreme authority, called the Control Council, would have within its jurisdiction all matters "affecting Germany as a whole" and would supervise the German central administration to the extent that this would be utilized for military government purposes. It would also control the administration of the Greater Berlin area through a quadripartite "Kommandatura". A permanent Coordinating Committee, consisting of Deputies of each of the Commanders-in-Chief, would be set up under the Control Council for the purpose of supervising day-to-day work. This Committee would be assisted by a staff composed of a number of divisions each of which would be headed by a directorate on which each of the participating powers would be represented.

A nucleus of the quadripartite control machinery has been organized in London. The American element in this nucleus (the U. S. Group Control Council headed provisionally by General Wickersham) is still small compared with the British element. The Russians have promised to participate in this project but thus far no Russian (or French) elements have joined the nucleus control group. The extent of civilian participation in the control machinery for Germany remains uncertain, particularly in the case of the United States. While the British have enlisted the participation of numerous civilians in their military government organization and have placed this organization under the direction of the War Cabinet rather than the War Office, the War Department has tended to insist on a government more military in character and controlled strictly by the army.

However, the agreement on control machinery does provide for a civilian political adviser to each of the Commanders-in-Chief and Mr. Robert Murphy has been designated to fill this position on the American side. Mr. Murphy has also been named as Director of the Political Division in the U. S. Group Control Council and a substantial part of his staff in that division will consist of Foreign Service Officers. In an effort to get wider civilian participation, the State Department and the FEA agreed last November upon the joint designation of Mr. Leon Henderson as United States Adviser on German Economic Affairs to operate under the general supervision of Mr. Murphy in his role as Political Adviser and with a civilian staff supplied by the two agencies. However, the War Department has never accepted this arrangement and Mr. Henderson's trip to London and Paris to survey German economic work on behalf of

the FEA was arranged only as a temporary expedient. If Mr. Murphy in his capacity as Political Adviser is not to have an economic staff of some sort, the Department's representation in Germany on the economic side must take the form of the assignment of economic officers to the Political Division or possibly to the Economic Division. However, specific arrangements of this character cannot be made until an overall decision is reached on the extent of civilian participation in military government.

When agreement was reached on a short surrender instrument, the three powers undertook to supplement it by more detailed proclamations and directives which were to be negotiated in EAC. Late in October the Soviet Government agreed to the discussion of these matters in EAC and also expressed a readiness to start the consideration of (*a*) questions concerning the repatriation of prisoners of war belonging to United Nations' forces, (*b*) additional military requirements concerning the arrangements for the disarmament and demilitarization of Germany, (*c*) requirements concerning abolition of the Hitlerite regime and the surrender of war criminals, and (4) [(*d*)] provisions concerning control of the German economy. The American government, however, has on the whole not been prepared for detailed consideration of these questions.

The American Joint Chiefs of Staff have issued a general directive, known as JCS 1067, designed to cover the brief period which might elapse between surrender and the establishment of the quadripartite control machinery. The British took the position in CCAC that the pre-surrender directive would be adequate for this brief period, and JCS 1067 was accordingly issued to General Eisenhower only in his capacity of Commander of the American forces. However, the State, War, and Navy Departments, and the Joint Chiefs of Staff have recently produced a revised version of JCS 1067 which has been transmitted to Ambassador Winant for negotiation in EAC as an over-all quadripartite directive. The financial section of this directive has not yet gone forward and is still under consideration in Washington.

A number of more specific directives have been elaborated in London, for ultimate submission to EAC, by a planning staff attached to Ambassador Winant, acting in cooperation with the U. S. Group Control Council. Some of these directives dealing with purely military and political matters have been cleared in Washington by the State, Navy and War Departments and the Joint Chiefs of Staff. All of the economic directives, except one dealing with transportation, have been held up. The U. S. draft directives approved in Washington, as well as a large number of British draft directives on specific subjects, have been circulated informally among all members of the EAC.

A large number of Civil Affairs Guides have been completed at the direction of the Civil Affairs Division (CAD) of the War Department. These Guides, most of which have been prepared by OSS [12] and FEA under the general guidance of CAD and the State Department, cover most aspects of the economy, administration and government of Germany and are intended primarily to furnish American military government planning officers with the basic background information they need. While almost all the Guides contain recommendations on policies and procedures, these are only suggestive and in no sense definitive directives.

A considerable number of immediate questions are still awaiting decision. The chief among these are briefly described below.

1. *Degree of Responsibility for German Government and Economic Life.*

The present U. S. draft for an over-all quadripartite policy directive would confine the occupation authorities to a rather narrow role in the administration of the German economy. They would be di rected to assume only such responsibilities as are required to stop the production of implements of war, to prevent sabotage and to insure the production of goods needed for the prevention of epidemics or serious unrest endangering the occupation forces. Except to the extent necessary to accomplish these purposes, the "German people and the German authorities" would be left with responsibility for "such economic problems as price controls, rationing, unemployment, production, reconstruction, distribution, consumption, housing or transportation". This statement has produced widely varying interpretations as to how much responsibility the occupation authorities need exercise to accomplish their objectives. Since the State Department has proposed that no central German government shall be recognized during the period of occupation, the military government may be unable to escape a substantial measure of responsibility for a minimum functioning of the German economy.

2. *Division of Authority between the Control Council and the Zone Authorities.*

The present directive tends to relegate the Control Council to a secondary role and implies that substantial autonomy would be given to the zone authorities. The present German economic system, however, is highly centralized, with uniform national controls over raw materials, manpower, industrial and agricultural production and distribution, and finance. While a considerable degree of decentralization should probably accompany the ultimate reconversion of the German economy, central controls will remain indispensable for some time, particularly during the initial period when the supply situation

[12] Office of Strategic Services.

will be one of acute scarcity. Provisions for interzonal exchange of goods and services will almost certainly be necessary to the effective utilization of available German resources.

3. *Extent of Denazification of the German Administration.*

The American government advocates sweeping elimination of active Nazis from positions of influence in the German administration and economy, while the British tend to favor restraint in the realization of this objective in the interest of administrative convenience.

4. *Utilization of Existing Control Machinery.*

While the draft directives prepared by the British for EAC emphasize the importance of retaining and utilizing existing controls and control machinery in the interest of maintaining order and facilitating the task of administration, the War Department is less interested in seeking to maintain German administrative machinery.

Pending the issue of detailed directives on these and many other questions that will confront the occupation authorities, the military government is generally expected to take no steps that would prejudice the attainment of "ultimate objectives". This makes it all the more imperative that the ultimate objectives that we intend to pursue with respect to Germany should be clarified.

Clarification of Ultimate Objectives

One of the first attempts to clarify our economic policies with respect to Germany was made by the Executive Committee on Economic Foreign Policy (ECEFP) which approved a paper on this subject in August 1944.[13] This document emphasized that our fundamental interest in the preservation of peace would be best served by adopting certain safeguards against renewed German economic preparations for war and by creating conditions under which Germany would make a maximum contribution to the reconstruction of Europe and the development of a peaceful and expanding world economy. While opposing enduring controls over the German economy as undesirable and impracticable, the ECEFP proposed supervision of imports to prevent stockpiling of strategic materials, measures designed to maximize Germany's dependence on foreign supplies, conversion rather than dismantling of German industry, and destruction of the privileged positions of the Junkers and the industrial oligarchy. It suggested prohibition of discriminatory trade practices and adoption of measures against German cartels in order to prevent Germany from achieving domination over economically weak countries. The document advocated the fullest possible measure of restitution and proposed "heavy" reparations, predominantly in kind. Such payments,

[13] For text of the memorandum by the ECEFP entitled "Germany: General Objectives of United States Economic Policy with Respect to Germany" designated ECEFP D–36/44 and dated August 14, 1944, see *Foreign Relations*, 1944, vol. I, p. 278.

it held, should be limited to a period of five to ten years and should be so designed as to make a maximum contribution to the rehabilitation of European countries. The proposals on reparation and restitution were elaborated in greater detail in a separate document.

It soon became evident, however, that this general line of policy was considered too "soft" in some quarters. Renewed discussion and reconsideration was precipitated by the presentation of the "Morgenthau Plan" to the President last September. This Plan proposed that Germany should be divided into three parts (1) an international zone comprising the Ruhr and surrounding industrial areas and Western Germany up to the Kiel Canal, (2) an independent South German State which would be allowed to enter into a customs union with Austria, and (3) an independent North German State. Germany would be compelled to cede the Saar and area between the Rhine and Moselle Rivers to France, East Prussia to the Soviet Union and Poland, Southern Silesia to Poland, and the territory north of the Kiel Canal to Denmark. The plan also provided for elimination of the chemical, metallurgical and electrical industries.

On September 15 the President indicated in a memorandum to the Secretary of State [14] that he and Prime Minister Churchill had agreed at Quebec that the Saar and the Ruhr should be put under an international organization which would dismantle the metallurgical, chemical and electrical industries. This proposal, the President added, looked toward converting Germany into a country primarily agricultural and pastoral in character.

Subsequently the State Department prepared a memorandum for the President dissenting from the views of the Treasury.[15] In another memorandum, dated September 29,[16] the President tempered considerably his previous views on the economic disarmament of Germany. While reiterating his opinion that rather complete controls should be enforced in the Ruhr and the Saar, the President stated that no one wanted to make Germany "a wholly agricultural nation" or to eradicate completely German industrial capacity in the two areas.

Some additional policy guidance was given to the Secretary of State by the President in an informal memorandum of December 4.[17] In this memorandum the President indicated that he was against reparations but in favor of restitution and that he would let Germany come back industrially to meet her own needs, but not do exporting for some time until we knew better how things were going to work

[14] For a summary of and excerpts from President Roosevelt's memorandum of September 15, 1944, see *The Memoirs of Cordell Hull*, vol. II, p. 1610.

[15] For text of the memorandum by the Secretary of State to President Roosevelt, dated September 29, 1944, see *Conferences at Malta and Yalta*, p. 156.

[16] *Ibid.*, p. 155.

[17] *Ibid.*, p. 174.

out. While this memorandum gave only very general guidance, it seemed apparent that the President wished to subordinate reparation to the economic disarmament of Germany.

The most recent statement of Department views is contained in two memoranda written early in January as part of the preparation for the President's conference with Marshal Stalin and Prime Minister Churchill. A document on "Economic Policies toward Germany",[18] prepared by Mr. Despres, gave some emphasis to measures of economic disarmament. In addition to prohibition of the manufacture of armaments and aircraft and the destruction of specialized facilities for their manufacture, it stated that consideration should be given to prohibiting during a control period the production of a few key industrial items and restricting exports of metals, metal products and chemicals. Subject to these restrictions, it favored conversion of German industries to peacetime production, particularly of reparation goods for the rehabilitation of European countries. A document on "The Treatment of Germany",[19] prepared in EUR, made it clear that the Department did not favor drastic territorial dismemberment or truncation of Germany as a means of limiting that country's economic war potential. It held that partitioning of Germany would be impracticable.

Meanwhile, the Foreign Economic Administration, acting under instructions from the President, has launched a series of studies on methods of controlling the war-making power of Germany. The program of studies, which has been cleared with the Department, is based on the working assumption that economic disarmament, going well beyond the armament industry proper, will be included in our program for Germany.

FEBRUARY 13, 1945.

740.00119 E.W./2–1745

Draft Treaty Prepared by the Deputy Foreign Economic Administrator (Cox)[20]

[WASHINGTON,] February 17, 1945.

TREATY ON THE DEMILITARIZATION OF GERMANY

Section 1. The United States of America, the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist

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[18] *Conferences at Malta and Yalta*, p. 190.

[19] *Ibid.*, p. 178.

[20] Transmitted to the Department under cover of a letter of February 17, 1945, from Mr. Cox to Leo Pasvolsky, Special Assistant to the Secretary of State, which reads: "You may be interested in the attached redraft of the Treaty of Demilitarization in the light of the latest developments." (740.00119 E.W./2–1745)

Republics, the National Government of the Republic of China, the Provisional Government of the French Republic and such other members of the United Nations as may become signatories hereto, acting as trustees on behalf of the community of nations, shall have the right, jointly or severally, to take all necessary or appropriate measures or action to insure full compliance by the German Reich with all its duties and obligations under the terms of surrender and under this Treaty, including steps to insure that:

(*a*) The German armed forces, including the Army, Navy, Luftwaffe and any auxiliaries, however designated, are and remain completely disarmed, demobilized and disbanded.

(*b*) The German General Staff is broken up for all time.

(*c*) No German military organization by whatever name or designation, or in whatever form or guise, is permitted to be established or operate in Germany or abroad.

(*d*) All German military equipment, including naval vessels, aircraft, guns, tanks, ordnance, and all other finished or partly finished munitions and instruments of war, is promptly seized and destroyed or permanently removed.

(*e*) All German aircraft factories, arsenals, shipyards, laboratories, chemical and other industries, and all other installations used or capable of being used to develop, produce, repair or maintain finished munitions and instruments of war are eliminated or controlled by the United Nations in such manner and for such time as the United Nations may deem advisable to render them incapable of serving any war function.

(*f*) All war criminals are brought to just and swift punishment and reparation in kind is exacted for the destruction wrought by the Germans.

(*g*) The Nazi party, Nazi laws, organizations and institutions are wiped out, and all Nazi and militarist influences are permanently removed from public office and from the cultural and economic life of the German people.

(*h*) In all other respects the reestablishment of Germany's will, power and capacity to make war or disturb the peace of the world shall be prevented.

Section 2. The measures or action to enforce full compliance by the German Reich with the terms of Section 1 of this Treaty shall include, among others, the stationing of troops and other representatives on German soil for such time and in such numbers as the United Nations, or any one or more of them, deem necessary or desirable, and the use for a period of at least twenty years of the full military and naval force and strength of the United States of America, the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics, the National Government of the Republic of China, the Provisional Government of the French Republic and such other members of the United Nations as may become signatories hereto, or any of them, whenever and wherever they deem such action

necessary to prevent any attempt on the part of the German Reich to reestablish its will, power or capacity to make war or disturb the peace of the world.

740.00119 EAC/2–545 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, February 19, 1945—midnight.

1282. For the Ambassador from Dunn. We have not overlooked your Comea 173 of February 5 with its observations on the revised JCS 1067 and have been considering it in connection with your 1278 of the same day. We have had certain preliminary discussions with the War Department on these matters in which the importance of the Control Council has been repeatedly emphasized. However, we have not attempted to give you a more definite reply during the Crimea Conference and, since the issuance of the Yalta communiqué,[21] have decided not to raise these questions again until the return of both military and civilian members of the delegation. The War Department no doubt will want to discuss these matters with the military authorities who were at the conference and the Department in particular is awaiting the return of Matthews before giving you additional instructions.

We hope to send you at an early date draft directives on the remaining political and administrative subjects now awaiting action here. Department completed its work on these several weeks ago but clearance from War Department is still awaited. The education directive will be delayed as it will probably have to be taken up at the White House. [Dunn.]

GREW

SWNCC File

Report of the State-War-Navy Coordinating Sub-Committee for Europe[22]

ADVICE TO UNITED STATES DELEGATE, EUROPEAN ADVISORY COMMISSION

Addendum to SWNCC 2 (JCS 1067 as revised)

THE PROBLEM

1. To provide the United States Delegate, European Advisory Commission (EAC) with the views of the State-War-Navy Co-

[21] *Conferences at Malta and Yalta*, p. 968.

[22] This report was an enclosure to the State-War-Navy Coordinating Committee document entitled "Redraft of JCS 1067 as a Tripartite Directive (Initial Post-Defeat Directive Germany)," designated SWNCC 2/3 and dated

ordinating Committee (SWNCC) on subjects dealt with in draft directives relating to Germany prepared by the U.S. Advisers, EAC, which have not heretofore been acted upon by the Joint Chiefs of Staff (JCS) or the SWNCC.

FACTS BEARING ON THE PROBLEM

2. By a memorandum of the Assistant Secretary of War[23] (SWNCC 14), there were referred to the State-War-Navy Coordinating Sub-Committee for Europe the draft directives listed therein (Appendix "A" to SWNCC 14[24]) for study, recommendation and the preparation of appropriate statements of policy confined to broad basic policy principles not dealt with in JCS 1067, as presently revised (SWNCC 2) or in directives hitherto approved for transmittal to London.

DISCUSSION

3. There is set forth in Annex A to Appendix A[25] statement of policy with respect to the subjects of International Agreements (JCS Memo 330), Control of German Foreign Relations (JCS Memo 340), Disposition of Enemy Diplomatic and Consular Property and Archives (unprinted memo) and Displaced Persons and Refugees (JCS Memo 343).

4. Such statement of policy is designed to supplement SWNCC 2 (JCS 1067, as revised) as an addendum thereto. However, on the question of form of presentation for negotiation in EAC, authorization has been given Ambassador Winant to make such alterations in form in JCS 1067, or other policy statements furnished him, as he deems desirable for EAC discussion so long as no change in substance results. (Department of State cable no. 603, 26 January 1945.)

5. The disposition of the remaining draft directives listed in SWNCC 14 is as follows:

a. United Nations Prisoners of War (SWNCC 1/2)[26] and Disarmament of the German Armed Forces and Disposal of Enemy Equip-

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February 22, 1945. Also included in SWNCC 2/3 was a draft letter to the Secretary of State, designated Appendix "A", not printed, which summarized the contents of the report of the SWNCC Subcommittee on Europe, and an addendum to JCS 1067, designated Annex "A" to Appendix "A", the text of which is printed on p. 474. The draft letter to the Secretary of State was not approved, but instead, by informal action of March 26, 1945, the State-War-Navy Coordinating Committee approved a revised letter to the Secretary (for text see p. 474) and the addendum to JCS 1067.

[23] Memorandum of January 1, p. 369.

[24] Not printed; for a list of the U.S. draft directives prepared by the U.S. delegation to the European Advisory Commission and awaiting approval from Washington, see bracketed note, p. 370.

[25] *Post*, p. 474.

[26] See instruction 5087, February 9, to London, p. 409.

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ment (SWNCC 11/1/D)[27] have been approved by the SWNCC and forwarded to the State Department and have been transmitted to London.

b. Disposition of Political Prisoners (JCS Memo 326) and Dissolution of the Nazi Party and Purge of Nazi Personnel (JCS Memo 334) are, in the opinion of the Sub-Committee, adequately covered by JCS 1067, as revised (SWNCC 2), or by directives hitherto approved, or by Annex "A" to Appendix "A".

c. The seven draft directives on economic matters (JCS Memos 322, 329, 333, 339, 347, 348 and 349)[28] and the draft directives on War Criminals (JCS Memo 332) and Control of Educational Institutions in Germany (JCS Memo 309) will require further consideration within the interested Departments of the Government before final decision can be reached.

d. The draft directive on Removal of German Officials and Civilians from Territories Formerly under German Control (JCS Memo 341) has been considered. As a post defeat matter such removal is regarded as one for negotiation between the Control Council and the governments of territories formerly under German Control. Accordingly, it is not felt that it is appropriate at this time to furnish the U.S. Delegate, EAC, with a statement of policy on this subject.

CONCLUSIONS

6. The statement of policy (Annex "A" to Appendix "A") should be forwarded to the Secretary of State for transmittal to the U.S. Delegate, EAC, in order to supplement SWNCC 2 (JCS 1067, as revised) and the other directives hitherto transmitted.

7. There is no need to supplement JCS 1067, as revised (SWNCC 2) on policy matters relating to the Disposition of Political Prisoners (JCS Memo 326), Dissolution of the Nazi Party and Purge of Nazi Personnel (JCS Memo 334), or Removal of German Officials and Civilians from Territories Formerly Under German Control (JCS Memo 341).

8. The statement of policy at Annex "A" to Appendix "A" should be forwarded to JCS for their concurrence.

RECOMMENDATIONS

9. It is recommended:

a. That the SWNCC approve the statement of policy in Annex "A" to Appendix "A".

b. That the SWNCC approve the conclusions of this report.

c. That a copy of this report be forwarded to the JCS for their consideration with the request that if concurred in it be transmitted to

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[27] This draft directive was transmitted to London as an enclosure to instruction 5069, February 6, and was circulated in the European Advisory Commission by the United States Representative as document E.A.C.(45)12, dated February 16, 1945, none printed.

[28] These were the draft directives concerned with property control, food and agriculture, labor, coal, oil, international trade, and foreign trade.

the Commanding General, U.S. Army Forces, European Theater of Operations, for his information and guidance.

d. That upon receipt of concurrence by the JCS the letter in Appendix "A" be forwarded to the Secretary of State.[29]

740.00119 Control (Germany)/2–2445

The Ambassador in the United Kingdom (Winant) to the Assistant Secretary of War (McCloy)

LONDON, February 24, 1945.

DEAR JACK: I was glad to have your letter of January 19 [30] and I am sorry my reply has been delayed by the pressure of work here and by the President's summons to meet him for several days in the Mediterranean.[31]

I often wish that we were nearer geographically so that we could work together even more closely on these matters that are of so much concern to us all in trying to deal with the German problem so that our children and grandchildren will not have to face the ordeal of battle again. I am delighted to hear that you are coming to London, but I wish your visit were to be sooner rather than later.

I appreciate your good work in helping to get final clearance in Washington for the Agreement on Control Machinery and on Zones of Occupation. Now that all three Agreements have been approved by all three Governments, we have a common basis for working out joint policy toward Germany, without which the Allies cannot operate effectively in controlling Germany and maintaining Allied harmony in the post-war period.

My concern has always been, as you know, to see that the Allies have as firm and as clear agreements as possible in regard to the treatment of Germany. Without such agreements many frictions and conflicts might arise between the occupying forces, and such conflicts could hardly fail to have a profound influence on Allied harmony, which in turn is the necessary basis for our policy in other parts of the world and in our efforts to establish a security organization. I think the emphasis throughout should be on the attempt to achieve unit [*unity?*] of action. Unless our people who go into Germany feel deeply this need and sincerely make every effort to accomplish it, they will, unconsciously, be working against its accomplishment.

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[29] For text of final version of letter, see memorandum by the State-War-Navy Coordinating Committee to the Secretary of State, dated March 24, p. 474.

[30] Not found in Department files.

[31] Ambassador Winant conferred with President Roosevelt at Alexandria, Egypt, following the President's return from the Crimea Conference.

I do not think it is wise to stress continually what we all know, that in the absence of tripartite or quadripartite agreement the commander-in-chief in his zone will have a free hand. I am frankly worried because I find that some of our officers who are now planning for, and will later participate in, military government in Germany seem to feel that agreement on uniform policies is to be avoided because it would "tie their hands" in their zone. I wish the approach could be toward cooperation among the occupying Allies in those fields that call for joint agreement in the handling of Germany.

I do not agree with your simile of the Articles of Confederation. That marked a weak beginning and established an inadequate authority. Under the Articles the country lacked the power to make war, to put down rebellion, to tax and to regulate inter-state commerce. We should not go into Germany weak for lack of combined control but strong in an effective coordinated authority. That does not mean that the residue of power will not lie within the zones but that in those matters affecting Germany as a whole we will have firm agreement among the occupying Allies.

The necessity for reaching prior agreements among the occupying Powers on a governmental level is due to the fact that neither the Russians, the British, nor the French are willing to delegate final political authority to generals in the field. The President can do this because he is not only Chief of State but also, under the Constitution, Commander-in-Chief of the armed forces of the United States. It is contrary to French and British constitutional practice to do this. Stalin might do so but does not choose to do so. An illustration of this, where prior agreement was not reached, is the authority given by Stalin to Vyshinsky [32] in supervising and modifying the execution of the Armistice terms which were being carried out by the military in Rumania.[33] This concept of authority has been made very clear by Gousev in the European Advisory Commission. Also our experience in dealing with the Russians in Rumania, Bulgaria and elsewhere has shown that it is easier to get agreement before occupation than afterwards.[34]

If our approach to the occupation of Germany were on a unilateral basis, the President, as Chief Magistrate and Commander-in-Chief of the armed forces, could delegate political and military authority to the commanding general, as was done at the end of the Spanish War. In the present situation, we will have an Allied occupation of an enemy country, involving not only the control of Germany but the inter-

[32] Andrey Yanuaryevich Vyshinsky, First Deputy People's Commissar for Foreign Affairs of the Soviet Union.

[33] For documentation regarding the Allied armistice with Rumania, see *Foreign Relations*, 1944, vol. IV, pp. 133 ff.

[34] For documentation regarding the Allied armistice with Bulgaria, see *ibid.*, vol. III, pp. 300 ff.

relationship of the four occupying Allies. Under the Unconditional Surrender of Germany the Allies will be taking over control of Germany for themselves and "in the interest of the United Nations". Since we have insisted in the Surrender Instrument that the signatory Powers are "acting in the interest of the United Nations", we have taken on a quasi-trusteeship obligation toward other United Nations which we will fail to discharge unless we get agreement on matters which deeply affect the interests of all European Allies. For example, we must agree on provisions for the freezing of property until such time as equitable arrangements can be made to protect the rights of our Allies to restitution and reparation.

Independent operation of each zone would not in itself help to promote a policy of ultimate decentralization which, like other matters affecting Germany as a whole, must be worked out by agreement among the victorious Powers after an orderly control is established. The effective operation of Allied Control over Germany requires each commander-in-chief, as a member of the Control Council, to participate actively in negotiating and formulating joint policies in matters affecting Germany as a whole, on the basis of prior governmental agreements and of further instructions from his Government, and, as commander over his zone, to execute and enforce those policies in that zone. As the Commander-in-Chief will also sit on the Control Council, in which decisions are reached by unanimous approval, there should not be danger of unsolicited intervention in his zone.

I realize there has been constant criticism in the Civil Affairs Division with respect to "detailing" in our directives. If you will read carefully the Naval Special Order [35] which was negotiated in Moscow, you will find there an insistence on detail that goes far beyond anything we have attempted in the E.A.C. draft political directives. Or take for example the comments in the memorandum [36] transmitting the Prisoners of War Directive, in which you criticize "unnecessary detail" in our directive. The record will show that in clearing and for-

[35] Draft Special Naval Orders to the German Naval authorities were prepared by the Allied Naval Commander, Expeditionary Force (British Adm. Bertram Ramsey), in consultation with the British Admiralty, for the purpose of setting forth the specific action to be required of the German Navy in the SHAEF theater immediately following surrender. United States naval authorities approved the orders and in October, 1944, following negotiations between U.S., U.K. and Soviet naval officials in Moscow, the Soviet naval authorities concurred in the Orders, subject to such minor technical changes as might be required. The Special Naval Orders were formally circulated in the European Advisory Commission by the United Kingdom Delegation as E.A.C. (45)4, dated 15 January 1945, not printed. United Kingdom and U.S. naval authorities regarded the tripartite agreement on the Orders as "firm" and decided to issue them immediately upon the German surrender. For a brief description of the naval orders issued to the German naval authorities at the May 7, 1945, surrender at Reims, see Forrest C. Pogue, *The Supreme Command*, in the official Army history *United States Army in World War II: The European Theater of Operations* (Washington, Government Printing Office, 1954), pp. 500–501.

[36] The memorandum printed on p. 409.

warding the revised directive [37] you have simply lopped off the two standard introductory paragraphs and that the remainder of the directive is more detailed than the original draft [38] sent from here.

Again, in the revised 1067, Article 1 of the Political Directive lists fourteen categories of persons who must be searched out, arrested and held. The final paragraph of that same Article places on the commander-in-chief detailed responsibility for reporting *failure* to arrest any one of several million persons comprised in these categories and for reporting to the Control Council his recommendation and reasons therefor in each case. This places an exacting obligation on the commanding general without regard to practical obstacles and without leaving any degree of discretion to him—an obligation which is far more binding in its detail than any which we felt wise to write into our draft directives.

I wonder if you realize how closely my advisers have worked with the operational and planning Army officers who are actually going to do some of these jobs in Germany. Those officers look at the problem from a very practical viewpoint. We are also in daily contact with the representatives of the three occupying Powers and the positions taken by them under instructions from their Governments.

In a letter to General Meyer, dated December 16, 1944,[39] General Hilldring states:

"I am aware of Mr. Winant's agreement with Strang and if he would abandon the British long terms in favor of our short term instrument, we would agree to include the subject matter forming the basis of the long terms in proclamations and general orders to be issued to the Germans after the signing of the Surrender Instrument. To this we have no objection, although the Joint Chiefs have never been advised of the existence of such an agreement."

I am glad that General Hilldring admits the validity of this agreement, which we and the Russians made as a basis for securing British acceptance of our short military Instrument of Surrender. The instruction which directed me to enter into this agreement (dated February 12, 1944)[40] was approved in a signed memorandum by General Hilldring and was transmitted to me with the approval of the Joint Chiefs of Staff and the State Department. My acceptance of this commitment, upon express instructions of our Government, was reported by me in Comea 38 of March 10, 1944.[41] The State and War

[37] *Ante*, p. 410.
[38] Not printed.
[39] Not found in Department files. Brig. Gen. Vincent Meyer was Chief Military Adviser to the United States Representative on the European Advisory Commission (Winant).
[40] Telegram 3735, February 12, 1944, to London, *Foreign Relations*, 1944, vol. I, p. 167.
[41] *Ibid.*, p. 197.

Departments acknowledged and confirmed this commitment in Eacom 13 of March 16, 1944.[42]

The remaining paragraphs of General Hilldring's letter, however, go on to argue that there is no necessity for meeting this clear commitment. The consequences of repudiating such a commitment would inevitably lead to undermining the basis of Allied cooperation and unity.

The action taken at the Crimea Conference, which confirmed the acceptance of the Unconditional Surrender Instrument, of the Protocol on Zones of Occupation in Germany and the Agreement on Control Machinery in Germany, has given us a firm basis for action which should make our work easier in the weeks ahead.

I have always tried to work *with* you. My problem has been to get on with a job in which the time factor is an important element. Therefore I have pressed to get clearance on those things which I thought were of vital concern in protecting our interests and in safeguarding Allied unity.

I look forward to seeing you. I am sure we will find ourselves in agreement on the basic approach to the question of how best to assure continued Allied cooperation in the handling of Germany.

Sincerely, JOHN GILBERT WINANT

740.00119 Control (Germany)/2–2845

Memorandum by President Roosevelt to the Secretary of State

WASHINGTON, February 28, 1945.

I desire that you, as Secretary of State, assume the responsibility for seeing that the conclusions, exclusive of course of military matters, reached at the Crimea Conference, be carried forward. In so doing you will, I know, wish to confer with other officials of this Government on matters touching upon their respective fields. I will expect you to report to me direct on the progress you are making in carrying the Crimea decisions into effect in conjunction with our Allies.

F[RANKLIN] D. R[OOSEVELT]

740.00119 Control (Germany)/3–1045

Memorandum by the Secretary of State to President Roosevelt [43]

[WASHINGTON, March 8, 1945.]

Your memorandum of February 28 directed me to assume the responsibility for carrying forward the conclusions you reached at the

[42] *Foreign Relations*, 1944, vol. I, p. 199.

[43] File copy neither signed nor dated; it was returned by President Roosevelt with the marginal notation: "OK FDR." A carbon copy is dated March 8, 1945.

(Footnote continued on p. 434.)

Crimea Conference. In pursuance thereof, I am attaching for your approval a suggested directive on the treatment of Germany which I believe conforms to the Yalta discussions and decisions. I believe that such a directive is urgently necessary to implement the Yalta decisions and continue the formulation and development of United States policy to be concerted with our Allies. If you approve of the attached directive, I suggest the establishment of an informal policy committee on Germany under the chairmanship of the Department of State and including representatives of War, Navy, Treasury and the Foreign Economic Administration. This committee would serve as the central source of policy guidance for American officials both civilian and military on questions relating to the treatment of Germany and its proceedings would be based on the attached directive.

[Annex]

MARCH 10, 1945.

DRAFT DIRECTIVE FOR THE TREATMENT OF GERMANY

I. MILITARY GOVERNMENT

1. The inter-allied military government envisaged in the international agreement on control machinery for Germany shall take the place, and assume the functions, of a central government of Germany.

2. The authority of the Control Council shall be paramount throughout Germany. The zones of occupation shall be areas for the enforcement of the Council's decisions rather than regions in which the zone commanders possess a wide latitude of autonomous power.

3. German administrative machinery must be purged as set forth below. It shall be used in so far as it can serve the purposes of this directive and does not permit Nazi abuses.

II. IMMEDIATE SECURITY MEASURES

1. The German armed forces, including para-military organizations, shall be promptly demobilized and disbanded.

2. All military and para-military agencies, including the General Staff, partly military and quasi-military organizations, the Reserve Corps, and military academies, together with all associations serving to keep alive the military tradition in Germany shall be immediately dissolved and thereafter prohibited.

(Footnote continued from p. 433.)

Another copy of this memorandum bears the handwritten, unsigned notation: "March 12, 1945 approved. Handed in person to the Secy. 3/13/45 Staff Meeting." A covering chit by Mr. Hathaway Watson, Assistant to the Special Assistant to the Secretary of State (G. Hayden Raynor), dated March 14, attached to still another copy of the memorandum reads as follows: "Original was returned from the White House approved by Mr. Roosevelt. I personally handed it to Mr. Stettinius in the Staff Meeting."

3. All German arms, ammunition and implements of war shall be removed or destroyed.

4. Military archives and military research facilities shall be confiscated.

5. The manufacture and the importation of arms, ammunition and implements of war shall be prohibited.

6. The German aircraft industry shall be dismantled and the further manufacture of aircraft and component parts shall be henceforth prohibited.

III. IMMEDIATE POLITICAL MEASURES

1. The Nazi Party and its affiliated and supervised organizations shall be dissolved and their revival in any form shall be prohibited. Such non-political social services of these organizations as are deemed desirable may be transferred to other agencies.

2. Nazi laws which provided the legal basis of the Hitler regime and which established discriminations on grounds of race, creed, and political opinion shall be abolished.

3. All Nazi public institutions (such as the People's Courts and Labor Front) which were set up as instruments of Party domination shall be abolished.

4. Active Nazis and supporters of Nazism and other individuals hostile to Allied purposes, shall be eliminated from public and quasi-public office and from positions of importance in private enterprise. Active Nazis shall be defined as those approximately two million members of the Party who have been leaders at all levels, from local to national, in the Party and its subordinate organizations.

5. Nazi political malefactors and all war criminals shall be arrested and punished.

6. Germans taken abroad for labor reparation shall be drawn primarily from the ranks of the active Nazis and of Nazi organizations, notably from the SS and the Gestapo.

This procedure will serve the double purpose of eliminating many of the worst carriers of Nazi influence from Germany and of compelling the guilty to expiate their crimes and to repair some of the damage they have done.

7. Under the direction and supervision of the Control Council there shall be established throughout Germany a unified system of control over all means of disseminating public information.

8. There shall be established a uniform system of control over German education designed completely to eliminate Nazi doctrines and to make possible the development of democratic ideas.

IV. ECONOMIC CONTROL

1. Pending definite decision on revision of boundaries and partitioning, Germany as it existed on January 1, 1938, with the exception of

East Prussia and Upper Silesia, shall be administered and controlled as an economic unit.

2. The economy of Germany shall be directed, controlled and administered in such a way as to

(*a*) Provide facilities for, and contribute to the maintenance of the occupying forces and occupying authorities.

(*b*) Stop the production, acquisition and development of implements of war and their specialized parts and components.

(*c*) Provide a minimum standard of living for the German people including such food, shelter, clothing and medical supplies as are required to prevent disorder and disease on a scale that would make the task of occupation and the collection of reparation substantially more difficult.

(*d*) Provide such goods and services to Allied countries for relief, restitution and reparation as will be in excess of the requirements of the occupation forces and the minimum standard of living.

(*e*) Conform to such measures for the reduction and control of Germany's economic war potential as the Allied governments may prescribe. (See paragraphs 13 to 18, inclusive.)

3. It is recognized that a substantial degree of centralized financial and economic control is essential to the discharge of the tasks mentioned in paragraph 2. The Control Council shall have general responsibility for insuring that all measures necessary to this end are taken.

4. In particular, the Control Council shall be empowered to formulate, within the framework of existing and future directives, basic policies governing (*a*) public finance; money and credit, (*b*) prices and wages, (*c*) rationing, (*d*) inland transportation and maritime shipping, (*e*) communications, (*f*) internal commerce, (*g*) foreign commerce and international payments, (*h*) resititution and reparation, (*i*) treatment and movement of displaced persons, and (*j*) allocation of plant and equipment, materials, manpower and transportation.

5. It is recognized that the prevention of uncontrolled inflation is in the interest of the United Nations. The Control Council shall strive to insure that appropriate controls, both financial and direct, are maintained or revived.

6. The Control Council shall utilize centralized instrumentalities for the execution and implementation of its policies and directives to the maximum possible extent, subject to supervision and scrutiny of the occupying forces. Whenever central German agencies or administrative services which are needed for the adequate performance of such tasks have ceased to function they shall be revived or replaced as rapidly as possible.

7.(*a*) Before utilizing German agencies military government authorities must carry through denazification in accordance with the principles set forth above.

(*b*) German nationals deprived of their positions because of previous affiliations with or support of the Nazi party or because of disloyalty to the military government authorities shall be replaced as far as possible by other German nationals. In recruiting replacements military government officers shall rely as much as practicable on the leaders and personnel of freely organized labor unions and professional associations and of such anti-Nazi political groupings and parties as may arise in Germany.

8. Military government shall eliminate active Nazis and supporters of the Nazi regime and other individuals hostile to Allied purposes, from dominant positions in industry, trade and finance.

9. Military government shall permit free and spontaneous organization of labor and professional employees. It shall facilitate collective bargaining between employers and employees regarding wages and working conditions subject to overall wage controls and considerations of military necessity.

10. Germany shall be required to restore all identifiable property which has been taken from invaded countries. It shall also be compelled to replace objects of unique cultural and artistic value whenever looted property falling within these categories cannot be found and restored.

11. Germany must make substantial reparation for damage to, or losses, of, non-military property caused by or incident to hostilities. Such reparation shall take the form of (*a*) confiscation of all German property, claims and interests abroad, (*b*) deliveries from existing German assets, particularly capital equipment, (*c*) deliveries from future German output, and (*d*) German labor services in devastated countries.

12. The reparation burden and schedules for delivery should be determined in such a manner that Germany can discharge its obligation within a period of ten years from the cessation of organized hostilities.

13. The volume and character of German reparation deliveries of capital equipment shall be largely determined in such a way as to reduce Germany's relative predominance in capital goods industries of key importance and to rehabilitate, strengthen and develop such industries in other European countries, as part of a broad program of reconstruction.

14. Germany shall be prohibited from engaging in the production and development of all implements of war. All specialized facilities for the production of armaments shall be destroyed, and all laboratories, plants and testing stations specializing in research, development and testing of implements of war shall be closed and their equipment removed or destroyed.

15. Germany shall also be forbidden to produce or maintain facilities for the production of aircraft, synthetic oil, synthetic rubber and light metals. Production facilities in these industries shall be removed to other countries or destroyed.

16. In order to foster and develop metal, machinery and chemical industries in other countries, exports of competing German products shall be subjected to restraint for a considerable period. At the same time, German production and export of coal and light consumer goods shall be facilitated.

17. German firms shall be prohibited from participating in international cartels or other restrictive contracts or arrangements. Existing German participations in such cartels or arrangements shall be promptly terminated.

18. The scope and execution of the economic disarmament program should be made compatible with the payment of reparation and both the reparation and economic disarmament programs should take into consideration the necessity of maintaining a minimum German standard of living as defined in paragraph 2.

19. In fulfillment of this principle, Germany shall be made to begin paying her own way as soon as possible. There shall be no simultaneous payment of reparation by Germany and extension of credit to Germany. Payment for such imports as are authorized by the Control Council shall be made a first charge on the proceeds of German exports. If Germany is unable to export sufficient goods in excess of reparation deliveries to pay for authorized imports, reparation recipients shall be required to shoulder this deficit in proportion to their respective receipts from reparation.

740.00119 EAC/3–1345

Draft Minutes of a Conference on the Work of the European Advisory Commission and on Plans for Control of Germany, Held at the Department of State, March 13, 1945

Present:

War Department	Navy Department
Mr. McCloy	Capt. W. H. Vanderbilt
Col. R. Ammi Cutter [44]	Comdr. Sargent [46]
Col. David Marcus	Lt. Harding Bancroft
Col. Richard Wilmer [45]	

[44] Assistant Executive Officer to Assistant Secretary of War McCloy.

[45] Of the Civil Affairs Division, War Department.

[46] Lt. Comdr. Willis Sargent, Assistant Naval Adviser to the United States Representative on the European Advisory Commission (Winant).

STATE DEPARTMENT

Mr. Matthews, Chairman
Ambassador Murphy
Mr. J. W. Riddleberger
Mr. Philip Mosely
Mr. Emile Despres [47]
Mr. Edmund Gullion [48]

RELATIONS OF EUROPEAN ADVISORY COMMISSION TO WASHINGTON

Mr. Matthews made it clear that the U.S. Representatives on the Commission had acted independently in making certain criticisms of JCS 1067 and that in so doing he had not received any suggestions or communications, formal or informal, from Washington. Mr. Mosely confirmed this and pointed out that Mr. Winant cabled queries to Washington requesting clarification of many points, primarily with the intention of equipping himself for effective negotiation of JCS 1067 in the Commission. He added that General Meyer had not participated in formulating Ambassador Winant's three cables,[49] with respect to JCS 1067, since those cables referred only to economic and political aspects of 1067.

Mr. McCloy indicated that the War Department's interest was in having an established policy and directive as soon as possible but that he understood the necessity for independent action on the part of the EAC.

SUMMARY OF LONDON OPERATIONS

Mr. Mosely outlined the present position of the work of the Commission as summarized in the attached memorandum, which he circulated. The EAC was generally ready, or was working toward, the establishment of middle-range plans to deal with Germany. There had been approved by the Commission the Instrument of Unconditional Surrender for Germany, the Protocol on Zones of Occupation, and the Agreement on Control Machinery. In addition, sixteen U.S. draft-directives were pending before the Commission, and the other Representatives had agreed to accept most of them as bases for discussion. Some eighteen additional draft-directives had not yet been cleared in Washington. (A list of those pending in Washington is attached.[50])

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[47] Adviser on German Economic Affairs.
[48] Of the Division of Western European Affairs.
[49] Apparent reference to telegrams 947, January 26, 9 p. m.; 1277, February 5, 11 p. m.; and 1278, February 5, 11 p. m., from London, pp. 396, 403, and 405, respectively.
[50] See bracketed note, p. 370.

PLANS FOR INTERIM PERIOD AFTER SURRENDER AND BEFORE FUNCTIONING OF CONTROL COMMISSION

Mr. McCloy expressed concern over the absence of any clear-cut and firm plan to guide SHAEF and the military authorities, should Germany collapse at an early date. He referred to Mr. Leon Henderson's [51] recent visit to the European Theater and his reports which confirmed his apprehensions in this respect. He pointed out that the only combined directive which SHAEF had was CCS 551, the pre-surrender directive,[52] which was insufficient for a post-surrender interim period. Ambassador Murphy shared this concern and agreed with Mr. McCloy that, in the absence of plans to meet the situation, SHAEF would be compelled to improvise. Mr. Mosely hoped that by the time when Germany was defeated, a minimum area of agreement would have been obtained through EAC and gaps could be filled in by directives to the separate Commanders.

The meeting considered the desirability of attempting to obtain agreement in the Commission upon a modified directive 1067 which would be a quadripartite directive, whereas the former is at present only for the guidance of U.S. troops.

It appeared that this would be impracticable, because

a) The British do not seem prepared to accept the idea of a combined directive, as they were gradually tending away from the idea of combined administration and appeared to be looking toward the time when SHAEF would be dissolved. On the other hand, as Mr. McCloy indicated, British representatives in this country and in the Combined Chiefs of Staff were more sympathetic to the idea of preparing a combined directive to SHAEF for the immediate post-surrender period.

b) It was thought that, judging by the tempo of EAC operations thus far, it would take too much time to obtain agreement on a general over-all directive. Mr. Mosely pointed out that the draft of such a document would have to be translated and referred anew to the interested government agencies in Moscow and Paris; the Russian members of EAC did not enjoy great freedom of action and had to refer substantive questions of this importance to their superiors. On the other hand, the individual directives now before the Commission had already been largely accepted as bases of discussion by the other representatives.

Mr. McCloy proposed, in view of the difficulty in obtaining agreement on a new over-all directive, that the following procedure be adopted: Directive CCS 551, as a combined directive, should be modi-

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[51] Between December 1944 and February 1945, Leon Henderson, former Director of the Office of Price Administration, visited Europe as the representative of the Foreign Economic Administration and surveyed the state of planning for the economic control of Germany.

[52] For text of the directive to the Supreme Commander, Allied Expeditionary Force, in respect of military government in Germany for the pre-surrender period, see *Foreign Relations*, 1944, vol. I, p. 217.

fied to make it adequate for the interim period; JCS Directive No. 1067, with necessary modifications, in the light of Yalta and the Department's proposals now being considered by the President, should stand as a directive for United States troops, and SHAEF should be notified accordingly; consideration of the individual specific directives now pending with the Commission or in Washington should be expedited and these should be taken as bases for combined administration on the assumption that SHAEF would continue to operate for several months after the surrender. SHAEF should be advised so that it would know exactly where it stood.

The sense of the meeting was favorable toward Mr. McCloy's proposal, but the point was raised by Lieutenant Bancroft that the several directives had been drafted as supplementaries, with reference to 1067 as an over-all directive. The individual directives would require, therefore, a thorough revision if 1067 were not coordinated with them and passed by the Commission. It was generally agreed that the separate directives covered in more detail most of the points of 1067 except de-Nazification. This difficulty was discussed but no decision on the feasibility of Mr. McCloy's proposal had been reached by the time the meeting adjourned. A subsequent meeting was arranged for the next day, March 14.

Estimate of Duration of Post-Surrender "Interim"

In consideration of proposed plans, the meeting sought an agreed estimate for the period which might intervene between the surrender of Germany and the beginning of CC [53] operations. Ambassador Murphy reported that the planning groups at SHAEF were assuming a period of as much as six to eight months duration. He also thought that in spite of the reluctance of the British to commit themselves to over-all combined directives, they might go along on combined instructions for this interim period.

Use of Wording "General Order" with Reference to Directive for Control of Germany

It was the sense of the meeting that the word "General Order" was ill-advised since it carried the implication that the content of the directives constituted a decree which would be public knowledge of the enemy. It was understood that "General Order" was designed primarily to serve as an agreement on additional non-military requirements to be imposed on Germany by the occupying Powers; the question of what orders should be issued to the Germans might be left to the Control Council to decide. Mr. Mosely submitted a report on the "General Order" which is attached.

[53] Control Council.

The Principle as to Zones

Mr. McCloy referred to the confusion prevailing as to centralization versus regional or zone administration. It was his understanding that the opportunities for conflict would be strictly limited since the commander of a zone would also be a member of the Council. The decisions of the Council would be administered locally by the zone commander. He did not believe that there should be an effort in Berlin to administer regional problems, but he agreed that some matters would have to be directed from the seat of the Council. The Army would want merely a sort of "military visa" in order to pass on the practicality of a policy.

There was substantial agreement in the meeting on this analysis.

Personnel

Mr. McCloy referred to Mr. Henderson's reports indicating that the American conception of the problem of administering Germany was too narrow. He referred to the contrast afforded by British plans which envisaged employment of many thousands and close regulation of wages, prices, et cetera. Mr. McCloy was inclined to share Mr. Henderson's concern, except that he recognized that the British had a different goal and problem in that they wished to coordinate factory development in the zone that they were to administer with Britain's own industrial and foreign trade policy. There was also an implication of post-war commercial interest. The United States on the other hand would not have much industry in its assigned area.

He stated that General Draper had been selected to take over the economic post in SHAEF and that he had a very good opinion of his qualifications although he had not personally known General Draper before the war. General Draper was formerly a partner in Dillon, Reed.[54]

With reference to the head U.S. post on the Council, Mr. McCloy said that Judge Patterson[55] would not be in a position to go immediately and that he thought that the person who would occupy this post should be prepared to leave for Europe now in order to get the feel of the situation. It was the War Department's inclination to assign a soldier to this position. It was believed that a soldier could better assure the liaison with SHAEF and General Eisenhower.

Mr. McCloy thought that the job of control of Germany ought to be broadened and that selection of a larger well-qualified staff should be expedited. It was agreed that many of the persons selected

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[54] Investment banking firm in New York.

[55] Robert P. Patterson, Under Secretary of War.

would be civilians and that the Department and other agencies would hasten preparation of lists of candidates for the positions.

CONSIDERATION OF DIRECTIVES

It was agreed that the consideration and clearance of the various separate directives should be expedited both in London and Washington.

MILITARY GOVERNMENT HANDBOOKS AND MATERIALS REQUESTED BY THE SOVIET UNION

SHAEF had directed General Wickersham[56] to refrain from making available to the Russians American Military Government handbooks and material unless the Russians should reciprocate. The Russians claimed that they did [not?] possess any such material to give us.

Ambassador Murphy suggested, and the meeting agreed, that there was nothing to be gained in withholding our materials from the Russians and that, on the contrary, an opportunity existed to influence Russian planning toward conformity with our own. It was agreed that the War Department would issue appropriate instructions.

[Annex 1]

Memorandum by Mr. Philip E. Mosely, Political Adviser to the United States Representative on the European Advisory Commission (Winant)

[WASHINGTON,] March 13, 1945.

U.S. DRAFT DIRECTIVES FOR CONTROL OF GERMANY

1. *Why Directives?*

From the beginning of the work of the European Advisory Commission it has been assumed that the skeleton framework of Allied control, set forth in the Agreements on the Instrument of Unconditional Surrender, the Protocol on Zones of Occupation and the Agreement on Control Machinery in Germany, would have to be supplemented by agreed directives. The intention to have the E.A.C. proceed to negotiate agreed directives was stated explicitly in a series of instructions issued to Mr. Winant by the State Department with the concurrence of the Joint Chiefs of Staff in February and March, 1944.

The three Agreements, which have now been approved without reservation by the three Governments, provide for the taking of absolute

[56] Brig. Gen. Cornelius W. Wickersham, Acting Deputy, United States Group, Control Council (Germany).

power over Germany, for the assignment of zones and areas of occupation and for the joint occupation of Berlin, and for the establishment of Allied control machinery. They do not provide any concrete agreements for the exercise of those powers. Obviously, the dangers of future disagreements among the Allies would be greatly diminished if the range of Allied agreements respecting Germany could be expanded, in advance of actual occupation, to embrace agreement on the fields in which that joint responsibility will be exercised.

2. *The U.K. Draft Directives.*

During the spring and summer of 1944 the U.K. Delegation on the E.A.C. circulated a series of thirty-eight directives. In October, 1944, these directives were again circulated in bound form.[57] The U.S. Delegation is not satisfied with certain features of the U.K. directives. They are too detailed in laying down procedures of implementation. They fail to distinguish between matters which will be regulated mainly by the Control Council and those functions which will be performed mainly by the separate zonal authorities.

Two alternative procedures were open to the U.S. Delegation. It could prepare comments and amendments to the U.K. directives, taking the latter as the basis of negotiation in the E.A.C. Or it could

[57] United Kingdon draft directives for Germany and Austria previously introduced in the European Advisory Commission were collected in a bound volume entitled: "Germany and Austria in the Post-Surrender Period—Policy Directives for the Allied Commanders-in-Chief", dated September 1944. Subsequently, the volume was enlarged to include thirty-eight draft directives and was circulated in the European Advisory Commission by the United Kingdom Representative as document E.A.C. (44) 26, dated October 27, 1944, transmitted to the Department in despatch 19155, November 10, from London, neither printed. The following is a list of the draft directives included in the volume:

1. Germany in the post-surrender period.
2. Austria in the post-surrender period.
3. Relations of Germany with countries at war with any of the United Nations.
4. Neutral missions in Germany, and communication with German missions to neutral countries.
5. Treaties, conventions and other international agreements.
6. Reform of Nazi law and release of political prisoners.
7. Dissolution and disbandment of Nazi organizations.
8. Re-education of Germany.
9. Recall of German and Austrian nationals resident abroad.
10. Prevention of German nationals from leaving German territory.
11. Prisoners of war and internees in German hands.
12. Nationals of the United Nations interned in neutral countries.
13. Displaced persons.
14. German records and archives.
15. The German police.
16. Preservation of law and order, and guard duties: use of German forces.
17. Definitions of "the German armed forces", "the forces under German command", etc.
18. Discharge and disbandment of German armed forces.
19. Control of German aircraft movements and disposal of German aircraft in German service.
20. Disposal of ships, aircraft and personnel of other enemy countries found in Germany at the time of surrender.
21. Evacuation of territory by the German armed forces, officials and civil population.

(Footnote continued on p. 445.)

present U.S. draft directives as an alternative basis of negotiation. After careful study the Ambassador and his Advisers came to the conclusion that it would be more effective to present independent U.S. drafts. This procedure, while more laborious, would have the added advantage of placing before the other Delegations, in advance of negotiation, considered U.S. thought on these problems and would also serve to emphasize the tri-partite, now quadri-partite, character of the E.A.C. negotiation.

3. *Origin of the U.S. Directives.*

The U.S. Delegation hoped that a series of brief policy statements would be prepared in Washington, with full Governmental clearance, and transmitted to Mr. Winant for negotiation in the E.A.C. A series of such statements was promised repeatedly during 1944, but none was ever received. As precious months were slipping away, Mr. Winant's Joint Advisers undertook to prepare a series of U.S. draft directives. Between June and December 1944 thirty-five draft directives were prepared in the Delegation and transmitted to Washington.

It was realized that these draft directives would probably be thoroughly rewritten in Washington. But it was hoped through this device to focus the attention of Washington on the need for working out U.S. views regarding the treatment of Germany and thus to provide both the E.A.C. Delegation and the various military authorities con-

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22. Surrender of arms and war material by forces under German command in contact with United Nations forces.
23. Surrender of arms and war material by forces under German command not in contact with United Nations forces.
24. Information regarding German war material.
25. Ownership and disposal of German war material.
26. Control of broadcasting.
27. Control and censorship of public information and means of intercommunication.
28. Regulation of movement and travel.
29. Inland transport.
30. Exercise of German rights in international transport bodies.
31. Shipping and associated matters.
32. Establishment and control of the Austro-German frontier.
33. Finance and property.
34. Food and property.
35. Rationing and distribution of textiles.
36. Building and housing.
37. Leather and footwear.
38. Determination of Austrian nationality.

In 1945, during the remainder of the existence of the European Advisory Commission, the United Kingdom circulated in the Commission eight additional directives as follows:

39. German Church Affairs.
40. United Nations' Renegades and Quislings.
41. Finance and Property in Austria.
42. Price Control in Germany.
43. Status and Treatment of German Merchant Seamen.
44. Elimination and Prohibition of Military Training in Germany.
45. Trade Unions, Wages, and Labour Disputes.
46. Danubian Affairs in Austria.

cerned with the future control of Germany with a set of authoritative U.S. views.

During November and December, 1944, fifteen draft directives, usually with slight changes, were approved in Washington and thereupon circulated in the E.A.C.[58] More recently Washington has transmitted draft directives on United Nations Prisoners of War[59] and Primary Disarmament of the German Armed Forces.[60] Eighteen additional directives are awaiting action in Washington.

4. *Preparation of the U.S. Draft Directives.*

The U.S. draft directives were prepared on the responsibility of the Joint Advisers in London. A small Planning Committee, with State, Army, Navy and Air Force representation, carried on the work of drafting, with the full cooperation of the appropriate experts of the U.S. nucleus group Control Council and of civilian experts available in the London Embassy. In some instances U.S. SHAEF officers also took part in their preparation.

5. *Character of the U.S. Draft Directives.*

The U.S. draft directives are designed to lay down basic medium-range agreements for the joint handling of problems affecting Germany as a whole. They define in broad terms the responsibilities of the Control Council for arriving at agreed policies for Germany as a whole and the special responsibilities of the zone commanders for their application to the separate zones.

The draft directives are not detailed. The only detailed directives are those relating to the armed forces, which the armed services tried to have written out in even greater detail. The political and economic directives could hardly be more general in character than they are.

The draft directives do not prejudge long-range decisions. For example, provision is made for the control and recording of German war material, but no attempt is made to determine its ultimate disposition. Similarly provision has been made for central determination of critical aspects of financial policy, but no attempt has been made to decide such a basic question as to whether inflation should be curbed or encouraged.

The U.K. draft directives were derived from the separate paragraphs of the U.K. draft General Order and treat the various fields of Allied control according to the subject matter of the General Order. The U.S. draft directives, on the other hand, have been based upon an analysis of the prospective functions of the twelve Divisions of the Control Machinery, with a view to defining a minimum of the pro-

[58] For a list of approved directives circulated in the European Advisory Commission, see bracketed note, p. 370; for an earlier list, see *Foreign Relations*, 1944, vol. I, p. 424.

[59] See instruction 5087, February 9, to London, p. 409.

[60] Not printed, but see footnote 27, p. 428.

cedural arrangements required for the effective functioning of each Division.

6. *Need for Negotiation of the Directives.*

The military authorities directly responsible in the field for control of Germany hope that fullest possible agreement can be reached in advance among the controlling Powers, for immediate application upon the surrender or collapse of Germany. They feel that the more such directives can be agreed among the four Powers, the surer will be the basis of Allied cooperation. In the absence of agreed directives, the Control groups would have to begin operation with the Control Machinery Agreement as their only agreed basis of control. The more procedures for joint administration and immediate policies for application can be worked out ahead of time, the better the prospects of continuing and harmonious Allied cooperation will be. Even if there should be insufficient time to negotiate all or most of the directives in the EAC, there are great advantages in having placed U.S. thinking on these problems before the other Governments prior to German surrender or collapse, particularly since the British, Russians and French have agreed informally to take the U.S. draft directives as a basis of negotiation, and hence of preliminary planning.

The U.S. draft directives represent a coherent whole. The value of individual directives is diminished through failure to present the complete set. Clearance of the remaining draft directives, and their circulation in the E.A.C., would greatly strengthen the impact of U.S. policy or the shaping of Allied policy in the control of Germany.

P[HILIP] E. M[OSELY]

[Annex 2]

Memorandum by the Secretary, United States Delegation, European Advisory Commission (Lightner)

[LONDON,] February 9, 1945.

1. *History of the General Order.*

The idea of having a General Order originated in February 1944 when, in order to get the British to agree to consider a short-term Surrender Instrument for Germany, the Soviet and U.S. Representatives agreed to the British request that the substance of the British Delegation's long (seventy-paragraph) draft Armistice [61] would be incorporated in Proclamations and General Orders to be issued to the Germans.

Authorization to make this commitment was contained in a Memorandum in Support of U.S. Views which was sent to Ambassador Winant with the Department's instruction No. 3735 of February 12,

[61] *Foreign Relations*, 1944, vol. I, p. 112.

1944.[62] This memorandum had received the written concurrence of General Hilldring.

The Ambassador's action in making this commitment in the European Advisory Commission was reported to the Department in telegram No. 1944 of March 10, 12 noon, Comea 38.[63] The State Department confirmed its understanding of this arrangement in its telegram No. 1976 of March 16, 3 p. m., Eacom 13.[64]

The E.A.C.'s report transmitting the Instrument of Surrender to the three Governments on July 25 [65] states: "The Commission will submit in due course, Orders, Ordinances or Instructions laying down additional requirements as provided in the general Article." The Orders referred to have been interpreted in the E.A.C. as General and Special Orders.

On August 1 the Ambassador forwarded to Washington with despatch No. 17220 [66] a set of draft Proclamations and General Orders prepared by the U.S. Delegation. Comments on these documents prepared by the Working Security Committee and approved by the State Department and the Joint Chiefs of Staff were submitted to London with the Department's instruction No. 4665 of October 24.[67] They were based on JCS 1103 of October 13.

On the basis of this instruction the U.S. Delegation revised the Proclamations and General Orders and transmitted copies of the revision to Washington with despatch No. 19080 of November 4.[66] On November 13, the revised Proclamations and General Orders—now combined as a General Order—were circulated in the European Advisory Commission as E.A.C. (44) 27, November 14.[66]

In its telegram No. 10371 of December 12, 7 p. m.,[68] the Department stated that this General Order did not fully reflect the views of the Joint Chiefs of Staff as expressed in instruction No. 4665 of October 24 and in JCS 1103. General Hilldring wrote to General Meyer on December 16 and 23 to express the same views in greater detail.[69]

2. *Basis of the Criticism of the General Order.*

The criticism of the draft General Order is based on the contention that it should contain only specific commands to the Germans to do or not to do certain specific things; and that provisions should not be included merely for the purpose of stating authority and powers possessed by the occupation authorities.

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[62] *Foreign Relations*, 1944, vol. I, p. 167.
[63] *Ibid.*, p. 197.
[64] *Ibid.*, p. 199.
[65] *Ibid.*, p. 256.
[66] Not printed.
[67] *Foreign Relations*, 1944, vol. I, p. 365.
[68] *Ibid.*, p. 418.
[69] Communications not found in Department files.

General Hilldring has also expressed concern that the British, who have indicated they liked the U.S. proposed General Order, were supporting it because they allegedly held the view that some such document was necessary in order "to take power" in Germany; and that our powers in Germany were derived from agreements with the Germans or orders in which we would announce our general powers.

3. *Misunderstanding as to the Nature of the General Order.*

The Joint Chiefs of Staff, whose views have been officially concurred in by the State Department, seem to confuse the General Order with the type of direct, specific military orders, proclamations, ordinances, et cetera, which would be issued by the Allied Commanders-in-Chief to the German people on the basis of agreed directives given to those Commanders-in-Chief by their Governments. The General Order, despite its misleading name, is not an order in the usual sense. It is, rather, an extension of the Surrender Instrument to cover non-military *requirements* not contained in that Instrument. Furthermore, it has nothing to do with the "taking of powers", which is fully provided for in the blanket authority conferred on the Allied Powers by Article 12 of the Surrender Instrument.

The question of whether all or part of the General Order would be issued to the Germans has never been discussed in the E.A.C. Informally, the other Delegations have expressed the view that parts of the General Order might be published to the Germans, perhaps at various times, and that other parts might never be published but would be held in reserve as a basis of agreed policy decisions.

No doubt large parts of the General Order would not be suitable for issuance to the Germans. However, the most important reason for negotiating a General Order is the need to arrive at a preliminary agreement with our Allies on the range of matters of joint responsibility required for the exercise of Allied control over Germany.

4. *Present Status.*

In the meeting of the European Advisory Commission on January 29, 1945, Sir William Strang recalled previous understandings to proceed with the work of drawing up agreed Proclamations and General Orders. He stated that his Government was now pressing for action on them on the basis of the earlier arrangement whereby the British Government had agreed to the short-term Surrender Instrument on the understanding that the remaining clauses of the long British draft would be dealt with in agreed articles to be issued under Article 12*b* at or shortly after the surrender of Germany.

The French Delegate at the same meeting also pressed for action on the General Orders since the French Government had refrained from pressing for amendments to the Surrender Instrument on the assumption that French desiderata could be included in the General

Order. The French Delegate had made this clear in a memorandum circulated in the Commission on December 29, 1944 (E.A.C.(44)47),[72] which expressed the French Government's approval of the Surrender Instrument. The French Delegation has now submitted a series of questions, which, if not taken care of in the General Order, might require amending the Instrument of Unconditional Surrender (E.A.C.(45)9, February 7).[73]

The Soviet Delegate in the meeting on January 29 indicated that his Delegation is preparing to submit comments on the General Order circulated by the U.S. Delegation.

E. A[LLAN] L[IGHTNER]

740.00119 EAC/3–1445

Draft Minutes of a Conference on the Work of the European Advisory Commission and on Plans for Control of Germany, Held at the Department of State, March 14, 1945

Present:

WAR DEPARTMENT	NAVY DEPARTMENT
Mr. McCloy	Capt. W. H. Vanderbilt
Col. David Marcus	Commdr. Sargent
Col. R. Ammi Cutter	Lt. Harding Bancroft
Col. Richard Wilmer	Mr. Keith Kane[74]

STATE DEPARTMENT

Mr. James Clement Dunn, Chairman
Mr. Matthews
Ambassador Murphy
Mr. J. W. Riddleberger
Mr. Philip Mosely
Mr. Emile Despres
Mr. Edmund Gullion

This second meeting further considered Plans for the Interim Period immediately after the Surrender and before the Control Commission began to Function.

Mr. McCloy said that in consideration of the discussion at the previous day's meeting, he felt more strongly than ever that the immediate problem was to equip the Military Commanders with a directive which might enable them to begin functioning immediately. He feared that, in view of the difficulties of negotiation in the European Advisory Commission and the time which would be required, it might prove impossible to obtain clearance for the thirty-seven various specific directives. He proposed, therefore, that:

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[72] *Foreign Relations*, 1944, vol. I, p. 427.

[73] Memorandum by the French Representative on the European Advisory Commission (Massigli) entitled "Protection of United Nations' nationals in Germany and questions arising in German-occupied territories after surrender", designated E.A.C. (45) 9, dated February 7, 1945, transmitted to the Department in despatch 20898, February 8, 1945, from London (740.00119 EAC/2–845).

[74] Special Assistant to the Secretary of the Navy (Forrestal).

(1) JCS 1067 should be modified immediately, in the light of Yalta decisions and the memorandum on control of Germany submitted by the State Department to the President; it should then be established, as a matter of first priority, as the instrument for guidance of SHAEF.

(2) At the same time, but without delaying the issuance of the U.S. directive to U.S. troops, we should concentrate our efforts in the EAC on getting clearance for a similar over-all quadripartite directive.

Mr. Dunn agreed that it was of paramount urgency to get a directive in the hands of the troops, but saw no reason for discontinuing our efforts to get the specified detailed directives cleared through EAC. EAC was set up to consider these directives on a sub-committee basis, and considerable time had been already gained because they had been adopted as bases for negotiation by the other countries' representatives in the Commission.

The meeting agreed:

(1) As a matter of first priority, to revise JCS 1067 and get it cleared through JCS;

(2) To endeavor to clear a similar quadripartite directive through EAC;

(3) To continue simultaneously to negotiate the various specific directives in EAC as expeditiously as possible. (It was considered that as soon as 1067 was in final form, clearance of any pending specific directives would be accelerated.);

(4) To modify CCS 551 to fit it for a post-surrender interim period on the assumption that SHAEF continues to operate.

THE STATE DEPARTMENT'S MEMORANDUM ON CONTROL OF GERMANY

Mr. McCloy had read this document, which had been approved by the President, since the previous day's meeting. He expressed great concern over the fact that it seemed to trend toward a greater degree of centralized control than the War Department had anticipated or was prepared to admit. The mere fact that the zone commanders would also be members of the Council did not seem sufficient to assure the necessary degree of regional authority. (In the previous day's meeting Mr. McCloy had been more inclined to find reassurance in this arrangement.)

The State Department representatives at the meeting did not agree that the document was as strongly in favor of centralization as Mr. McCloy believed.

There was an extended discussion on the wording of the memorandum in the light of these conflicting views but no decision was reached. (It appeared probable that the question might be raised again with the President or the Cabinet in the near future. An analysis, dated March 16, of the conflict of views of the Department of State and the Treasury–War Department views is attached.[75]

[75] *Post*, p. 457.

THE "GENERAL ORDER" OR DOCUMENT ON ADDITIONAL NON-MILITARY REQUIREMENTS

Mr. McCloy felt that the present form of the directive gave too little policy guidance and was little more than an "agenda" of things on which Allies would try to reach agreement.

Mr. Dunn referred to the history of this document (See Annex B [*2*] to Minutes of Meeting of March 13) and said that it represented a compromise.

It was agreed that the wording of the directive ought to be changed to show that its provisions were not final or exclusive. It appeared that this might be done by the addition of a so-called "basket clause" which might refer to the similar clause, reserving opening for further action, which is included in the Instrument for Surrender.

740.00119 Control (Germany)/3–1645

Informal Record of a Meeting in the Office of the Secretary of State, March 15, 1945

Present: The Secretary of State (presiding)
The Secretary of War
The Secretary of the Treasury
Mr. Crowley [76]
Mr. Clayton [77]
Mr. Dunn
Mr. McCloy
Mr. Coe, Treasury [78]
Mr. Fowler, FEA [79]
Mr. Hensel, Navy [80]
Mr. Kane, Navy
Mr. Matthews, State
Mr. Despres, State
Mr. Riddleberger, State
Mr. Rothwell, State [81]
Mr. Yost, State [82]

The Secretary of State opened the meeting by giving to the heads of each Agency represented a copy of the "Protocol on the Talks

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[76] Leo T. Crowley, Foreign Economic Administrator.
[77] William L. Clayton, Assistant Secretary of State for Economic Affairs.
[78] V. Frank Coe, Director of Monetary Research of the Department of the Treasury.
[79] Henry H. Fowler, Assistant to the Foreign Economic Administrator.
[80] H. Struve Hensel, Assistant Secretary of the Navy.
[81] C. Easton Rothwell, Executive Secretary of the Central Secretariat of the Executive Staff Committee.
[82] Charles W. Yost, Executive Secretary of the Central Secretariat of the Executive Staff Committee.

Between the Heads of the Three Governments at the Crimean Conference on the Question of the German Reparation in Kind".[83] The Secretary stated that, as indicated in the Protocol, the United States had agreed that the position of the Soviet Government—that the total sum of the reparation in accordance with points (*a*) and (*b*) of paragraph 2 of the Protocol should be 20 billion dollars, of which 50 percent would go to the U.S.S.R.—seemed fair and reasonable and could serve as a basis for discussion. He stated that the figure of 20 billion dollars is a nominal one and that the exact sum of reparations will have to be determined after the Allies are in Germany and can make an estimate of the German capacity to make reparation. Mr. Matthews pointed out that the Soviet delegation had suggested a period of ten years for the duration of reparation payments but this suggestion had been left out of the Protocol. Mr. Clayton added that he felt the Moscow Commission should adopt as a principle that the first charge on everything that goes out of Germany would be of a sum sufficient to take care of all that goes in. Mr. Matthews stated that the President's mind is perfectly clear on the point that there should be no repetition of our past experience whereunder German reparations were indirectly financed through the medium of American loans to Germany.

The Secretary stated that he believed the basic thought of this Government with respect to reparations should be worked out and incorporated into a general statement prior to the departure of Dr. Lubin[84] for Moscow within about two weeks. Mr. Clayton added that he had talked with Dr. Lubin who had agreed with this point.

The Secretary of State then handed to the principal representative of each Agency a copy of the memorandum for the President, "Draft Directive for the Treatment of Germany",[85] which had been prepared in the Department and approved by the President. The Secretary stated that he himself had fully endorsed the memorandum and the attached draft directive. He then called upon Mr. Riddleberger and Mr. Despres to summarize and comment upon it.

Mr. Riddleberger commented upon those sections of the draft directive dealing with military government, immediate security measures, and immediate political measures. Mr. Despres summarized and commented upon Section 4 dealing with economic control. Mr. Riddleberger stated that the military and political portions of the draft

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[83] For text, see *Conferences at Malta and Yalta*, p. 982.

[84] Dr. Isador Lubin, whose appointment as United States Member of the Reparations Commission in Moscow under terms of the Yalta Conference was announced on March 12, 1945. For documentation regarding the establishment and activities of the Reparations Commission at Moscow, see pp. 1169 ff.

[85] *Ante*, p. 434.

directive were based essentially upon agreements reached in the European Advisory Commission and approved by the three Governments just before the Crimean Conference. These agreements dealt with surrender terms, zones of occupation, and the control machinery. The principal emphasis was upon the establishment of a central Control Council for the purpose of developing coordinated policy, which would be carried out in each zone by the zone commander. The directive also was based upon the principle that German administrative machinery should be used wherever it is possible and advisable to do so. Mr. Riddleberger then commented in detail upon the military and political sections of the directive.

Mr. Despres, commenting on the program for economic control, stated that it was based fundamentally upon the principles laid down in the communiqué of the Crimean Conference. It rested upon the principle that Germany should be made to pay its own way with regard to reparation and that the German economy should be so controlled as to carry out the purposes stated in paragraph 2 of Section 4. Primary responsibility for the carrying out of this policy would be vested in the central Control Council. Mr. Despres then commented in detail upon the economic provisions of the draft directive. Mr. Dunn added that the policy laid down in the draft directive was based upon both the decisions of the Crimean Conference and long discussions with our Allies in London.

The Secretary of State asked Mr. Stimson, Mr. Morgenthau, Mr. Crowley, and Mr. Hensel, representing Mr. Forrestal, whether they wished to study the documents prior to discussion. Mr. Morgenthau and Mr. Crowley stated that they wished to study the documents; Mr. Hensel said that he would, of course, wish to take them up with Secretary Forrestal; Mr. Stimson also requested time to study the document, adding that he had seen it for the first time this morning. While it was similar to another statement of policy toward Germany which had been worked out earlier, he noted one principal change. The present draft directive appears to place a good deal of emphasis upon centralization, both as to policy formulation and as to administration. He referred in particular to paragraph 6 on page 7.

Mr. Dunn said that the true spirit of the document was a coordination and agreement upon policy in the Control Council with latitude for administration and the carrying out of these policies under the zone commanders. Mr. Stimson stated that he had assumed this was true. He felt that we were not going to get a four-headed body comprising three great nations to achieve uniformity in the application of details of policy. He believed that difficulties would arise from any attempt to force the uniform application of an agreed policy.

Mr. Clayton stated that he thought some rewording of paragraph 6 on page 7 might be necessary in order to clarify its true meaning. It was intended that nationally organized institutions such as banking, the railroad system, and the telegraph system should be administered centrally in order to obtain uniformity throughout the country. It was not intended, however, to interfere with the adaptation of administration to local areas.

Mr. Stimson said that he had no quarrel with the assumption that Germany should be treated as one nation, since this was apparently a basic decision reached at Yalta with which he and the Army were not concerned. He, therefore, did not desire to combat the principle of centralization of policy determination but did not believe that administration should be handed over to the central office.

The Secretary of State said that the policy of treating Germany as a single country for the period of immediate military occupation had been reached at Yalta. Whether Germany would subsequently be partitioned was a matter for later decision. He felt that in the drafting of specific directives to military commanders it would be possible to meet Secretary Stimson's point that administrative latitude in the application of agreed policy could be left to zone commanders.

Mr. Morgenthau asked whether it had been definitely settled at Yalta that Germany should be treated as one nation. Mr. Stettinius said that such a decision had been reached for the immediate period of military occupation. He stated that he would speak privately with Mr. Morgenthau, Mr. Stimson, Mr. Crowley, and Mr. Hensel concerning plans for the future. Mr. Morgenthau stated that he would appreciate receiving this private information and added that the policy would appear to be that the power of the German Empire would be continued and reconstructed. The Secretary of State said that the directive did not mean that. Mr. Dunn added that the principle of centralization would apply only to services national in scope. Mr. Morgenthau said that the question was just how much would be continued of the present German centralized Government. He had heard the question discussed for a long time and wanted a direct answer. The impression he received was that the present German Empire is to be continued through the medium of a central unit in Berlin. The Secretary of State said that this was not the intention. The agreements reached at the Control Council in Berlin would be applied in four areas. Moreover, this plan was for the immediate period of military occupation. At a later stage, further consideration would be given to the problem of decentralization and partition.

Mr. Crowley said the economic policy would appear to be (1) that Germany was to receive no loans for reconstruction, (2) that Germany would be required to pay reparations in kind or in wealth man-

ufactured within Germany, (3) that German cartels would be broken up, (4) that aircraft industries and other war industries would be destroyed, (5) that all production over that required for a minimum standard of living would be utilized in accordance with the purposes stated in Section 2 of part 4, (6) that we would take over and control the banking system, etc., and (7) later, if we wished to break up Germany, we could proceed to do so.

Mr. Stimson quoted the first paragraph of the draft directive and stated that it indicated a clear intention to run Germany as a whole during the immediate occupation period. The Secretary stated that this was the intention. Mr. McCloy, commenting upon this objective, stated that the plans of the Army had been made upon the assumption of decentralized methods of administration and that any change in this principle would cause an extensive revamping of plans. The Army has taken the position that a decision as to what aspects of administration could be centralized would have to wait until we are inside Germany and can estimate the existing situation. Agreement on administrative procedures should, therefore, not be made too far ahead. Meanwhile, the zone commanders will proceed into their zones and the troops must have the right to carry on administration on the basis of residual authority until coordinated policies are handed down to them. Whether the administrative policy would be one of *laissez faire* or some other policy would be determined later on. The administration would meanwhile be carried on within the zones by the zone commanders unless and until the Control Council decides differently.

Mr. Matthews pointed out that the provisions for control machinery in the draft directive were based upon provisions in the communiqué of the Crimean Conference. Mr. Stimson said that any arrangement under which inspectors representing the central authority would visit the zone commanders periodically would not be conducive to harmony or coordinated administration. Mr. Stettinius stated that he felt Mr. McCloy had hit upon a very important factor in stating that we could not specify all administrative arrangements until the Allied forces actually get into Germany. In response to Mr. McCloy's statement that "from this standpoint the emphasis appeared to be wrong in the draft directive", the Secretary of State said that this was not intended and that the administrative latitude desired by Mr. McCloy could be obtained in the drafting of the military directives.

Mr. Fowler said that it would probably be necessary to carry out the provisions of paragraphs 15 and 16 on page 10 only after the Allies were established within Germany. Mr. Riddleberger replied that it would be desirable to go into Germany with as fully a determined policy as possible. Such specific policy would be worked out through the European Advisory Commission. In some instances it may be possible to have only a minimum of policy. Mr. Fowler stated

that there would be no point in going into Germany without a uniform program. Mr. Riddleberger added that for this reason it is necessary to emphasize the coordination of control.

The Secretary of State then suggested the appointment of a subcommittee under the chairmanship of Mr. Clayton in accordance with the memorandum approved by the President. Mr. Dunn stated that the establishment of such a committee is urgent because our representative on the European Advisory Commission needs instructions in order to get on with common agreement with our Allies. He added that much of the spade work for the proposed subcommittee would be done by the present working committee.

Mr. Morgenthau named Mr. Harry White to serve as his representative on the committee, Mr. Frank Coe as alternate. Mr. Stimson named Mr. McCloy as his representative, General Hilldring as alternate. Mr. Crowley named Mr. Fowler as his representative. Mr. Hensel stated that he would inform Secretary Forrestal of the necessity to name a representative but added that this representative would probably be Mr. Gates.[86]

At the request of Mr. Stettinius, Mr. Stimson, Mr. Morgenthau, Mr. Crowley, and Mr. Hensel remained for a private discussion.

740.00119 Control (Germany)/3–1645

Memorandum Prepared in the Department of State

[WASHINGTON,] March 16, 1945.

There is a chance that at today's Cabinet meeting objection will be raised by Secretary Morgenthau to the new directive on Germany approved by the President, and that he may have support from Secretary Stimson. The basic difference in view between the State Department, on the one hand, and the Treasury and War Departments on the other, is over the scope of activity of Allied military government and the need for genuine Allied agreement on policy toward Germany. (The Treasury and War Departments advocate the same policy for different reasons: Treasury wants chaos; War wants decentralization and complete authority for its zone commander).

The Treasury–War Department view is that each zone of occupation should be treated largely as a separate unit and that the occupation authorities should concern themselves almost exclusively with a few simple tasks to be carried out in a few months by the occupation forces themselves. These are denazification and primary disarmament. On almost everything else we should keep hands off, avoid general economic controls, and get out as soon as possible, leaving

[86] Artemus L. Gates, Assistant Secretary of the Navy for Air.

future developments in Germany to the Germans. The War Department has maintained this view over months of discussion with us.

The Treasury–War Department position of granting almost complete liberty of action to the zone commanders would, if adopted, be interpreted by the Russians, and presumably also by the British, as a virtual repudiation of the control machinery agreement and as evidence that Allied unity in the question of the treatment of Germany is at an end. Should it become known to the Russians that we have no intention of working out a joint Allied policy for Germany, they will probably take the position that the agreement on zones is likewise invalid.

In the opinion of the Department, this concept of "smash-and-run" is directly contrary to the Yalta decisions and to the views of our Allies. An agreed, uniform and comprehensive control over Germany and the German economy is essential to achieve the purposes decided upon at Yalta as set forth in the Crimea declaration and throughout the discussions. The dispute in Washington over the past eight months regarding this central point has gravely hampered all negotiations with our Allies on this subject and our planning for control of Germany. Unless the clear-cut decision made in the memorandum approved by the President is adhered to, this confusion will persist, with consequences that will be disastrous to Allied cooperation and to the achievement of our basic program for peace. Unless we go forward with the cooperation promised at Yalta the Dumbarton Oaks organization [87] will not be brought to fruition.

740.00119 EAC/3–1745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, March 17, 1945—5 p. m.

2076. Since the President's return from the Yalta Conference, the Department has been working on a basic memorandum outlining more completely than has hitherto been possible the main lines of American policy toward Germany, based on the Yalta decisions and discussions as well as on the three basic agreements thus far negotiated in the European Advisory Commission. The President has given his approval to this statement of policy, a copy of which has been sent to you today by air.[88] This basic statement of policy, which is not for presentation to our Allies, will serve as a basic guide to all agencies

[87] Preliminaries to the establishment of the international organization for the maintenance of international peace and security were discussed at Dumbarton Oaks, Washington, August 21–October 7, 1944. For documentation regarding these discussions, see *Foreign Relations*, 1944, vol. I, pp. 713 ff.

[88] See instruction 5221, March 19, to London, *infra*.

of this Government during the coming months; as such, it will also be useful to you as background guidance.

Immediate requirements for effective presentation of U.S. views in the EAC have been surveyed this week at two conferences with participation of high State, War and Navy Department representatives. It is understood that you will continue the negotiation of the "General Order," in the form of a draft agreement on additional non-military requirements to be imposed on Germany by the Occupying Powers, making appropriate use of the suggestions contained in JCS 1103 of October 13 [89] and in the U.S. SHAEF report on the General Order transmitted by General Bedell Smith [90] to General Meyer on February 7.[91] The draft agreement, as revised by your joint advisers on Januuary 27,[91] is being examined here and you may receive informal comments on it for your use in negotiation. You need not await these informal comments before beginning negotiation.

You are, as before, authorized to proceed with the negotiation of the 16 U.S. draft directives so far circulated in the EAC.[92] The War Department is preparing its comments on your two queries regarding the draft directive on United Nations Prisoners of War, and we hope to forward a reply shortly. It has also been agreed here that the remaining 18 draft directives [93] will be cleared as expeditiously as possible, to be forwarded to you for presentation in EAC.

In view of the President's memorandum on policy toward Germany, it has been decided to revise JCS 1067 in several fundamental respects. When this revision has been completed the new overall directive will be forwarded to you for circulation in the EAC, in addition to the 35 separate directives. Military events may render it desirable for the Commission to concentrate its efforts on negotiating a single overall directive, which would then be available as agreed guidance to the commanders-in-chief in case of an early German collapse. The revised overall directive will not be designed to take the place of the 35 separate directives in case Allied agreement can be reached more expeditiously through negotiating on them.

We trust that the EAC will be able to negotiate a substantial range of agreed policies for the guidance of the Control Council and the commanders-in-chief in Germany.

ACHESON

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[89] Not printed; see instruction 4665, October 24, 1944, to London, *Foreign Relations*, 1944, vol. I, p. 365.

[90] Lt. Gen. Walter Bedell Smith, Chief of Staff to the Supreme Commander, Allied Expeditionary Force (Eisenhower).

[91] Not printed.

[92] For the full list of United States directives circulated in the European Advisory Commission, including the 16 referred to here, see bracketed note, p. 537.

[93] For list of draft directives awaiting comment in Washington at the beginning of 1945, see bracketed note, p. 370.

728-099—68——30

740.00119 Control (Germany)/3–1945

The Secretary of State to the Ambassador in the United Kingdom (Winant)

No. 5221 WASHINGTON, March 19, 1945.

The Secretary of State transmits for the confidential information and guidance of the Ambassador a copy of a memorandum of March 8, 1945 to the President and a copy of a directive of March 10, 1945 from the President [95] relative to the treatment of Germany. This directive results from the decisions of the Crimean Conference and defines the policy of this Government in respect of Germany. Although the document is entitled a directive, it is not intended for negotiation in the European Advisory Commission but can be utilized by the Ambassador as background and guidance in his negotiations on this subject.

The directive will be utilized by the Department in its consultation with other agencies of the Government on matters related to the treatment of Germany.

740.00119 Control (Germany)/3–2045

Memorandum by the Secretary of the Treasury (Morgenthau) to the Secretary of State

WASHINGTON, March 20, 1945.

Reference is made to the draft directive on the treatment of Germany, dated March 10, 1945 which was written by the Department of State to implement the decisions of Yalta.[96]

On the basis of decisions made at Yalta of which I have been informed, it seems clear that the directive has adopted certain definitive views on the most fundamental issues involved in the treatment of Germany, which views are not required by or even implied in the Yalta decisions. I understand that these views were advanced prior to Yalta within the State Department; they are completely opposed to the Treasury's views on these issues; are contrary in major respects to decisions made by this Government prior to Yalta; and are opposed in their most important implications to the views which I understood the President holds on Germany.

To be specific, the following is a brief summary of decisions made prior to Yalta, decisions made at Yalta, and decisions made in the draft directive of March 10, dealing with three of the most important issues involved in the German problem.

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[95] *Ante*, pp. 433 and 434, respectively.

[96] For the decisions reached at the Yalta Conference regarding the occupation and control of Germany, see the Communiqué issued at the end of the Conference, *Conferences at Malta and Yalta*, p. 968.

I. Decentralization of Germany

A. *Prior to Yalta*

Directive 1067 provided as follows:

(1) "Military administration shall be directed toward the promotion of the decentralization of the political structure of Germany. You may utilize in the beginning whatever German administrative agencies may serve the purposes of military government. You will wherever possible, however, endeavor to make use of and strengthen local municipal and regional administrative organs."

(2) "The agreed policies of the Control Council shall be determinative throughout the zones. Subject to such policies the administration of military government in each of the three zones of occupation shall be the sole responsibility of the Commanders-in-Chief of the forces occupying each zone. You should, however, coordinate your administration with that of the other Commanders-in-Chief through the Control Council. The administration of each zone and of the regional and local branches of any centrally directed German agencies shall be such as to insure that all policies formulated by the Control Council will be uniformly put into effect throughout Germany."

B. *Yalta*

At Yalta it was decided that:

"Coordinated administration and control has been provided for under the plan through a central control commission consisting of the supreme commanders of the three powers with headquarters in Berlin." [97]

This is a reiteration of what had been agreed upon prior to J.C.S. 1067 and was embodied in that directive. No change of policy was made here.

C. *Draft Directive of March 10*

The draft directive of March 10 provides:

(1) "The Control Council shall utilize centralized instrumentalities for the execution and implementation of its policies and directives to the maximum possible extent, subject to supervision and scrutiny of the occupying forces. Whenever central German agencies or administrative services which are needed for the adequate performance of such tasks have ceased to function they shall be revived or replaced as rapidly as possible."

(2) "The zones of occupation shall be areas for the enforcement of the Council's decisions rather than regions in which the Zone Commanders possess a wide latitude of autonomous power."

These provisions completely reverse what had been agreed upon as the American view prior to Yalta, despite the fact that there was nothing in the Yalta decisions contrary to such American view.

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[97] *Conferences at Malta and Yalta*, p. 970.

II. Elimination of German Heavy Industry

A. *Prior to Yalta*

At Quebec on September 15, 1944, the President and Prime Minister Churchill agreed upon a program designed to eliminate German heavy industry—the metallurgical, electrical and chemical industry.[98]

B. *Yalta*

At Yalta it was decided:

(1) To "eliminate or control all German industry that could be used for military production."
(2) That the removal of Germany's national wealth in the way of reparations "be carried out chiefly for the purpose of destroying the war potential of Germany." [99]

These provisions are obviously not inconsistent with the position adopted by the President and Prime Minister Churchill at Quebec.

C. *Draft Directive of March 10*

Although the program set forth in the draft directive speaks of reducing "Germany's relative predominance in capital goods industries of key importance" (paragraph 13), the only industries which Germany is specifically forbidden to maintain are "aircraft, synthetic oil, synthetic rubber and light metals," (paragraph 15). And it is specifically indicated that Germany will be allowed to maintain "metal, machinery and chemical industries" (see paragraph 16), although exports of these industries to other countries will be restricted.

This program is contrary to the Quebec agreement and has no basis in the Yalta decisions, unless the reparations protocol requires the maintenance of some heavy industry—and I doubt that it does.

III. Control of German Internal Economy

A. *Prior to Yalta*

In the Directive known as J.C.S. 1067 (revised) which was agreed upon after considerable discussion between State, War and Treasury, and was presented to and approved by the White House as representing the American view, it was provided that:

"Except for the purposes specified above, you will take no steps (1) looking toward the economic rehabilitation of Germany nor (2) designed to maintain or strengthen the German economy. Except to the extent necessary (1) to accomplish the purposes set out above, and (2) to assure thorough elimination of discriminatory Nazi practices in actual operation of economic controls, the responsibility for and the task of dealing with such economic problems as price controls, ration-

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[98] Documentation regarding the Second Quebec Conference, September 11–16, 1944, is scheduled for publication in a subsequent volume of *Foreign Relations*.
[99] *Conferences at Malta and Yalta*, p. 970.

ing, unemployment, production, reconstruction, distribution, consumption, housing or transportation will be left in German hands. You should, however, take such steps as may be necessary to assure that economic controls are operated in conformity with the above purposes and the general objectives of military government."

B. *Yalta*

Nothing was decided on this basic question at Yalta, to my knowledge. It appears from paragraph 2 of section IV of the draft directive of March 10 that the provisions of the protocol on reparations are being advanced as the basis for the argument that in order to collect reparations in the future it is necessary to direct, control and administer the German internal economy. Such a position, however, is not only not required by the reparations protocol but is contrary to the whole spirit of the protocol, namely that reparations policy be a function of reducing Germany's war potential.

The Yalta decisions clearly did not contemplate that the collection of reparations requires the Allies to take steps designed to rehabilitate and strengthen the German economy.

C. *Draft Directive of March 10*

Paragraphs 3, 4, and 5 of section IV of the draft directive provide:

"It is recognized that a substantial degree of centralized financial and economic control is essential to the discharge of the tasks mentioned in paragraph 2. The Control Council shall have general responsibility for insuring that all measures necessary to this end are taken.

"In particular, the Control Council shall be empowered to formulate, within the framework of existing and future directives, basic policies governing (*a*) public finance; money and credit, (*b*) prices and wages, (*c*) rationing, (*d*) inland transportation and maritime shipping, (*e*) communications, (*f*) internal commerce, (*g*) foreign commerce and international payment, (*h*) restitution and reparation, (*i*) treatment and movement of displaced persons, and (*j*) allocation of plants and equipment, materials, manpower and transportation.

"It is recognized that the prevention of uncontrolled inflation is in the interest of the United Nations. The Control Council shall strive to insure that appropriate controls, both financial and direct, are maintained or revived."

These provisions are diametrically opposed to the provision of J.C.S. 1067 and have no basis in the Yalta decisions, except on the doubtful interpretation of the reparations protocol noted above.

Conclusion

Quite apart from the comments above, I would like to point out that, if a decision has been reached to dismember Germany or if there is a likelihood that such a decision will be reached, then the

directive will, in my opinion, undermine this basic policy. The directive contains provisions designed to make sure that during the period of military occupation the various parts of the German Reich will be put together and kept together.

On the basis of the foregoing analysis and also of study of the other paragraphs of the draft directive of March 10, it is my firm belief that this draft directive is based in many of its parts upon policies which were not settled at Yalta and in some of its parts upon policies opposed to the decisions of Yalta. On the other hand, from what has been published and told us about the Crimean Conference all of its decisions seem to be consistent with the previous policies of this Government as embodied in J.C.S. 1067 (revised) or expressed by the President at the Quebec Conference.

In view of these conclusions, and in accordance with the President's request and your request that we assist you in implementing the decisions of Yalta, I would like to make the following suggestion:

That for the time being we allow J.C.S. 1067 to remain unchanged as the statement of policy for the U.S. forces during the first period of occupation, and that we attempt to get immediate agreement through the European Advisory Commission on J.C.S. 1067.

I am informed by the Army that General Eisenhower can operate satisfactorily prior to collapse under directive 551 and that after the collapse of Germany initial operations by the Army can take place satisfactorily under J.C.S. 1067.

On reparations and other longer-run policies for Germany, the Treasury is of course prepared to meet with you and your representatives for further discussions.

HENRY MORGENTHAU, JR.

740.00119 Control (Germany)/3–2045

Memorandum by the Secretary of the Treasury (Morgenthau) to President Roosevelt

WASHINGTON, March 20, 1945.

At a meeting at the State Department Mr. Stettinius presented to a number of us a five-page Post-hostility draft Directive for military control of Germany, dated March 10, which had your initials and those of Mr. Stettinius on it.

From many conversations that I have had with you as to how to deal with a defeated Germany, I am confident that this Directive goes absolutely contrary to your views. I would like to call your attention to some of the fundamental points contained in the March 10 Directive which seem to me to be contrary to the views you hold and the

views that were contained in J.C.S. 1067 which I understand you collaborated on.

(1) *Decentralization of Germany*—It requires the Control Council to "utilize centralized instrumentalities for the execution and implementation of its policies to the maximum extent possible" and requires that for this purpose "central German agencies . . . shall be revived or replaced as rapidly as possible."

(2) *Elimination of German Heavy Industry*—It allows Germany to maintain "metal, machinery and chemical industries" with controls on exports; and forbids only "aircraft, synthetic oil, synthetic rubber and light metals" industries.

(3) *Control of German Internal Economy*—It states that "a substantial degree of centralized financial and economic control is essential" and requires the Allies to "direct, control and administer" the German economy in order to collect reparations and for other reasons. It requires the Control Council to formulate policies governing "public finance", "prices and wages", "rationing", "internal commerce", etc.

Carrying out the above directions would build up a strong central German Government and maintain and even strengthen the German economy. You, of course, would know whether or not it was decided at Yalta to move in that direction.

I strongly urge that the directive of March 10 be redrafted in accordance with the three principles indicated below which, in my opinion, reflect your views.

1. We should avoid assuming responsibility for the functioning of the internal German economy and its economic controls. The maintenance and rehabilitation of the German economy is a German problem and should not be undertaken by us in order to collect reparations or for any other reason except the security of the occupying forces.

2. We should aim at the greatest possible contraction of German heavy industry as well as the elimination of her war potential. The occupying forces should accept no responsibility for providing the German people with food and supplies beyond preventing starvation, disease, and such unrest as might interfere with the purposes of the occupation.

3. During the period of military occupation policies in the separate zones should be coordinated through the Control Council, but the actual administration of affairs in Germany should be directed towards the decentralization of the political structure.

HENRY MORGENTHAU, JR.

740.00119 Control (Germany)/3–2045

Memorandum of Conversation, by Mr. Edward S. Mason, Deputy to the Assistant Secretary of State (Clayton) [1]

[WASHINGTON,] March 20, 1945.

Participants:	Mr. McCloy	Jim Perkins [3]
	Gen. Hilldring	Harold Glasser [4]
	Oscar Cox [2]	Capt. Vanderbilt
	Joe Fowler	Another Naval Officer
	E. S. Mason	A Colonel, formerly with the Bureau of the Budget.

Mr. McCloy indicated that regardless of what policy is to be adopted towards Germany, the War Department is now of the opinion that the U.S. Control Group for Germany should now be activated. Although no immediate change is contemplated in the structure of the organization, which comprises twelve divisions, it was indicated that these divisions will be brought together in three main groups—military, political and economic. General Draper, who is to head the economic group, then said that his plan was to organize immediately a nucleus of 70 to 80 people, half of whom would be military, with the idea of expanding this to several hundred in the near future. The main purpose of the meeting was to get the views of the civilian agencies on the civilian personnel who might constitute the initial nucleus.

[Here follows an enumeration of the names of persons suggested to head various economic divisions of the U.S. Control Group for Germany.]

After this business was completed, Mr. McCloy raised the question of the significance of the new committee, chairmaned by Mr. Clayton, and of the directive initialled by the President. He said that the only interest of the War Department in political and economic policy for Germany was whether or not the policy determined upon was administrable in so far as the Army was called upon to undertake the administration. He said that it was his personal impression that the directive initialled by the President went somewhat beyond what was necessary in order to implement the Yalta decisions. In particular,

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[1] The memorandum was directed to Assistant Secretary of State Clayton. The meeting was held in the office of the Assistant Secretary of War (McCloy) on March 19, 1945.

[2] Deputy Foreign Economic Administrator.

[3] James A. Perkins, Assistant to the Foreign Economic Administrator.

[4] Assistant Director, Division of Monetary Research, Treasury Department.

he was disturbed by the language indicating that centralized control be established to the maximum extent possible. He then went on to say that he had received a call from Secretary Morgenthau, reporting on a conversation that Morgenthau had had with the President. According to Morgenthau, the President said he regarded the directive as a matter for discussion and that he, the President, was by no means committed to a policy of extensive centralized control. McCloy said also that Morgenthau had transmitted the results of his conversation to Acting Secretary Grew. Mr. McCloy then stated that he had had a meeting with Harry White on the question of whether JCS 1067 needed to be revised in the light of the Yalta decisions. He represented Mr. White as saying that the Treasury's view was that no alterations were necessary. Mr. McCloy said that it was his opinion that probably some alteration was necessary in view of apparent decisions on the reparation question and that if 1067 is to be revised, it should be made a first order of business for the new Committee. I said that as far as I was aware no fundamental differences of opinion existed between the State Department and the War Department on the two questions that had been raised.

1. We were prepared to recognize that a centralized administration in Germany could not be undertaken immediately on the cessation of hostilities, but must await the completion of occupation and the determination of policy decisions by the four powers interested in the administration of Germany.

2. I said that in the interpretation of the State Department, the words of the directive were not to be understood as going beyond that amount of centralized control necessitated by the Yalta discussions and decisions. It was our feeling that if reparations are to be collected out of current production, considerable de-industrialization is to be attempted, and if the occupying powers recognized their responsibility for the maintenance of a minimum standard of existence in Germany, some considerable measures of centralized control were inevitable. Gen. Hilldring agreed with this position and Mr. McCloy indicated no dissent.

Conclusion: It is clear that at the first meeting of the informal policy committee on Germany the two questions which will have to be taken up will be:

1. An interpretation of the language of the directive dealing with central control, and

2. The question whether 1067 needs to be revised.

740.00119 Control (Germany)/3-2245

Report of the Subcommittee of the Informal Policy Committee on Germany

[WASHINGTON,] March 22, 1945.

The Sub-committee has agreed upon the following interpretive paragraphs of the Presidential directive of March 10, 1945:

"1. The Inter-Allied Military Government shall be established in Germany pursuant to the international agreement on control machinery for Germany and the principles stated in the instrument of unconditional surrender.

"2. Every effort shall be made to reach agreement in the Control Council on matters of policy. The authority of the Control Council shall be paramount throughout Germany and its agreed policies shall be determinative throughout the zones. The respective zone commanders, in the exercise of their authority shall act subject to such agreed policies, shall see that such agreed policies are carried out within their respective zones, and in the absence of agreed policies, shall exercise their authority in a manner consistent with the principles set out herein.

"3. The Control Council, in those matters as to which it may determine central administration to be desirable, may use or provide central administrative machinery and agencies which shall have such powers, exercise such functions and use such channels of communication as the Control Council may direct. Subject to any agreed policies of the Control Council all persons and administrative agencies acting within the zones shall perform their duties under the supervision of the zone commander. The Control Council and the zone commanders, respectively, subject to agreed policies of the Control Council may make use of such Germans and such administrative agencies staffed by Germans as they may deem necessary within their respective spheres of authority but no Germans or administrative agencies shall be employed except in accordance with the policies for the purge of Nazism set forth below."

The following final paragraph to paragraph 3 was submitted by the Treasury representative for discussion—it was not definitely adopted by the Sub-Committee for recommendation to the Committee:

"Subject to such decisions as may be reached by the Control Council on the desirability of using centralized instrumentalities, military administration shall be directed toward the promotion of the decentralization of the political structure of Germany and to this end local, municipal and regional organs shall be strengthened to the extent possible."

740.00119 Control (Germany)/3-2245

Memorandum of Telephone Conversations, by the Acting Secretary of State

[Extract]

[WASHINGTON,] March 22, 1945—9:35 a. m.

Participants: Secretary Stettinius:[6]
Acting Secretary, Mr. Grew
Secretary Stettinius;
Assistant Secretary, Mr. Dunn
Secretary Stettinius;
Assistant Secretary, Mr. Clayton

. . . . . .

I then told the Secretary that Secretary Morgenthau had told me privately that at a luncheon at the White House the President had reopened the whole question of post-war treatment of Germany. I said that according to Secretary Morgenthau, the President wished to withdraw the directive he had given to Secretary Stettinius, and that the President did not remember signing the directive. The President called a meeting of the State, War and Treasury Departments to discuss the whole matter. I told Mr. Stettinius that, as he knew, there was a wide divergence between Treasury and ourselves, not so much with War. I asked the Secretary what attitude he wished me to take. Mr. Dunn then took the telephone and the Secretary told him that he had asked how much 1067 had been fundamentally changed and he had not been given a memorandum on that point. The Secretary added that he had understood that the general foundation was about the same. Mr. Dunn replied that this was our interpretation of it. The Treasury Department, Mr. Dunn added, said that the new March 10 directive reverses 1067 and that is not our view. The Secretary said he would like to know what our position is, and Mr. Dunn said that this is our position—that the March 10 directive does not reverse 1067. The March 10 directive gives greater emphasis than 1067 on the centralization of control, but it does not go as far as Mr. Morgenthau read it to go. The Secretary said he thought we should endeavor to see Morgenthau and say that we ought to get on with this matter since we have already been on it months and months and ask what Treasury feels has to be changed in view of the position the President has taken. The Secretary added that if he were there he could recall to the President's memory the conversation he had had with him at luncheon a

[6] The Secretary of State was at Horseshoe Farm, his home in Virginia.

week ago Monday. There would be no question, he said, of the President's having recollected his position. The Secretary said we should now see Morgenthau with Harry White and Mr. Clayton. Mr. Dunn said that the President had called Mr. Grew and Mr. Patterson and Mr. McCloy to the White House at 12:30 today and that he, the President, was now taking over. The Secretary said he didn't understand that, and Mr. Dunn said that the President was taking over at the instigation of our "boy friend". The Secretary said he thought Mr. Clayton should accompany me to the White House meeting, that we should tell the President that he had given us the directive and that we should be permitted to work it out. Mr. Stettinius said that Mr. Clayton ought to tell the President that we do not think that the March 10 directive reverses 1067, and that we are still following the general philosophy of 1067 in our treatment of Germany. Mr. Dunn said the only thing was that the War Department thought that 1067 should be revised.

Mr. Clayton then took the telephone and said that Mr. Stettinius' position was all right as to what position we should take at the White House meeting, but that the President would undoubtedly say that he thought the matter should be reopened and studied again. Mr. Clayton wanted to know what position we should take in that event. The Secretary said he felt very strongly that we ought to stand by our original position. Mr. Clayton said that Morgenthau had sent over a memorandum [7] containing the points he planned to make. Mr. Clayton stated that he would read only the first point since that was the one that outlined very clearly the sharp divergence we have with Treasury. (He added that the other points could be adjusted.)

"1. We should avoid assuming responsibility for the functioning of internal German economy and its economic controls; the maintenance and rehabilitation of German economy is a German problem and should not be undertaken by us in order to collect reparations or for any other reason except the security of the occupying forces."

The Secretary said that the above was simply impossible—that Hitler would not leave a successor. The Secretary said "if you want to say all right, reorganize it in any way that suits you and put in anybody you want, we will stick by our position".

The Secretary concluded by saying he thought it would be wise to have Mr. Bohlen [8] on hand at the 12:30 meeting since Mr. Bohlen had kept a record of Yalta and his presence would strengthen our hand.

JOSEPH C. GREW

[7] See memorandum by the Secretary of the Treasury to President Roosevelt, dated March 20, p. 464.

[8] Charles E. Bohlen, Assistant to the Secretary of State for White House liaison.

740.00119 Control (Germany)/3–2345

Memorandum by the Acting Secretary of State to President Roosevelt

WASHINGTON, March 23, 1945.

I am attaching for your approval a memorandum dealing with American policy for the treatment of Germany. It is my belief, and that of the others who attended yesterday's meeting with you, that it represents your views as brought out in our conversation. This memorandum was prepared jointly and has the approval of the State, Treasury and War Departments.

JOSEPH C. GREW

[Annex]

Memorandum Regarding American Policy for the Treatment of Germany [9]

[WASHINGTON,] March 23, 1945.

The following is a summary of U.S. policy relating to Germany in the initial post-defeat period. As such it will be introduced into the European Advisory Commission, and will be used as the basis for directives to be issued to the U.S. Commanding General in Germany.

The authority of the Control Council to formulate policy with respect to matters affecting Germany as a whole shall be paramount, and its agreed policies shall be carried out in each zone by the zone commander. In the absence of such agreed policies, and in matters exclusively affecting his own zone, the zone commander will exercise his authority in accordance with directives received from his own government.

The administration of affairs in Germany should be directed toward the decentralization of the political structure and the development of local responsibility. The German economy shall also be decentralized, except that to the minimum extent required for carrying out the purposes set forth herein, the Control Council may permit or establish central control of (*a*) essential national public services such as railroads, communications and power; (*b*) finance and foreign affairs, and (*c*) production and distribution of essential commodities. There shall be equitable distribution of such commodities between the several zones.

Germany's ruthless warfare and fanatical Nazi resistance have destroyed German economy and made chaos and suffering inevitable. The Germans cannot escape responsibility for what they have brought upon themselves.

[9] A marginal note reads: "O.K. FDR, superseding memo. of Mar 10th 45".

Controls may be imposed upon the German economy only as may be necessary (*a*) to carry out programs of industrial disarmament and demilitarization, reparations, and of relief for liberated areas as prescribed by appropriate higher authority and (*b*) to assure the production and maintenance of goods and services required to meet the needs of the occupying forces and displaced persons in Germany, and essential to prevent starvation or such disease or civil unrest as would endanger the occupying forces. No action shall be taken, in execution of the reparations program or otherwise, which would tend to support basic living standards in Germany on a higher level than that existing in any one of the neighboring United Nations. All economic and financial international transactions, including exports and imports, shall be controlled with the aim of preventing Germany from developing a war potential and of achieving the other objectives named herein. The first charge on all approved exports for reparations or otherwise shall be a sum necessary to pay for imports. No extension of credit to Germany or Germans by any foreign person or Government shall be permitted, except that the Control Council may in special emergencies grant such permission. Recurrent reparations should not, by their form or amount, require the rehabilitation or development of German heavy industry and should not foster the dependence of other countries upon the German economy.

In the imposition and maintenance of economic controls, German authorities will to the fullest extent practicable be ordered to proclaim and assume administration of such controls. Thus it should be brought home to the German people that the responsibility for the administration of such controls and for any breakdowns in those controls, will rest with themselves and their own authorities.

The Nazi party and its affiliated and supervised organizations and all Nazi public institutions shall be dissolved and their revival prevented. Nazi and militaristic activity or propaganda in any form shall be prevented.

There shall be established a coordinated system of control over German education designed completely to eliminate Nazi and militarist doctrines and to make possible the development of democratic ideas.

Nazi laws which provide the basis of the Hitler regime or which establish discriminations on grounds of race, creed or political opinion, shall be abolished.

All members of the Nazi party who have been more than nominal participants in its activities, and all other persons hostile to Allied purposes will be removed from public office and from positions of responsibility in private enterprise.

War criminals and those who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or

war crimes, shall be arrested, brought to trial and punished. Nazi leaders and influential Nazi supporters and any other persons dangerous to the occupation or its objectives, shall be arrested and interned.

A suitable program for the restitution of property looted by Germans shall be carried out promptly.

The German armed forces, including the General Staff, and all para-military organizations, shall be promptly demobilized and disbanded in such a manner as permanently to prevent their revival or reorganization.

The German war potential shall be destroyed. As part of the program to attain this objective, all implements of war and all specialized facilities for the production of armaments shall be seized or destroyed. The maintenance and production of all aircraft and implements of war shall be prevented.

JOSEPH C. GREW	FRANK COE
J. H. HILLDRING	HARRY D. WHITE
H. FREEMAN MATTHEWS	WILLIAM L. CLAYTON
JOHN J. MCCLOY	HENRY MORGENTHAU, Jr.

740.00119 EAC/3–1745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, March 24, 1945—7 p. m.

2292. A new definitive statement of policy to take the place of the memorandum on policy toward Germany, referred to in our 2076, March 17, 5 p. m., has been drafted in collaboration with the War and Treasury Departments. This memorandum dated March 23, 1945 has received the approval of the President and supersedes the memorandum mentioned in our 2076. The new policy statement is considerably shorter than our memorandum of March 10 but contains many of the points made therein. We believe that it sufficiently reflects the Department's point of view to help your continued negotiations in the EAC.

It has been agreed with the War Department that a revision of JCS 1067 must be prepared and likewise that the remaining draft directives must be cleared in Washington and transmitted to you. We shall start to work on both of these at once.

The text of the memorandum of March 23 is contained in Department's immediately following telegram.[10]

GREW

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[10] Telegram 2293, March 24, 8 p. m., to London, not printed.

740.00119 Control (Germany)/3-2445

Memorandum by the State-War-Navy Coordinating Committee to the Secretary of State [11]

WASHINGTON, March 24, 1945.

The State-War-Navy Coordinating Committee has reviewed draft directives prepared by the U.S. Advisers, European Advisory Commission, which have not heretofore been acted upon by the Joint Chiefs of Staff with respect to International Agreements, Control of German Foreign Relations, Disposition of Enemy Diplomatic and Consular Property and Archives, and Displaced Persons and Refugees.

The Committee has approved the appended statement of policy on these matters, after obtaining a statement from the Joint Chiefs of Staff that there is no objection thereto from the military point of view.

The Committee recommends that the appended statement of policy be transmitted to the U.S. Representative, EAC, for introduction and negotiation in the Commission.

For the State-War-Navy Coordinating Committee:
JAMES CLEMENT DUNN
Chairman

[Annex]

ANNEX "A" TO APPENDIX "A" [12]

ADDENDUM TO DIRECTIVE TO COMMANDER IN CHIEF OF U.S. (U.K.) (U.S.S.R.) FORCES OF OCCUPATION REGARDING THE MILITARY GOVERNMENT OF GERMANY IN THE PERIOD IMMEDIATELY FOLLOWING THE CESSATION OF ORGANIZED RESISTANCE (POST DEFEAT) (JCS 1067)

SECTION I

INTERNATIONAL AGREEMENTS

1. The Control Council will declare null and void all official acts which have given effect to the territorial expansion of Germany since December 31, 1937.

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[11] Approved by the State-War-Navy Coordinating Committee by informal action on March 26, 1945.

[12] Transmitted as an enclosure to instruction 5281, March 30, 1945, to London, which stated that the directives had been formally approved by the Department of State, the War Department, and the Navy Department and which authorized the Ambassador to present them to the European Advisory Commission (740.00119 EAC/3-3045). Ambassador Winant circulated the three sections of this annex in the European Advisory Commission as separate United States draft directives: Section I as U.S. draft directive No. 20, designated E.A.C. (45) 41, dated April 17, 1945; section II as U.S. draft directive No. 19, designated E.A.C. (45) 40, dated April 17; section III as U.S. draft directive No. 18, designated E.A.C. (45) 39, dated April 17.

2. All military and political treaties and agreements entered into by Germany for the preparation, initiation, or furtherance of the war upon the United Nations will be regarded as terminated.

3. The Control Council will suspend, so far as Germany is concerned, such international agreements or parts thereof as it shall determine.

4. The Control Council will require the German authorities to comply with and carry out, in whole or in part, Germany's obligations under such international agreements as the Control Council shall determine.

5. The Control Council will require the German authorities to furnish a list of all treaties and international agreements to which Germany is or has been a party since January 1, 1933.

SECTION II

CONTROL OF GERMAN FOREIGN RELATIONS AND THE DISPOSITION OF ENEMY DIPLOMATIC AND CONSULAR PROPERTY AND RECORDS

6. The term "German Foreign Office," as used in this section, refers to the *Auswärtiges Amt* and all its branches. The terms "officials" and "official personnel" as used with reference to persons serving on missions abroad includes all diplomatic, consular, and other officials and all military, naval and air force personnel accredited to or serving on diplomatic or special missions, together with their staffs and members of their families.

7. The Control Council will establish and maintain control of the German Foreign Office and will determine and coordinate policies with respect to German foreign relations.

8. In furtherance of the policy of eliminating Naziism, the Foreign Organization (*die Auslandsorganisation*) in the German Foreign Office will be dissolved, and the activities of the Press, Information, Radio and Cultural Affairs Divisions of the German Foreign Office will be immediately suspended.

9. All records, archives, codes and ciphers of the German Foreign Office will be immediately seized wherever found, and secured.[13] Access to all such secured matter will be permitted any representatives of the Occupying Powers accredited therefor by their respective Commanders-in-Chief, or any representatives of any other United Nation accredited therefor by the Control Council.

10. The Control Council will notify all states in which consulates or missions of Germany are located, and the powers protecting German consulates or missions that the Control Council assumes control over all German diplomatic and consular property and archives

[13] For documentation regarding the collection and exploitation of archives and records of German ministries, see pp. 1099 ff.

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abroad.[14] Access to such German diplomatic and consular premises will thereafter be procured for representatives of the Occupying Powers, and the return to Germany will be effected of all German diplomatic and consular records whose return may be desired by the Control Council.

11. An examination of German Foreign Office records and German diplomatic and consular records will be undertaken by the Control Council for the purpose, among others, of obtaining information regarding the war aims of Germany and associated governments, their methods of operation, and their responsibility for aggression, ruthlessness, war crimes and other violations of international law.

12. All German official personnel serving on missions abroad will be recalled. If their recall cannot be effected or if their recall is not practicable by reasons of nationality, their authority as agents for Germany will be terminated.

13. German diplomatic and consular relations with any country or puppet government which is or has been at war since December 31, 1937 with any of the United Nations will be broken off. The official personnel of such countries or governments in Germany will be taken into protective custody, wherever found, and held for further disposition. The diplomatic and consular property and records belonging to such countries or governments and to their official personnel will be seized and secured if not found in the custody of a protecting power.

14. You will report to the Control Council the location and general nature of all such enemy diplomatic and consular property and records seized in your zone. You will permit any representatives of each of the other Occupying Powers accredited therefor by their respective Commanders-in-Chief, or any representatives of any other United Nation accredited therefor by the Control Council, to have access to any such property and records.

15. In the event that any diplomatic and consular property and archives of enemy countries are found in the custody of a protecting power, you will respect that custody, pending further instructions. You are authorized, however, for security reasons to request the representative of the protecting power for permission to search the premises. If such permission is refused or unreasonably delayed, you are authorized to effect entry and search, if deemed urgently necessary for the security of your forces.

16. All communications between neutral officials in Germany and their governments, and between neutral officials and German per-

[14] For documentation regarding the assumption of control over German overseas diplomatic missions and consulates, see pp. 1136 ff.

sonnel retained in the German Foreign Office will be under supervision of the Control Council. The withdrawal from Germany of official personnel of neutral countries may be effected, as may be deemed necessary by the Control Council for Security or other reasons.

SECTION III

TREATMENT OF DISPLACED PERSONS AND REFUGEES

17. Subject to agreed policies of the Control Council, which will coordinate policies on this subject throughout Germany, you will undertake the repatriation, return to former residence or resettlement of displaced persons who are (*a*) nationals of United Nations and of neutral states (*b*) stateless persons, (*c*) nationals of enemy or former enemy countries who have been persecuted by the enemy for reasons of race, color, creed or political opinion, (*d*) nationals of Italy, as rapidly as requirements for military operations and maintenance of forces of occupation and arrangements with their respective governments permit, giving due consideration to the wishes of the individuals involved, and giving preference among such persons to nationals of the United Nations and persons freed from concentration camps or other places of detention or internment.

18. You will establish or maintain centers for the assembly, repatriation and return of the foregoing displaced persons. Subject to your general control and responsibility, you will require the German authorities to maintain essential supply and other services for them, including adequate food, shelter, clothing and medical care, making up deficiencies in such provision.

19. Subject to your general control, you will hold the German authorities responsible for the care and disposition of refugees and those displaced persons who are nationals of former enemy countries not otherwise provided for in this section. You may permit their repatriation or return subject to such control as you deem necessary, and in accordance with appropriate arrangements with the governments of the countries to which they are being repatriated.

20. Subject to agreed policies of the Control Council, you will determine the extent to which UNRRA,[15] the Intergovernmental Committee on Refugees, or other civilian agencies will participate in handling displaced persons and refugees.

21. You will accord liaison on matters connected with displaced persons to representatives of each of the other Occupying Powers

[15] United Nations Relief and Rehabilitation Administration. For documentation regarding the participation by the United States in the work of UNRRA in 1945, see vol. II, pp. 958 ff.

accredited therefor by their respective Commander-in-Chief and to representatives of any of the United Nations and neutral states and of Italy accredited therefor by the Control Council or other competent authority. You will arrange for such representatives to have access to displaced persons who are nationals of their countries and are authorized to permit them to use the facilities of their governments for purposes of repatriation.

22. *a.* The term "displaced persons" includes (1) non-German civilian nationals who have been obliged to leave their own countries or to remain in Germany by reasons of the war, (2) non-Germans who were formerly members of non-German armed forces and who by reason of having taken up civilian employment or otherwise are no longer entitled to prisoner of war status, (3) stateless persons, and (4) German civilian nationals who have been persecuted by the enemy for reasons of race, color, creed or political opinion.

b. The term "refugees" includes German civilian nationals within Germany who are temporarily homeless because of military operations, or are residing at some distance from their homes for reasons related to the war.

740.00119 E A C/3–2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, March 28, 1945—7 p. m.
[Received 8:15 p. m.]

3212. Comea 202. For Mr. Matthews. In studying Department's 2292 and 2293 of March 24,[16] I am uncertain regarding one point of procedure. Is the new revision of JCS 1067, referred to in Departments' 2292 being prepared for circulation in the European Advisory Commission? If so, is it intended to circulate in the EAC both the March 23 memorandum, transmitted in Department's 2293, and the new revision of JCS 1067? If both documents are to be circulated in the EAC, which one does the Department prefer to see adopted as a basis of negotiation?

Unless otherwise instructed by the Department, I shall state in my covering memorandum transmitting the March 23 memorandum to the EAC that this document is presented as a background document to set forth the US views on the initial post-defeat treatment of Germany, and to assist in clarifying the views of the respective delega-

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[16] Latter not printed; it contained the text of the memorandum regarding American policy for the treatment of Germany of March 23 (740.00119 Control (Germany)/3–2445).

tions and that it will be followed shortly by a general draft directive, to be circulated as a proposed basis of negotiation. In other words, my memorandum will make it clear to the other delegations that the March 23 memorandum is circulated for their background, to be studied now in preparation for receiving the new revision of JCS 1067 as a basis of negotiation in case the Commission is willing to proceed to negotiate an over-all directive.

If the new revision of JCS 1067 is to be circulated shortly as a basis for negotiation, it will be confusing to place two similar US documents before the EAC, unless I make it clear which of them we circulate as a background statement of our policy views and which one we wish adopted for meticulous textual negotiation.

WINANT

740.00119 EW/3-3145 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant) [17]

WASHINGTON, March 31, 1945—4 p. m.

2486. It is desired that the statement of policy toward Germany, transmitted in Department's 2293,[18] should be negotiated as a protocol of agreement between the four governments participating in the EAC as a matter of the highest priority. In view of the present course of the war, we believe that early agreement on these principles would be of great utility and request you to propose to your colleagues its most urgent consideration.

The individual draft directives already approved by the United States Government and others which you will receive should also be negotiated provided that by so doing there is no delay involved in the negotiation of the President's statement.

With reference to Comea 202, revision of JCS 1067 is intended primarily for United States Commanding General in Germany to guide him in his zone and in the deliberations of the Control Council. It has not been decided yet whether revision of JCS 1067 will be introduced into EAC for negotiation or for background information.

GREW

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[17] Marginal handwritten note on file copy reads: "Approved by representatives of War, Navy, Treasury and FEA at meeting of subcommittee on Germany. March 30. J[ames] W R[iddleberger]."

[18] Not printed; see footnote 16, p. 478.

740.00119 EAC/4–1245

Memorandum by the United States Representative on the European Advisory Commission (Winant)[19]

E.A.C.(45) 30 [LONDON,] April 6, 1945.

GENERAL DIRECTIVE ON THE TREATMENT OF GERMANY IN THE INITIAL POST-DEFEAT PERIOD

In view of the present course of the war in Europe my Government believes that it would be of great utility for the four Governments participating in the European Advisory Commission to negotiate, as a matter of the highest priority, a statement of policy toward Germany in the form of a protocol of agreement between those Governments, for the guidance of their respective Commanders-in-Chief in controlling Germany in the initial post-defeat period. Accordingly, I am circulating a draft General Directive[20] which, I hope, will receive the most urgent consideration of the Commission.

The European Advisory Commission has before it draft General Orders and draft Directives, some presented by the United Kingdom Representative, others by the United States Representative. The draft Directives are designed to establish the framework for exercising many of the specific responsibilities of the Control Council and the Commanders-in-Chief in controlling Germany. I trust that the Commission will also be able to proceed expeditiously to consider these draft Directives and, on the basis of them, to submit agreed Directives to the four Governments for their approval and for transmission to the Allied Commanders-in-Chief who will be charged with carrying out Allied policy in Germany.

J[OHN] G. W[INANT]

800.602/4–1845

The Secretary of State to the Ambassador in the United Kingdom (Winant)

No. 5341 WASHINGTON, April 18, 1945.

The Secretary of State transmits, for the information and guidance of the Ambassador, a document regarding the policy of this Government toward German participation in international cartels. The recommendations set forth in the document have been approved by

[19] Transmitted to the Department in despatch 22349, April 12, from London, received April 16. Originally circulated in the European Advisory Commission by the United States Representative on April 4.

[20] The draft General Directive circulated by Ambassador Winant was the memorandum of March 23, approved by President Roosevelt, p. 471. The first paragraph of the March 23 memorandum was omitted as it was deemed inappropriate for inclusion in a European Advisory Commission document.

the Executive Committee on Economic Foreign Policy, with the concurrence of representatives of the War and Navy Departments, and are intended to serve as a basis for discussions with the allied governments represented on the European Advisory Committee.

[Enclosure]

Memorandum by the Committee on Private Monopolies and Cartels of the Executive Committee on Economic Foreign Policy [21]

ECEFP D-61/45 [WASHINGTON,] April 6, 1945.

U.S. POLICY TOWARD GERMAN PARTICIPATION IN INTERNATIONAL CARTELS AND COMBINES

SUMMARY

I. *Problem*

The purpose of this paper is to formulate a basic United States position, for discussions with Allied governments, on the policies and the measures to be adopted by the central Allied control authority operating in Germany with respect to German participation in international cartels and combines. The recommendations made below pertain primarily to the period during which the Allied control authority operates in Germany, although it is recognized that some of the measures may be initiated by the various governments before the control authority is established or may be continued by other agencies after that authority is abolished. The recommendations are also concerned fundamentally with cartel and combine participation rather than general trade relations, and with action by the central authority rather than by the United Nations. However, since the measures to be taken are closely related to German foreign trade in general and can be made more effective if accompanied by certain cooperative actions by the several United Nations, several supplementary recommendations have been included.

II. *Assumptions*

It is assumed:

A. That a central Allied control authority will be established in Germany, with full powers to control or otherwise dispose of German interests or participation in international contracts, combines or trade.

B. That this central Allied control authority will take measures to identify and control all German foreign holdings in neutral and ex-enemy countries.

C. That any long-run policies developed will be directed toward preventing the reestablishment of German participation in interna-

[21] Filed separately in the Mosely Files.

tional cartels or combines, and will, therefore, be consistent with the recommendations of this paper.

III. *Recommendations*

A. *Cartel and Combine Recommendations.* The central Allied control authority should:

1. Terminate promptly all German participation in international cartels or other restrictive contracts or arrangements and forbid the negotiation of new agreements. To effect such termination, such techniques as may be available and useful may be employed, including, without limitation, stoppage of performance, repudiation, enactment of legislation prohibiting performance and making performance illegal, and so forth.

2. Require registration of all international cartel agreements in effect in Germany at any time and for any period after January 1, 1933.

3. Require registration by all German firms of their foreign subsidiaries, affiliates, substantial foreign assets, and contracts evidencing substantial community of interest with foreign persons, and of foreign companies with which they are joined by interlocking officers or directors. The registration should call for current information as well as such historical information as the central control authority may desire.

4. Organize immediately in Germany a systematic collection, search and analysis of information relating to German participation in international cartels and combines.

5. Make available data collected under subparagraphs 2 and 3 hereinabove and other pertinent information on industrial organization to United Nations governments.

B. *Supplementary Recommendations.* In recognition of the close interrelation of restrictive and "normal" German foreign business relationships or holdings, and the consequent necessity of taking supplementary steps with respect to all German international trade relationships or foreign holdings in order to effectuate a policy of terminating German participation in international cartels, combines or other restrictive arrangements, it is also recommended:

1. That the central Allied control authority:

(*a*) Plan to control closely all important German foreign trade relationships, even though not immediately identifiable as restrictive, with a view to preventing the reestablishment of restrictive arrangements;

(*b*) Conduct or control all business communications between Germany and foreign countries;

2. That the United Nations, through *appropriate machinery*, follow a policy, in controlling or disposing of German property in

neutral or ex-enemy countries, directed to the avoidance of private monopolies and combines.

3. That the United Nations seek agreement on a policy of controlling or disposing of German property within their borders directed to the avoidance of private monopolies and combines.

IV. *Comments*

A. The recommendations made above apply to restrictive contracts and arrangements including those which concern patents and licenses under patents. Special problems relating to the disposition of German-owned patents under licenses to patents abroad or patents granted by the German government or licenses thereunder should be discussed in a separate memorandum.

B. When licenses under a foreign-owned German patent or contractual rights to use foreign-owned property in Germany are terminated pursuant to the recommendations in Section III it is anticipated that through compulsory licensing, requisitioning, or otherwise the central Allied control authority will be able to make such licenses or property available for use. Other problems peculiar to foreign-owned property situated within Germany have not been considered in the above recommendations. It is believed that certain of these problems may also require separate treatment.

C. On the basis of studies now in progress recommendations will be made with respect to the acquisition and dissemination of German technical and industrial information, whether or not protected by patents. These recommendations will be designed to further the widest and most equitable distribution and use of such information. Hence, no recommendation on the subject has been made above.

D. The problem of German domestic cartels has not been dealt with in this memorandum, since it is believed that treatment of this topic is best postponed pending approval of the present document.

740.00119 Control (Germany)/4–2645

Memorandum by the Acting Secretary of State to President Truman

WASHINGTON, April 26, 1945.

The Informal Policy Committee on Germany [22] is presenting to you, for your approval, a revised directive for the military government of Germany prepared on the basis of the policy memorandum of March 23, which was approved by President Roosevelt. The memorandum of March 23 has been introduced into the European Advisory Commission by Ambassador Winant for negotiation as a protocol of agreement

[22] The following signatures of members of the committee appear at the end of this document: Leo Crowley, William L. Clayton, John J. McCloy, Ralph A. Bard and Henry Morgenthau, Jr.

with the U.K., the U.S.S.R. and France. Copies of the memorandum of March 23 and the revised directive are attached.[23]

In the opinion of the committee the revised directive embodies policies and measures which faithfully carry out the principles set forth in the memorandum of March 23. The committee believes that this directive furnishes the basis for effective initial action to prevent Germany from again becoming a threat to world peace.

The revised directive is being submitted to the Joint Chiefs of Staff for consideration from the military point of view. Thereafter it will be transmitted to General Eisenhower as the basic instrument for the initial post-defeat period in Germany. The directive is designed to serve a dual purpose in that it will give him this Government's policy as formulated to date for his guidance as American member of the Control Council in Germany and will likewise guide him in the administration of the U.S. zone.

If you approve, the Informal Policy Committee on Germany will continue, under your direction, to develop basic policies of this Government for the treatment of Germany, including the pending matter of reparation.

JOSEPH C. GREW

740.00119 Control (Germany)/4–2645

Directive to Commander in Chief of United States Forces of Occupation Regarding the Military Government of Germany[24]

IPCOG 1 APRIL 26, 1945.

1. *The Purpose and Scope of this Directive:*

This directive rescinds JCS 1067 and is issued to you as Commanding General of the United States forces of occupation in Germany. As such you will serve as United States member of the Control Council and will also be responsible for the administration of military government in the zone or zones assigned to the United States for purposes of occupation and administration. It outlines the basic policies which will guide you in those two capacities after the termination of the combined command of the Supreme Commander, Allied Expeditionary Force.

This directive sets forth policies relating to Germany in the initial post-defeat period. As such it is not intended to be an ultimate statement of policies of this Government concerning the treatment of Germany in the post-war world. It is therefore essential that, during the

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[23] For the memorandum of March 23, see p. 471; for the revised directive, see *infra*.

[24] The covering sheet of the document bears the following notation by the Secretaries of the Informal Policy Committee on Germany: "The attached directive has been approved by the Informal Policy Committee on Germany".

period covered by this directive, you assure that surveys are constantly maintained of economic, industrial, financial, social and political conditions within your zone and that the results of such surveys and such other surveys as may be made in other zones are made available to your Government, through the Joint Chiefs of Staff. These surveys should be developed in such manner as to serve as a basis for determining changes in the measures of control set forth herein as well as for the progressive formulation and development of policies to promote the basic objectives of the United States. Supplemental directives will be issued to you by the Joint Chiefs of Staff as may be required.

As a member of the Control Council you will urge the adoption by the other occupying powers of the principles and policies set forth in this directive and, pending Control Council agreement, you will follow them in your zone. It is anticipated that substantially similar directives will be issued to the Commanders in Chief of the U.K., USSR and French forces of occupation.

PART I

GENERAL AND POLITICAL

2. *The Basis of Military Government*

a. The rights, power and status of the military government in Germany are based upon the unconditional surrender or total defeat of Germany. The Text of the Instrument of Unconditional Surrender is at Appendix "A".[25] You will assure that the policies set forth in that Instrument are carried out in your zone of occupation even though the defeat of Germany is not followed by a formal signing of the Instrument.

b. Subject to the provisions of paragraph 3 below, you are, by virtue of your position, clothed with supreme legislative, executive, and judicial authority in the areas occupied by forces under your command. This authority will be broadly construed and includes authority to take all measures deemed by you necessary, appropriate or desirable in relation to military exigencies and the objectives of a firm military government.

c. You will issue a proclamation continuing in force such proclamations, orders and instructions as may have heretofore been issued by Allied Commanders in your zone, subject to such changes as you may determine. Authorizations of action by the Supreme Commander, Allied Expeditionary Force, may be considered as applicable to you unless inconsistent with this or later directives.

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[25] For text of the Instrument of Surrender for Germany as approved by the European Advisory Commission on July 25, 1944, see *Foreign Relations*, 1944, vol. I, p. 256.

3. *The Control Council and Zones of Occupation:*

a. The four Commanders-in-Chief, acting jointly, will constitute the Control Council in Germany which will be the supreme organ of control over Germany in accordance with the agreement on Control Machinery in Germany at Appendix "B".[26] For purposes of administration of military government, Germany has been divided into four zones of occupation. The agreed protocols on zones are at Appendix "C".[27]

b. The authority of the Control Council to formulate policy and procedures and administrative relationships with respect to matters affecting Germany as a whole will be paramount throughout Germany. You will carry out and support in your zone the policies agreed upon in the Control Council. In the absence of such agreed policies you will act in accordance with this and other directives of the Joint Chiefs of Staff.

c. The administration of affairs in Germany shall be directed towards the decentralization of the political and administrative structure and the development of local responsibility. To this end you will encourage autonomy in regional, local and municipal agencies of German administration. The German economic structure shall also be decentralized. The Control Council may, however, to the minimum extent required for the fulfillment of purposes set forth herein, permit centralized administration or establish central control of (*a*) essential national public services such as railroads, communications and power, (*b*) finance and foreign affairs, and (*c*) production and distribution of essential commodities.

d. The Control Council should adopt procedures to effectuate, and you will facilitate in your zone, the equitable distribution of essential commodities between the zones. In the absence of a conflicting policy of the Control Council, you may deal directly with one or more zone commanders on matters of special concern to such zones.

e. Pending the formulation in the Control Council of uniform policies and procedures with respect to inter-zonal travel and movement of civilians, no civilians shall be permitted to leave or enter your zone without your authority, and no Germans within your zone shall be permitted to leave Germany except for specific purposes approved by you.

f. The military government personnel in each zone, including those dealing with regional and local branches of the departments of any central German administrative machinery, shall be selected by au-

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[26] For text of the agreement between the United States, the United Kingdom, and the Soviet Union on control machinery in Germany, signed at London, November 14, 1944, see TIAS 3070, or 5 UST (pt. 2) 2062.

[27] For text of the protocol between the United States, the United Kingdom, and the Soviet Union regarding zones of occupation in Germany and administration of "Greater Berlin", signed at London, September 12, 1944, see TIAS 3071, or 5 UST (pt. 2) 2078.

thority of the Commander of that zone except that liaison officers may be furnished by the Commanders of the other three zones. The respective Commanders-in-Chief shall have exclusive jurisdiction throughout the whole of Germany over the members of the armed forces under their command and over the civilians who accompany them.

g. The Control Council should be responsible for facilitating the severance of all governmental and administrative connections between Austria and Germany and the elimination of German economic influences in Austria. Every assistance should be given to the Allied Administration in Austria in its efforts to effectuate these purposes.

4. *Basic Objectives of Military Government in Germany:*

a. It should be brought home to the Germans that Germany's ruthless warfare and the fanatical Nazi resistance have destroyed the German economy and made chaos and suffering inevitable and that the Germans cannot escape responsibility for what they have brought upon themselves.

b. Germany will not be occupied for the purpose of liberation but as a defeated enemy nation. Your aim is not oppression but to occupy Germany for the purpose of realizing certain important Allied objectives. In the conduct of your occupation and administration you should be just but firm and aloof. You will strongly discourage fraternization with the German officials and population.

c. The principal Allied objective is to prevent Germany from ever again becoming a threat to the peace of the world. Essential steps in the accomplishment of this objective are the elimination of Nazism and militarism in all their forms, the immediate apprehension of war criminals for punishment, the industrial disarmament and demilitarization of Germany, with continuing control over Germany's capacity to make war, and the preparation for an eventual reconstruction of German political life on a democratic basis.

d. Other Allied objectives are to enforce the program of reparations and restitution, to provide relief for the benefit of countries devastated by Nazi aggression, and to ensure that prisoners of war and displaced persons of the United Nations are cared for and repatriated.

5. *Economic Controls:*

a. As a member of the Control Council and as zone commander, you will be guided by the principle that controls upon the German economy may be imposed to the extent that such controls may be necessary to achieve the objectives enumerated in paragraph 4 above and also as they may be essential to protect the safety and meet the needs of the occupying forces and assure the production and maintenance of goods and services required to prevent starvation or such disease and unrest as would endanger these forces. No action will be taken in execution of the reparations program or otherwise which

would tend to support basic living conditions in Germany or in your zone on a higher level than that existing in any one of the neighboring United Nations.

b. In the imposition and maintenance of such controls as may be prescribed by you or the Control Council, German authorities will to the fullest extent practicable be ordered to proclaim and assume administration of such controls. Thus it should be brought home to the German people that the responsibility for the administration of such controls and for any breakdowns in those controls will rest with themselves and German authorities.

6. *Denazification:*

a. A Proclamation dissolving the Nazi Party, its formations, affiliated associations and supervised organizations, and all Nazi public institutions which were set up as instruments of Party domination, and prohibiting their revival in any form, should be promulgated by the Control Council. You will assure the prompt effectuation of that policy in your zone and will make every effort to prevent the reconstitution of any such organization in underground, disguised or secret form. Responsibility for continuing desirable non-political social services of dissolved Party organizations may be transferred by the Control Council to appropriate central agencies and by you to appropriate local agencies.

b. The laws purporting to establish the political structure of National Socialism and the basis of the Hitler regime and all laws, decrees and regulations which establish discriminations on grounds of race, nationality, creed or political opinions should be abrogated by the Control Council. You will render them inoperative in your zone.

c. All members of the Nazi party who have been more than nominal participants in its activities, all active supporters of Nazism or militarism and all other persons hostile to Allied purposes will be removed and excluded from public office and from positions of importance in quasi-public and private enterprises such as (1) civic, economic and labor organizations, (2) corporations and other organizations in which the German government or subdivisions have a major financial interest, (3) industry, commerce, agriculture, and finance, (4) education, and (5) the press, publishing houses and other agencies disseminating news and propaganda. Persons are to be treated as more than nominal participants in Party activities and as active supporters of Nazism or militarism when they have (1) held office or otherwise been active at any level from local to national in the party and its subordinate organizations, or in organizations which further militaristic doctrines, (2) authorized or participated affirmatively in any Nazi crimes, racial persecutions or discriminations, (3) been avowed believers in Nazism

or racial and militaristic creeds, or (4) voluntarily given substantial moral or material support or political assistance of any kind to the Nazi Party or Nazi officials and leaders. No such persons shall be retained in any of the categories of employment listed above because of administrative necessity, convenience or expediency.

d. Property, real and personal, owned or controlled by the Nazi Party, its formations, affiliated associations and supervised organizations, and by all persons subject to arrest under the provisions of paragraph 8, and found within your zone, will be taken under your control pending a decision by the Control Council or higher authority as to its eventual disposition.

e. All archives, monuments and museums of Nazi inception, or which are devoted to the perpetuation of German militarism, will be taken under your control and their properties held pending decision as to their disposition by the Control Council.

f. You will make special efforts to preserve from destruction and take under your control records, plans, books, documents, papers, files, and scientific, industrial and other information and data belonging to or controlled by the following:

(1) The Central German Government and its subdivisions, German military organizations, organizations engaged in military research, and such other governmental agencies as may be deemed advisable;
(2) The Nazi Party, its formations, affiliated associations and supervised organizations;
(3) All police organizations, including security and political police;
(4) Important economic organizations and industrial establishments including those controlled by the Nazi Party or its personnel;
(5) Institutes and special bureaus devoting themselves to racial, political, militaristic or similar research or propaganda.

7. *Demilitarization:*

a. In your zone you will assure that all units of the German armed forces, including para-military organizations, are dissolved as such, and that their personnel are promptly disarmed and controlled in accordance with policies and procedures set forth in the Instrument of Unconditional Surrender or in other directives which may be issued to you. Prior to their final disposition, you will arrest and hold all military personnel who are included under the provisions of paragraph 8.

b. The Control Council should proclaim, and in your zone you will effectuate, the total dissolution of all military and paramilitary organizations, including the General Staff, the German Officers Corps, the Reserve Corps and military academies, together with all associations which might serve to keep alive the military tradition in Germany.

c. You will seize or destroy all arms, ammunition and implements of war and stop the production thereof.

d. You will take proper steps to destroy the German war potential, as set forth elsewhere in this directive.

8. *Suspected War Criminals and Security Arrests:*

a. You will search out, arrest, and hold, pending receipt by you of further instructions as to their disposition, Adolf Hitler, his chief Nazi associates, other war criminals and all persons who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or war crimes.

b. All persons who, if permitted to remain at large would endanger the accomplishment of your objectives will also be arrested and held in custody until trial by an appropriate semi-judicial body to be established by you. The following is a partial list of the categories of persons to be arrested in order to carry out this policy:

(1) Officials of the Nazi Party and its formations, affiliated associations, and supervised organizations, down to and including Local Group Leaders (Ortsgruppenleiter) and officials of equivalent rank;
(2) All members of the political police, including the Gestapo and Sicherheitsdienst der S.S.;
(3) The officers and non-commissioned officers of the Waffen S.S. and all members of the other branches of the S.S.;
(4) All General Staff Corps officers;
(5) Officials of the police holding a rank, or equivalent positions of authority, above that of Lieutenant;
(6) Officers of the SA holding commissioned rank;
(7) The leading officials of all ministries and other high political officials down to and including urban and rural buergermeister and officials of equivalent rank, and those persons who have held similar positions, either civil or military, in the administration of countries occupied by Germany;
(8) Nazis and Nazi sympathizers holding important and key positions in (*a*) National and Gau civic and economic organizations; (*b*) corporations and other organizations in which the government has a major financial interest; (*c*) industry, commerce, agriculture, and finance; (*d*) education; (*e*) the judiciary; and (*f*) the press, publishing houses and other agencies disseminating news and propaganda. It may generally be assumed in the absence of evidence to the contrary that any persons holding such positions are Nazis or Nazi sympathizers;
(9) All judges, prosecutors and officials of the People's Court (Volksgerichtshof), Special Courts (Sondergerichte) and other extraordinary courts created by the Nazi regime;
(10) Any national of any of the United Nations or associated states who is believed to have committed offenses against his national law in support of the German war effort;
(11) Any other person whose name or designation appears on lists to be submitted to you by the J.C.S. or whose name may be so notified to you separately.

If in the light of conditions which you encounter in Germany, you believe that it is not immediately feasible to subject certain persons within these categories to this treatment, you should report your reasons and recommendations to your government through the Joint Chiefs of Staff. If you believe it desirable, you may postpone the arrest of those whose cases you have reported, pending a decision communicated to you by the J.C.S. In no event shall any differentiation be made between or special consideration be accorded to persons arrested, either as to manner of arrest or conditions of detention, upon the basis of wealth or political, industrial, or other rank or position. In your discretion you may make such exceptions as you deem advisable for intelligence or other military reasons.

9. *Political Activities:*

a. No political activities of any kind shall be countenanced unless authorized by you. You will assure that your military government does not become committed to any political group.

b. You will prohibit the propagation in any form of Nazi, militaristic or pan-German doctrines.

c. No German parades, military or political, civilian or sports, shall be permitted by you.

d. To the extent that military interests are not prejudiced and subject to the provisions of the three preceding subparagraphs and of paragraph 10, freedom of speech, press and religious worship will be permitted. Consistent with military necessity, all religious institutions will be respected.

10. *Public Relations and Control of Public Information:*

As a member of the Control Council, you will endeavor to obtain agreement for uniform or coordinated policies with respect to (*a*) control of public information media in Germany, (*b*) accrediting of foreign correspondents, (*c*) press censorship, and (*d*) issuance of official news communiqués dealing with Control Council matters. U.S. policies in these matters will be sent to you separately and you will be guided by these in your negotiations on the Control Council.

11. *German Courts:*

a. All extraordinary courts, including the *Volksgerichtshof* (People's Court) and the *Sondergerichte* (Special Courts), and all courts and tribunals of the Nazi Party and of its formations, affiliated associations and supervised organizations will be abolished immediately.

b. All ordinary criminal, civil and administrative courts, except those previously re-established by order of the military government, will be closed. After the elimination of all Nazi features and person-

nel you will permit those which are to exercise jurisdiction within the boundaries of your zone to resume operations under such regulations, supervision and control as you may consider appropriate. Courts which are to exercise jurisdiction over territory extending beyond the boundaries of your zone will be reopened only with the express authorization of the Control Council and under its regulation, supervision and control. The power to review and veto decisions of German courts shall be included within the power of supervision and control.

12. *Police:*

With the exception of the *Reichskriminal polizei* (Criminal Police) all elements of the *Sicherheitspolizei* (Security Police), e.g., *Geheime Staatspolizei* (Gestapo), and the *Sicherheitsdienst der S.S.* will be abolished. Criminal and ordinary police will be purged of Nazi personnel and utilized under the control and supervision of the military government.

13. *Political Prisoners:*

Subject to military security and the interests of the individuals concerned, you will release all persons found within your zone who have been detained or placed in custody on grounds of race, nationality, creed or political opinions and treat them as displaced persons. You should make provision for the review of convictions of alleged criminal offenses about which there may be substantial suspicion of racial, religious or political persecution, and in which sentences of imprisonment have not been fully served by persons imprisoned within your zone.

14. *Education:*

a. All educational institutions within your zone except those previously re-established by Allied authority will be closed. The closure of Nazi educational institutions such as Adolf Hitler Schulen, Napolas and Ordensburgen, and of Nazi organizations within other educational institutions will be permanent.

b. A coordinated system of control over German education and an affirmative program of reorientation will be established designed completely to eliminate Nazi and militaristic doctrines and to encourage the development of democratic ideas.

c. You will permit the reopening of elementary (*Volksschulen*), middle (*Mittelschulen*) and vocational (*Berufsschulen*) schools at the earliest possible date after Nazi personnel has been eliminated. Textbooks and curricula which are not free of Nazi and militaristic doctrine shall not be used. The Control Council should devise programs looking toward the reopening of secondary schools, universities and other institutions of higher learning. After Nazi features and personnel have been eliminated and pending the formulation of such programs by the Control Council, you may formulate and put into effect

an interim program within your zone and in any case may permit the reopening of such institutions and departments which offer training which you consider immediately essential or useful in the administration of military government and the purposes of the occupation.

d. It is not intended that the military government will intervene in questions concerning denominational control of German schools, or in religious instruction in German schools, except insofar as may be necessary to insure that religious instruction and administration of such schools conform to such Allied regulations as are or may be established pertaining to purging of personnel and curricula.

15. *Arts and Archives:*

Subject to the provisions of paragraph 6 above, you will make all reasonable efforts to preserve historical archives, museums, libraries and works of art.

PART II

ECONOMIC

General Objectives and Methods of Control

16. You will assure that the German economy is administered and controlled in such a way as to accomplish the basic objectives set forth in paragraphs 4 and 5 of this Directive. Economic controls will be imposed only to the extent necessary to accomplish these objectives, provided that you will impose controls to the full extent necessary to achieve the industrial disarmament of Germany. Except as may be necessary to carry out these objectives, you will take no steps (*a*) looking toward the economic rehabilitation of Germany, or (*b*) designed to maintain or strengthen the German economy.

17. To the maximum extent possible without jeopardizing the successful execution of measures required to implement the objectives outlined in paragraphs 4 and 5 of this directive you will use German authorities and agencies and subject them to such supervision and punishment for non-compliance as is necessary to ensure that they carry out their tasks.

For this purpose you will give appropriate authority to any German agencies and administrative services you consider essential; provided, however, that you will at all times adhere strictly to the provisions of this directive regarding denazification and dissolution or elimination of Nazi organizations, institutions, principles, features, and practices.

To the extent necessary you will establish administrative machinery, not dependent upon German authorities and agencies, to execute or assure the execution of the provisions of paragraphs 19, 20, 30, 31, 32, 39 and 40 and any other measures necessary to an accomplishment of your industrial disarmament objectives.

18. In order to decentralize the structure and administration of the German economy to the maximum possible extent, you will

a. ensure that the action required to maintain or restore essential public utilities and industrial and agricultural activities is taken as far as possible on a local and regional basis;

b. on no account propose or approve in the Control Council the establishment of centralized administration of controls over the German economy except where such centralization of administration is clearly essential to the fulfilment of the objectives listed in paragraphs 4 and 5 of this directive. Decentralization in administration should not be permitted to interfere with attainment of the largest practicable measure of agreement on economic policies in the Control Council.

19. You will institute or assure the maintenance of such statistical records and reports as may be necessary in carrying out the objectives listed in paragraphs 4 and 5 of this directive.

20. You will initiate appropriate surveys which may assist you in achieving the objectives of the occupation. In particular you will promptly undertake surveys of supplies, equipment and resources in your zone. You will endeavor to obtain prompt agreement in the Control Council to the making of similar surveys in the other zones of occupation, and you will urge appropriate steps to coordinate the methods and results of these and other future surveys conducted in the various zones. You will keep the Control Council, United States Representative on the Reparation Commission and other appropriate authorities, currently apprised of the information obtained by means of intermediate reports or otherwise.

German Standard of Living

21. You will estimate requirements of supplies necessary to prevent starvation or widespread disease or such civil unrest as would endanger the occupying forces. Such estimates will be based upon a program whereby the Germans are made responsible for providing for themselves, out of their own work and resources. You will take all practicable economic and police measures to assure that German resources are fully utilized and consumption held to the minimum in order that imports may be strictly limited and that surpluses may be made available for the occupying forces and displaced persons and United Nations prisoners of war, and for reparation. You will take no action that would tend to support basic living standards in Germany on a higher level than that existing in any one of the neighboring United Nations and you will take appropriate measures to ensure that basic living standards of the German people are not higher than those existing in any one of the neighboring United Nations when such measures will contribute to raising the standards of any such nation.

22. You will urge upon the Control Council that uniform ration scales be applied throughout Germany, that essential items be dis-

tributed equitably among the zones, that net surpluses be made available for export to Allied countries, and that imports be limited to the net deficits of Germany as a whole.

Labor, Health, and Social Insurance

23. You will permit the self-organization of employees along democratic lines, subject to such safeguards as may be necessary to prevent the perpetuation of Nazi or militarist influence under any guise or the continuation of any group hostile to the objectives and operations of the occupying forces.

24. You will permit free collective bargaining between employees and employers regarding wage, hour and working conditions and the establishment of machinery for the settlement of industrial disputes. Collective bargaining shall be subject to such wage, hour and other controls, if any, as may be instituted or revived by your direction.

25. Subject to the provisions of paragraph 48 of this directive you are authorized to direct German authorities to maintain or reestablish non-discriminatory systems of social insurance and poor relief.

26. You are authorized to direct the German authorities to maintain or re-establish such health services and facilities as may be available to them.

Agriculture, Industry and Internal Commerce

27. You will require the Germans to use all means at their disposal to maximize agricultural output and to establish as rapidly as possible effective machinery for the collection and distribution of agricultural output.

28. You will direct the German authorities to utilize large-landed estates and public lands in a manner which will facilitate the accommodation and settlement of Germans and others or increase agricultural output.

29. You will protect from destruction by the Germans, and maintain for such disposition as is determined by this and other directives or by the Control Council, all plants, equipment, patents and other property, and all books and records of large German industrial companies and trade and research associations that have been essential to the German war effort or the German economy. You will pay particular attention to research and experimental establishments of such concerns.

30. In order to disarm Germany, the Countrol Council should

a. prevent the production, acquisition by importation or otherwise, and development of all arms, ammunition and implements of war, as well as all types of aircraft, and all parts, components and ingredients specially designed or produced for incorporation therein;

b. prevent the production of merchant ships, synthetic rubber and oil, aluminum and magnesium and other products and equipment on which you will subsequently receive instructions;

c. seize and safeguard all facilities used in the production of any of the items mentioned in this paragraph and dispose of them as follows:

(1) remove all those required for reparation;
(2) destroy all those not transferred for reparation if they are especially adapted to the production of the items specified in this paragraph and are not of a type generally used in industries permitted to the Germans (cases of doubt to be resolved in favor of destruction);
(3) hold the balance for disposal in accordance with instructions which will be sent to you.

Pending agreement in the Control Council you will take these measures in your own zone. You will not postpone enforcement of the prohibitions contained in subparagraphs *a* and *b* and the instructions in subparagraph *c* without specific approval of your government through the Joint Chiefs of Staff.

31. As an additional measure of disarmament, the Control Council should

a. prohibit initially all research activities and close all laboratories, research institutions and similar technical organizations except those considered necessary to the protection of public health;
b. abolish all those laboratories and related institutions whose work has been connected with the building of the German war machine, safeguard initially such laboratories and detain such personnel as are of interest to your technological investigations, and thereafter remove or destroy their equipment;
c. permit the resumption of scientific research in specific cases, only after careful investigation has established that the contemplated research will in no way contribute to Germany's future war potential and only under appropriate regulations which (1) define the specific types of research permitted, (2) exclude from further research activity any persons who previously held key positions in German war research, (3) provide for frequent inspection, (4) require free disclosure of the results of the research and (5) impose severe penalties, including permanent closing of the offending institution, whenever the regulations are violated.

Pending agreement in the Control Council you will adopt such measures in your own zone.

32. Pending final Allied agreements on reparation and on control or elimination of German industries that can be utilized for war production, the Control Council should

a. prohibit and prevent production of iron and steel, chemicals, non-ferrous metals (excluding aluminum and magnesium), machine tools, radio and electrical equipment, automotive vehicles, heavy machinery and important parts thereof, except for the purposes stated in paragraphs 4 and 5 of this directive;
b. prohibit and prevent rehabilitation of plant and equipment in such industries except for the purposes stated in paragraphs 4 and 5 of this directive; and

c. safeguard plant and equipment in such industries for transfer on reparation account.

Pending agreement in the Control Council, you will put such measures into effect in your own zone.

33. The Control Council should adopt a policy permitting the conversion of facilities other than those mentioned in paragraphs 30 and 32 to the production of light consumer goods, provided that such conversion does not prejudice the subsequent removal of plant and equipment on reparation account and does not require any imports beyond those necessary for the purposes specified in paragraphs 4 and 5 of this directive. Pending agreement in the Control Council, you may permit such conversion in your zone.

34. Subject to the provisions of paragraphs 30 and 32, the Control Council should assure that all feasible measures are taken to facilitate, to the minimum extent necessary for the purposes outlined in paragraphs 4 and 5 of this directive

a. repairs to and restoration of essential transportation services and public utilities;

b. emergency repair and construction of the minimum shelter required for the civilian population;

c. production of coal and any other goods and services required for reparation, for your forces and, subject to the provisions of paragraph 21 of this directive, for the German people.

You will assure that such measures are taken in your own zone pending agreement in the Control Council.

35. In your capacity as zone commander and as member of the Control Council you will take steps to provide for the equitable interzonal distribution and the movement of goods and services essential to the purposes set forth in paragraphs 4 and 5 of this directive.

36. You will prohibit all cartels or other private business arrangements and cartel-like organizations, including those of a public or quasi-public character such as the *Wirtschaftsgruppen* providing for the regulation of marketing conditions, including production, prices, exclusive exchange of technical information and processes, and allocation of sales territories. Such necessary public functions as have been discharged by these organizations shall be absorbed as rapidly as possible by approved public agencies.

37. It is the policy of your government to effect a dispersion of the ownership and control of German industry. To assist in carrying out this policy you will make a survey of combines and pools, mergers, holding companies and interlocking directorates and communicate the results, together with recommendations, to your government through the Joint Chiefs of Staff. You will endeavor to obtain agreement in the Control Council to the making of this survey in the other zones

of occupation and you will urge the coordination of the methods and results of this survey in the various zones.

38. With due regard to paragraph 4 *a*, the Control Council should adopt such policies as are clearly necessary to prevent or restrain inflation of a character or dimension which would definitely endanger accomplishment of the objectives of the occupation. The Control Council, in particular, should direct and empower German authorities to maintain or establish controls over prices and wages and to take the fiscal and financial measures necessary to this end. Pending agreement in the Control Council you will assure that such measures as you consider necessary are taken in your own zone. Prevention or restraint of inflation shall not constitute an additional ground for the importation of supplies, nor shall it constitute an additional ground for limiting removal, destruction or curtailment of productive facilities in fulfillment of the program for reparation, demilitarization and industrial disarmament.

Power, Transportation and Communications

39. Both as member of the Control Council and zone commander you will take appropriate steps to ensure that

a. power, transportation and communications facilities are directed in such a way as to carry out the objectives outlined in paragraphs 4 and 5 of this directive;

b. Germans are prohibited and prevented from producing, maintaining or operating all types of aircraft.

You will determine the degree to which centralized control and administration of power, transportation and communications is clearly necessary for the objectives stated in paragraphs 4 and 5 and urge the establishment of this degree of centralized control and administration by the Control Council.

Foreign Trade and Reparation

40. The Control Council should establish centralized control over all trade in goods and services with foreign countries. Pending agreement in the Control Council you will impose appropriate controls in your own zone.

41. Both as member of the Control Council and as zone commander you will take appropriate steps to ensure that

a. the foreign trade controls are designed to carry out the objectives stated in paragraphs 4 and 5 of this directive;

b. imports which are permitted and furnished to Germany are confined to those unavoidably necessary to the objectives stated in paragraphs 4 and 5;

c. exports to countries other than the United Nations are prohibited unless specifically authorized by the Allied governments.

42. Both as member of the Control Council and as zone commander you will adopt a policy which would forbid German firms to participate in international cartels or other restrictive contracts and arrangements and order the prompt termination of all existing German participations in such cartels, contracts and arrangements.

43. You will carry out in your zone such programs of reparation and restitution as are embodied in Allied agreements and you will seek agreement in the Control Council on any policies and measures which it may be necessary to apply throughout Germany in order to ensure the execution of such programs.

Part III

Financial

44. You will make full application in the financial field of the principles stated elsewhere in this directive and you will endeavor to have the Control Council adopt uniform financial policies necessary to carry out the purposes stated in paragraphs 4 and 5 of this directive. You will take no steps designed to maintain, strengthen or operate the German financial structure except in so far as may be necessary for the purposes specified in this directive.

45. The Control Council should regulate and control to the extent required for the purposes set forth in paragraphs 4 and 5 the issue and volume of currency and the extension of credit in Germany and in accordance with the following principles:

a. United States forces and other Allied forces will use Allied Military marks and Reichsmark currency or coins in their possession. Allied Military marks and Reichsmark currency and coin now in circulation in Germany will be legal tender without distinction and will be interchangeable at the rate of 1 Allied Military mark for 1 Reichsmark. Reichskreditkassenscheine and other German military currency will not be legal tender in Germany.

b. The Reichsbank, the Rentenbank or any other bank or agency may be permitted or required to issue bank notes and currency which will be legal tender; without such authorization no German governmental or private bank or agency will be permitted to issue bank notes or currency.

c. The German authorites may be required to make available Reichsmark currency or credits free of cost and in amounts sufficient to meet all the expenses of the forces of occupation, including the cost of Allied Military Government and including to the extent that compensation is made therefor, the cost of such private property as may be requisitioned, seized, or otherwise acquired, by Allied authorities for reparations or restitution purposes.

Pending agreement in the Control Council you will follow these policies in your own zone.

You will receive separate instructions relative to the currency which you will use in the event that for any reason adequate supplies of

Allied Military marks and Reichsmarks are not available, or if the use of such currency is found undesirable.

You will not announce or establish in your zone, until receipt of further instructions, any general rate of exchange between the Reichsmark on the one hand and the U.S. dollar and other currencies on the other. However, a rate of exchange to be used exclusively for pay of troops and military accounting purposes in your zone will be communicated separately to you.

46. Subject to any agreed policies of the Control Council, you are authorized to take the following steps and to put into effect such further financial measures as you may deem necessary to accomplish the purposes of your occupation:

a. To prohibit, or to prescribe regulations regarding, transfer or other dealings in private or public securities or real estate or other property.

b. To close banks, but only for a period long enough for you to introduce satisfactory control, to remove Nazi and other undesirable personnel, and to issue instructions for the determination of accounts to be blocked under sub-paragraph 48 *e* below.

c. To close stock exchanges, insurance companies, and similar financial institutions for such periods as you deem appropriate.

d. To establish a general or limited moratorium or moratoria only to the extent clearly necessary to carry out the objectives stated in paragraphs 4 and 5 of this directive.

47. Resumption of partial or complete service on the internal public debt at the earliest feasible date is deemed desirable. The Control Council should decide the time and manner of such resumption.

48. Subject to any agreed policies of the Control Council,

a. You will prohibit:

(1) the payment of all military pensions, or other emoluments or benefits, except compensation for physical disability limiting the recipient's ability to work, at rates which are no higher than the lowest of those for comparable physical disability arising from non-military causes.

(2) the payment of all public or private pensions or other emoluments or benefits granted or conferred:

(*a*) by reason of membership in or services to the former Nazi Party, its formations, affiliated associations or supervised organizations,

(*b*) to any person who has been removed from an office or position in accordance with paragraph 6, and

(*c*) to any person arrested and detained in accordance with paragraph 8 during the term of his arrest, or permanently, in case of his subsequent conviction.

b. You will take such action as may be necessary to insure that all laws and practices relating to taxation or other fields of finance, which discriminate for or against any persons because of race, nationality,

creed or political opinion, will be amended, suspended, or abrogated to the extent necessary to eliminate such discrimination.

c. You will hold the German authorities responsible for taking such measures in the field of taxation and other fields of public finance, including restoration of the tax system and maintenance of tax revenues, as will further the accomplishment of the objectives stated in paragraphs 4 and 5.

d. You will exercise general supervision over German public expenditures in order to ensure that they are consistent with the objectives stated in paragraphs 4 and 5.

e. You will impound or block all gold, silver, currencies, securities, accounts in financial institutions, credits, valuable papers, and all other assets falling within the following categories:

(1) Property owned or controlled directly or indirectly, in whole or in part, by any of the following:

(*a*) The German Reich, or any of the Lander, Gaue or provinces, any Kreis, Municipality or other similar local subdivision; or any agency or instrumentality of any of them including all utilities, undertakings, public corporations or monopolies under the control of any of the above;

(*b*) Governments, nationals or residents of other nations, including those of territories occupied by them, at war with any of the United Nations at any time since 1 September 1939;

(*c*) The Nazi Party, its formations, affiliated associations and supervised organizations, its officials, leading members and supporters;

(*d*) All organizations, clubs or other associations prohibited or dissolved by military government;

(*e*) Absentee owners, of non-German nationality including United Nations and neutral governments and Germans outside of Germany;

(*f*) Any institution dedicated to public worship, charity, education or the arts and sciences which has been used by the Nazi Party to further its interests or to cloak its activities;

(*g*) Persons subject to arrest under provisions of paragraph 8, and all other persons specified by military government by inclusion in lists or otherwise.

(2) Property which has been the subject of transfer under duress or wrongful acts of confiscation, disposition or spoilation, whether pursuant to legislation or by procedure purporting to follow forms of law or otherwise.

(3) Works of art or cultural material of value or importance, regardless of the ownership thereof.

You will take such action as will insure that any impounded or blocked assets will be dealt with only as permitted under licenses or other instructions which you may issue. In the case particularly of property blocked under (1) (*a*) above, you will proceed to adopt

licensing measures which while maintaining such property under surveillance would permit its use in consonance with this directive. In the case of property blocked under (2) above, you will institute measures for prompt restitution, in conformity with the objectives stated in paragraphs 4 and 5 and subject to appropriate safeguards to prevent the cloaking of Nazi and militaristic influence.

49. All foreign exchange transactions, including those arising out of exports and imports, shall be controlled with the aim of preventing Germany from developing a war potential and of achieving the other objectives set forth in this directive. To effectuate these purposes the Control Council should

a. Seek out and reduce to the possession and control of a special agency all German (public and private) foreign exchange and external assets of every kind and description located within or outside Germany.

b. Prohibit, except as authorized by regulation or license, all dealings in gold, silver, foreign exchange, and all foreign exchange transactions of any kind. Make available any foreign exchange proceeds of exports for payment of imports directly necessary to the accomplishment of the objectives stated in paragraphs 4 and 5 of this directive, and authorize no other outlay of foreign exchange assets except for purposes approved by the Control Council or other appropriate authority.

c. Establish effective controls with respect to all foreign exchange transactions, including:

(1) Transactions as to property between persons inside Germany and persons outside Germany;

(2) Transactions involving obligations owed by or to become due from any person in Germany to any person outside Germany; and

(3) Transactions involving the importation into or exportation from Germany of any foreign exchange asset or other form of property.

Pending agreement in the Control Council, you will take in your zone the action indicated in subparagraphs *a*, *b* and *c* above. Accordingly, you will in your zone reduce to the possession and control of a special agency established by you, within your Command, all German foreign exchange and external assets as provided in subparagraph *a*. You will endeavor to have similar agencies for the same purpose established in the other zones of occupation and to have them merged as soon as practicable in one agency for the entire occupied territory. In addition you will provide full reports to your government with respect to all German foreign exchange and external assets.

50. No extension of credit to Germany or Germans by any foreign person or Government shall be permitted except that the Control

Council may in special emergencies grant permission for such extensions of credit.

51. It is not anticipated that you will make credits available to the Reichsbank or any other bank or to any public or private institution. If, in your opinion, such action becomes essential, you may take such emergency actions as you may deem proper, but in any event, you will report the facts to the Control Council.

52. You will maintain such accounts and records as may be necessary to reflect the financial operations of the military government in your zone and you will provide the Control Council with such information as it may require, including information in connection with the use of currency by your forces, any governmental settlements, occupation costs, and other expenditures arising out of operations or activities involving participation of your forces.

740.00119 Control (Germany)/4–2545

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] April 27, 1945.

Participants: The President
Secretary Morgenthau
Mr. Clayton
Mr. McCloy
Mr. Bard
Mr. Crowley
Acting Secretary, Mr. Grew

The President this morning at 10:10 received the informal committee set up for the purpose of elaborating the directives for dealing with post-war Germany composed of Secretary Morgenthau, Mr. Clayton, Mr. McCloy, Mr. Bard, Mr. Crowley and myself. As Chairman of the Committee, I told the President the purpose of the meeting and then asked Mr. Clayton to explain to the President the papers which had been drawn up covering the military and political, economic and financial phases of the problem. The President said that he was keenly interested in this matter and that he wished personally to study the papers agreed upon by the Committee, which were then handed to him. In reply to a question from Mr. Clayton, the President said that he would be glad to have the Committee pursue the same studies in connection with the treatment of post-war Austria, but he made it clear that the treatment of Germany and Austria should be quite different.

JOSEPH C. GREW

740.00119 EAC/5–745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 7, 1945—10 p. m.
[Received May 7—8:11 p. m.]

4628. Comea 230. At its May 3 meeting the European Advisory Commission began the detailed consideration of the US draft General Directive circulated as EAC 45/30 of April 6, with corrigendum of April 20.[28] In opening the discussion Gousev and Strang stated emphatically their views that certain points in the General Directive are not in accord with the decisions of the Yalta Conference. I maintained that the General Directive is based on and drafted to fall within the scope of the Yalta decisions.

Paragraph 1. Gousev stated that this paragraph was incorporated in article 1 of the control machinery agreement and asked why any new statement was needed. Strang also felt that the control machinery agreement had said all that was necessary on this subject and saw no need for this paragraph. [I] replied that in a directive addressed to the Commanders in Chief it was helpful to have this paragraph included.

Strang contended that paragraph 1 was not in accord with article 3 of the control machinery agreement which states that the Control Council is "to initiate plans and reach agreed decisions". He recalled that the expression "to formulate policy" used in paragraph 1 of the General Directive had been proposed during discussion of the agreement on control machinery and had been rejected. He asked whether a difference was intended. I stated that no difference was intended and offered to consider a redrafting of paragraph 1 to bring its wording into line with the control machinery agreement.

Strang pointed out that the second sentence of paragraph 1 goes beyond the control machinery agreement in that the latter does not provide specifically for the contingency of there being no agreed Allied policy. He recalled that in discussing the provision for unanimous decisions by the Control Council it had been informally understood that if the Control Council failed to reach an agreed

[28] In a memorandum by the United States Representative on the European Advisory Commission (Winant) dated April 20, 1945, transmitted to the Department in despatch 22568, April 21, from London, an omission in the text of the U.S. draft general directive on the treatment of Germany in the initial post-defeat period was corrected (740.00119 EAC/4–2145). As indicated in footnote 20, p. 480, the actual draft U.S. general directive introduced in the E.A.C. has not been printed since it was identical with the memorandum of March 23 approved by President Roosevelt except for the omission of the introductory paragraph. Therefore, paragraph references in this and the immediately following telegram from Ambassador Winant regarding paragraph 1 of draft general directive have reference to paragraph 2 of memorandum of March 23, paragraph 2 of the draft general directive would refer to paragraph 3 of the memorandum of March 23, etc.

policy the Commanders in Chief would refer the matter to their governments. Strang asked whether this sentence gives complete liberty of action to each government in its zone in absence of agreed policies and whether any one Commander in Chief would then be able to negate agreement in the Control Council and thus to obtain complete liberty of action in his zone.

Massigli [29] felt that failure to agree in the Council would mean that the question in dispute would be referred to the governments and that action would meanwhile be suspended. Strang agreed with this interpretation in so far as it applied to "matters affecting Germany as a whole". I emphasized that in many instances action could not be suspended and that in absence of an agreed policy the Commander would have to act in his zone on instructions from his own government. Massigli felt on the other hand that any matter of principle important enough to come before the Council would thereby require uniform action by all four Commanders.

Strang alleged one important difference between the control machinery agreement and the US General Directive; the former assumes agreed decisions while the latter postulates the case of no agreed decision. He concluded that the US General Directive was "less optimistic". Massigli felt that the US Directive erred in not impressing on the Commanders the paramount necessity for reaching agreed decisions and reconciling divergent views. He proposed recording the second sentence to provide that the Commanders must, first, do everything possible to reach agreement in the Council and second refer disagreements to their governments; and, third, only later act independently in their zones.

Strang asked whether it was necessary to add anything to what had been said in the control machinery agreement. He proposed omitting paragraph 1 entirely, and leaving it to the Commanders in Chief to work the control agreement, consulting their governments in case they cannot agree. In view of Gousev's rather marked nonparticipation in discussion of paragraph 1, I again stated at the close of this part of the discussion that the US Government gives full support of [*to*] the control machinery agreement as approved and that nothing in the General Directive is intended to contradict or weaken that agreement.

For further discussion of the US General Directive see my following telegram 4629,[30] repeated to Paris for Murphy as my 249.

Sent to Department as 4628, repeated to Paris for Ambassador Murphy as my 248.

WINANT

[29] René Massigli, French Representative on the European Advisory Commission.

[30] *Infra.*

740.00119 E.A.C./5–745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 7, 1945—10 p. m.
[Received 11 : 11 p. m.]

4629. Comea 231. Further discussion of US General Directive in May 3 meeting of the European Advisory Commission. See my 4628, May 7, 10 p. m. to Department, repeated to Paris for Murphy as my 248.

Paragraph 2 of the General Directive. Gousev objected to the first sentence on grounds that it implies retention of the German administrative machine in its present Nazi form and says nothing about Yalta decisions to abolish Nazi laws and institutions. I pointed out that these points were covered in paragraphs 6, 8 and 9 of the General Directive and offered to include the Yalta wording. Massigli expressed French support for the principle of decentralization or federalization of the German political structure. He felt it would be a mistake to restore the completely centralized political structure which had been built up under both the Republic and Hitler, especially since that structure had disintegrated in defeat.

Strang proposed that the Directive begin with a statement of the purposes of occupation, based on the Yalta declaration and on paragraph 3 of the United Kingdom draft Directive No. 1.[31]

Strang asked about the reference to "foreign affairs" in this paragraph, and questioned whether Germany would have any "foreign affairs". I interpreted this to mean "international relations" including economic relations and control of German Nationals and property abroad, but not "foreign affairs" in the usual sense of foreign political policy.

Massigli asked if the "controls" referred to in this paragraph were Allied or German controls. I stated that Allied controls were meant but that some controls might be exercised more directly and others more indirectly. Strang asked whether the list of purposes for which controls were permitted, as set forth under A, B and C, is exclusive or illustrative in character. I stated that these controls would probably be essential from the beginning. Strang proposed that the second sentence read: "shall permit or establish" instead of "may permit or establish", and that the words "in particular" be inserted after the words "establish central control", in order to indicate that the enumeration is not intended to be exhaustive. Gousev questioned the meaning of the words "German economy shall also be decentralized". He asked whether this meant decentralization of the economy itself or

[31] For text of the United Kingdom draft General Directive for Germany in the post-surrender period, see *Foreign Relations*, 1944, vol. I, p. 226.

decentralization of the administration of the economy. I explained that these words did not envisage geographical redistribution of industry which he had at first understood, but rather a long term policy of decentralizing the control or [*of*] economy, removing the power of great concentrations, monopolies and cartels to dominate German economy, eliminating as many as possible of the central economic controls established by the Nazis.

Strang asked whether economic decentralization implied decentralization of the economic administration parallel with the decentralization of the political structure and whether each federal political unit would have a corresponding economic unit. He asked whether in place of a single central control there would be a number of federal or regional economic controls. In reply I again stressed the need for breaking up dangerous concentrations of economic power. The United Kingdom delegation asked whether it was intended merely to abolish the objectionable parts of centralized control or also to transfer any useful functions of control to regional and local authorities. I stated that some controls would be abolished as they had been created for war purposes; others might be placed under the control of the component federal states to serve civilian needs. Strang restated the objectives of paragraph 2 as follows: Economic decentralization to follow political decentralization; breaking up industrial associations which had gathered too many industries under their control. Massigli requested the United States delegation to provide an explanatory memorandum to facilitate consideration of this part of the General Directive.

Paragraph 3 of the directive met with no comment.

Paragraph 4. Gousev took strong exception to the words "controls may be imposed". He stated that the word "may" implied that controls "may or may not" be imposed. In his opinion, the Yalta declaration, which called for the elimination or control of all production that can be used for war purposes, is much more definite. He pointed out that a very large part of industry can be used for war purposes, and stated that these industries must be controlled.

On instructions from his Government, Massigli proposed that paragraph 4 begin with the following words: "German economy will be subjected to all necessary controls, particularly" those enumerated under A and B.

Strang asked whether Allied controls were meant in paragraph 4. I indicated that Allied controls were meant in paragraph 4 and, generally speaking, German controls in paragraph 5.

Massigli asked whether the second sentence of paragraph 4 meant that Germany's standard of living could be equal to that of any neighboring United Nation. I stated my understanding that these words mean that Germany's standard may be equal to the lowest

neighboring standard, lower than the lowest but in no case higher than the lowest.

With regard to the sentence about treating payment for imports as a first charge on exports, Massigli and Strang asked whether this referred to "authorized imports". I stated that this was the case since both imports and exports would be controlled.

Regarding the last sentence of paragraph 4 Massigli asked whether countries receiving German reparations would not be "dependent on German economy" to that extent. I interpreted these words to mean that future or long range dependence of other countries on German economy should be avoided.

Paragraph 5. Massigli felt that the expression "assume administration of such controls" gave great power to the German authorities. He suggested that the word "execution" be substituted for "administration".

It was agreed to continue the discussion of the US General Directive at an early meeting of the EAC.

Sent to Department, repeated to Paris for Ambassador Murphy as my 249.

WINANT

740.00119 Control (Germany)/5–1045

Memorandum of Conversation, by the Acting Secretary of State

[Extract]

[WASHINGTON,] May 10, 1945.

Participants: The President
General J. C. Holmes [32]
Mr. William Phillips [33]
Acting Secretary, Mr. Grew

I called on the President this morning with General Holmes and Mr. Phillips and took up the following problems:

1. *Post-war Treatment of Germany.* I said that our directive to the Commander-in-Chief in Europe on the post-war treatment of Germany was now completed with the exception of one or two minor points still under consideration by the Joint Chiefs of Staff and that I hoped the paper would be ready this afternoon to submit to the President for his approval. I also said that we are under great pressure from the public to publish our plans in this respect and that after the President had approved the document and after it had been sent

[32] Assistant Secretary of State Julius C. Holmes.
[33] Special Assistant to the Secretary of State.

to General Eisenhower we could give publicity to the substance of the paper at an early date. The President agreed and said that he had already looked at the preliminary documents which were already before him and he asked us to give him the highlights of the plan. General Holmes said that the main purpose of the plan was to eliminate such industries in Germany as might be able to manufacture the implements of war. The President asked whether this included light as well as heavy industries. General Holmes observed that Mr. Morgenthau desired to have the synthetic oil plants destroyed but our position is that it would be unwise to destroy them as long as General Eisenhower might have use of them instead of having to import large quantities of oil from the United States. The President said that in this respect he entirely disagreed with Mr. Morgenthau. The President said that he would be in his office all the afternoon and that as soon as the paper is ready he would be glad to have Mr. Clayton and myself bring it over and lay it before him personally and he would make a point of studying it without delay.

The President said that as soon as the rough and tumble period is over in Germany he wants Governmental control of Germany to be in civilian hands as rapidly as the transition can be efficiently brought about. The President made a general statement that it is in our tradition that the military should not have governmental responsibilities beyond the requirements of military operations.

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JOSEPH C. GREW

740.00119 Control (Germany)/5–1045

Memorandum by the Joint Chiefs of Staff to the Secretary of War (Stimson) and the Secretary of the Navy (Forrestal) [34]

WASHINGTON, 10 May 1945.

The Joint Chiefs of Staff recommend that the Secretary of War and the Secretary of the Navy inform the Secretary of State as follows:

"The Joint Chiefs of Staff have reconsidered the military implications of the proposed directive to the Commander in Chief, United States Forces of Occupation regarding the military government of

[34] Transmitted as an annex to a memorandum from the Secretary of the State-War-Navy Coordinating Committee (Charles W. McCarthy) to Assistant Secretary of State Clayton. The memorandum read in part as follows: "Attached hereto is a copy of a memorandum from the Joint Chiefs of Staff to the Secretaries of War and the Navy containing certain amendments to the Directive to Commander-in-Chief of U.S. Forces of Occupation regarding the Military Government of Germany, which were accepted by the Informal Policy Committee on Germany at its meeting on 4 May 1945."

Germany contained in IPCOG 1. The Joint Chiefs of Staff perceive no objections to the directive from a military point of view provided the following amendments are made in lieu of those contained in the letter dated 2 May 1945:[35]

"*a.* Delete the period at the end of the last sentence, paragraph 30, and add the following: 'except that, in your discretion, you may permit the production of synthetic rubber and oil, aluminum and magnesium, to the minimum extent necessary to meet the purposes stated in paragraphs 4 and 5 of the directive pending action by the Joint Chiefs of Staff upon such recommendation for postponement as you may make.'

"*b.* Delete the period and add the following words to the last sentence of paragraph 32: 'as soon as you have had an opportunity to review and determine production necessary for the purposes stated in paragraphs 4 and 5 of this directive.'

"*c.* After the word 'services' in paragraph 34 *c*, add the words '(excluding goods specified in paragraphs 30 and 32 unless measures to facilitate production are specifically approved by this Government through the Joint Chiefs of Staff).' Also delete the words 'reparation, for your forces and, subject to the provisions of paragraph 21 of this directive, for the German people' and substitute the words 'the purposes outlined in paragraphs 4 and 5 of this directive.'"

For the Joint Chiefs of Staff:
WILLIAM D. LEAHY,
Fleet Admiral, U.S. Navy,
Chief of Staff to the
Commander in Chief of the Army and Navy

740.00119 E.W./5–1045

Memorandum of Conversation, by the Acting Secretary of State

[Extract]

[WASHINGTON,] May 10, 1945.

Participants: The President, Secretary of the Treasury Morgenthau, Under Secretary Bell,[36] Messrs. Clayton and Phillips; Acting Secretary, Mr. Grew

I went to the President for a second conference this afternoon with Secretary Morgenthau, Mr. Bell, Under Secretary of the Treasury, Mr. Clayton and Mr. Phillips.

(1) Mr. Clayton presented to the President the final draft of the directive to the Commander-in-Chief in Europe for the post-war

[35] Not printed.
[36] Under Secretary of the Treasury, Daniel W. Bell.

treatment of Germany which Mr. Clayton said had now been approved by all members of the Committee and by the Joint Chiefs of Staff. Mr. Morgenthau concurred. I raised the question of early public pressure to publish and he thought that this should be done as soon as we had time to go through the paper and eliminate any of its contents the publication of which might cause embarrassment to our Allies. The President wrote his approval on the document. Mr. Clayton undertook to have a new photostat made of the document and sent to him as soon as possible.

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JOSEPH C. GREW

740.00119 Control (Germany)/5–1745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 17, 1945—4 p. m.

3883. The directive to the Commander-in-Chief of the US forces of occupation regarding the military government of Germany and the corrigendum enclosed in Department's air mail instruction No. 5448 of May 11 [37] have received the approval of all competent agencies and of the JCS and the President. The directive, as amended, therefore represents the official policy of this Government in the treatment of Germany. A copy of the directive incorporating the amendments has been sent to you by air mail with instruction 5473 of May 16.[38]

Please circulate the directive in the EAC for information.[39]

Subsequent instructions will be sent to you whether it is desired to present this directive for negotiation in the Commission. In the meantime, it will provide you with more detailed information and guidance in discussing the policy memorandum of March 23, 1945.

GREW

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[37] Not printed; it transmitted a copy of the draft "Directive to the Commander-in-Chief of the United States Forces of Occupation Regarding the Military Government of Germany" but noted that the final text had not been agreed upon or approved by the President (740.00119 Control (Germany)/5–1145).

[38] Not printed; after reporting that the JCS and the President had approved the directive, the instruction concluded as follows: "The Embassy will be subsequently instructed whether it is desired to introduce the directive into the European Advisory Commission for negotiation. In the meantime, it can be utilized for background and guidance in discussions in the Commission respecting the treatment of Germany." (740.00119 Control (Germany)/5–1645)

[39] Telegram 5338, May 27, 9 p. m., from London reported that the directive had been circulated in the European Advisory Commission, for its information (740.00119 EAC/5–2745). Subsequently, the Directive was circulated in the Commission as E.A.C. (45) 56 of May 29, 1945 (740.00119 EAC/6–545).

740.00119 EW/5–1945

Memorandum of Conversation, by the Acting Secretary of State

[Extract][40]

[WASHINGTON,] May 19, 1945.

Participants: The Acting Secretary of State
Mr. George Bidault, French Foreign Minister
Mr. Henri Bonnet, French Ambassador
Mr. William Phillips
Mr. Freeman Matthews

. . . . . .

GERMANY

M. Bidault said that he would like to set forth his ideas with regard to the treatment of Germany. He said that he understood that the thinking of the United States and of the British on the long term treatment of Germany—he was not referring merely to the occupation period—had not crystalized but was still in a fluid state. He said that he himself had formerly thought that Germany should be divided up into a number of pieces but that he had revised his thinking on this. He has, however, some definite ideas: the Rhineland and the Ruhr and Westphalia should, he was convinced, be separated from the rest of Germany. On the other hand, there were certain definite objections to putting that whole area into a single state. He thought the separate parts of it should be treated differently:

(1) As to the Saar region, France did not desire to annex it but was determined to have the Saar coal.

(2) North of the Saar there is an agricultural area over which France feels she must have definite control for security reasons. This area included only the left bank of the Rhine up through Cologne and possibly one or two bridgeheads across the river. It was the area through which France had so often suffered military invasion. If it is placed in the hands of some international organization, the occupation of it might end by some "majority vote" against France. He emphasized that what France wanted was control and not annexation (though he did not define this difference). He said this would not mean slavery nor deportation for the population. While some elements of the population, such as Gestapo members or those who might preach a German resurgence and unification, might be deported from the area, it was his expectation that the local population would remain there. The French, he said, again wish to control this agricultural area north to Cologne without any restrictive international supervision.

[40] This memorandum has been printed virtually in its entirety in Joseph C. Grew, *Turbulent Era: A Diplomatic Record of Forty Years, 1904–1945* (Houghton Mifflin Company, Boston, 1952), vol. II, pp. 1507–1513.

(3) He then came to the Ruhr. This region, he said, was the source of power and wealth of Germany and he felt should be definitely placed under the control of an international regime.

If a single Rhineland-Ruhr-Westphalia state is created, M. Bidault said, the standard of living in that area would probably be higher than the rest of Germany, its population would be privileged and it would attract more people from other regions of Germany. It conceivably could become another Prussia or Piedmont and form the nucleus or rallying point for a new strong, unified Germany. Under an international control, if such control were set up, the Russians might not agree with the western Europeans as to the policy to be applied. Therefore, as he had said before, he was opposed to the creation of a single Rhine-Ruhr state under international control. Germany will, he believes, in the nature of things, look to the west for hope and particularly to the Rhine area and he does not wish to see a powerful state established which will play one country off against another in typical German fashion, thus dividing the Allies.

In reply to a question, M. Bidault said that it might not be necessary to distinguish between the Saar and his agricultural area on the left bank of the Rhine though apparently what he wants in the Saar is only the control or ownership of the mines, whereas he wants complete security control in the area north of it. He admitted that he has not yet thought out the details. He did not specify what the nature of the international regime to govern the Ruhr should be but he did say in reply to a question that he was opposed to Germany having heavy metallurgical and machine tool industries or any substantial chemical industry. He said the Germans should be allowed to have industries such as textiles and in general "enough to let them live".

His views with regard to the treatment to be applied to the remainder of Germany have not developed. The German people, he said, are badly shocked and there will be no elements prepared to take over a government of the country. He believes that we should wait some months to see how conditions develop before deciding whether the country should be divided into one or more states.

In reply to a question as to whether France desired to utilize German labor as a form of reparation, he said that he had not definitely made up his mind. He thought, however, that a number of Germans, particularly those military elements who knew the job, should be utilized for clearing France of the many thousands of mines which have been laid throughout the country. He said that Dautry, the Minister of Reconstruction had estimated that it would cost ten billion francs, ten years labor and fifty thousand dead finally to clear France of mines.

In concluding his remarks on Germany, M. Bidault reiterated that he had merely wanted to present these strong views of his Government with regard to the Rhineland and he did not seem to expect an immediate answer as to the American position. He was told that, as he had intimated, our ideas on the long term territorial treatment of Germany have not yet crystalized.

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JOSEPH C. GREW

740.00119 E.A.C./2–2345

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

No. 5546 WASHINGTON, May 31, 1945.

The Acting Secretary of State refers to the Embassy's Despatch No. 21233 of February 23, 1945,[41] and transmits herewith suggested amendments to the British proposal as embodied in the enclosed revised draft of the directive on United Nations Renegades and Quislings.[42]

The revised draft directive has been formally approved by the State, War, and Navy Departments, with the concurrence of the Joint Chiefs of Staff, and is submitted to the Ambassador for his guidance on the European Advisory Commission.

There is also enclosed a memorandum of May 26, 1945, by the State-War-Navy Coordinating Committee giving reasons for the amendments set forth in the revised draft.

[Enclosure 1]

Memorandum by the State-War-Navy Coordinating Committee to the Secretary of State

WASHINGTON, 26 May 1945.

The State-War-Navy Coordinating Committee has reviewed the British draft directive on United Nations' renegades and quislings (EAC (45)14) [43] and is of the opinion that it should be amended as in the attached revised draft.

The revised draft directive follows generally, but coordinates more fully, the various provisions of the British draft and amends certain

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[41] Not printed; it transmitted to the Department a copy of the British draft directive on renegades and quislings which had been circulated in the European Advisory Commission as document E.A.C. (45) 14, dated February 22, 1945. For text of the British proposal, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 422, footnote 6.

[42] Printed as enclosure 2 to this despatch.

[43] See footnote 41, above.

of them. In particular it removes from the zone commander and transfers to the authorities of the particular United Nation the main responsibility for obtaining the evidence that would be required under the law and judicial procedure of that United Nation which would be interested in the prosecution of its apprehended nationals for collaboration with the enemy. Also, as revised, the draft directive permits the zone commander in his discretion to continue to detain the desired person, if such person's continued detention is required by reason of his being a suspected war criminal or for other reasons, or in the case of doubt as to disposition, to consult his own government.

The Joint Chiefs of Staff have advised the Committee that they find no objections to the revised draft from the military point of view.

For the State-War-Navy Coordinating Committee:

H. FREEMAN MATTHEWS
Acting Chairman

[Enclosure 2]

DRAFT

DIRECTIVE ON UNITED NATIONS' RENEGADES AND QUISLINGS [44]

1. This directive is issued to you as commander in chief of the U.S. (U.K.), (U.S.S.R.) (French) forces of occupation. As a member of the Control Council, you will urge the adoption by the other occupying powers of the principles and policies set forth in this directive and pending Control Council agreement, you will follow them in your zone.

2. This directive is concerned with United Nations' renegades and quislings as such. It does not apply to war criminals concerning whom a separate directive will be issued.

3. Appropriate measures must be taken against persons of United Nations' nationality who have assisted or collaborated with the enemy. You will require the German authorities to give whatever assistance may be necessary to this end in all such ways as you may specify.

4. You will take all possible steps in your zone to apprehend those persons:

a. Whose names are contained on lists furnished to you by any of the United Nations showing their nationals whose apprehension is desired, when accompanied by a specification of the offense with which the individual is charged;

b. Whom you have reason to believe are of the nationality of any one of the United Nations and whose names do not appear on any

[44] This draft directive, which as a Joint Chiefs of Staff document was designated JCS 1349, was circulated in the State-War-Navy Coordinating Committee as an enclosure to document SWNCC 42/1, dated May 23, 1945.

such list, if you have grounds for suspecting that they have, following their country's entry in the war:

(1) voluntarily engaged in activities calculated to assist the enemy in any way whatsoever; or
(2) assumed or obtained, enemy nationality and are not members of communities obliged to accept German nationality.

5. Upon the apprehension of any such persons you will notify the respective United Nations' Governments of such apprehension. You will hold such persons pending decision by the respective governments as to their disposition and upon request you will hand them over to the appropriate authorities of the United Nations' Governments concerned, unless they are required to be detained as war criminals or for other reasons. If, in the light of conditions which you encounter, you believe that certain persons within these categories, other than war criminals, should not be subjected immediately to this treatment, you may postpone action reporting to your government the facts and giving your recommendations and the reasons therefor.

6. In the event of any Government being unable for any reason to accept delivery of any persons referred to in paragraph 4, you will nevertheless apprehend and detain such persons if you consider such action desirable for security or other reasons.

7. The claim of German nationality will not be a reason for failing to apprehend the persons concerned, if included within any of the categories of persons described in paragraph 4. It will be for the authorities of the appropriate United Nation to consider how far the possession of German nationality merely mitigates his offence or affords a defence in law to a charge of treason.

8. In the event that information and physical evidence is immediately available, you will obtain and preserve the same for delivery to the authorities of the appropriate United Nation and will afford assistance to such authorities in their collection of evidence. You will cause the German authorities to afford you or the authorities of the appropriate United Nation the fullest assistance and all necessary facilities for this purpose, including the inspection of any books, documents, records, or archives, the provision of documentary evidence for use in court and of witnesses in a position to give oral evidence.

740.00119 Control (Germany)/6–945 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, June 9, 1945—7 p. m.

4641. From MacLeish.[45] White House with approval of State, War

[45] Archibald MacLeish, Assistant Secretary of State.

and Navy Departments and General Eisenhower plans to release to the press IPCOG 1/4 [46] of May 11 (formerly JCS 1067) within few days. Detailed list of persons to be arrested has been deleted from numbered paragraph 8. Several references to obsolete or incompleted documents also deleted.

Numbered paragraph 10 states that United States policies on control of information media in Germany, accrediting of foreign correspondents, press censorship and news communiqués will be sent to Eisenhower separately. Publication of IPCOG 1/4 will lead to inquiries about status of these papers which include JCS 1109 [47] and 1323 [48] now before EAC. It is understood no separate papers have been prepared on press censorship and news communiqués.

War and Navy Departments have stated they have no objection to release of 1109 and 1323 at this time. Dept. has asked that telegram be sent to Eisenhower to confirm this view.

War Department states these two papers are now the basis of planning by American component of Control Council for control of public information and regulation of foreign correspondents in U.S. zone in advance of agreement among four occupying powers.

I feel that we should as soon as possible make public here our Government's policies concerning control of information in Germany during the period of occupation but we do not wish to do this until we are sure of status of existing and projected negotiations concerning these matters and plans for putting these policies into effect in American zone.

What is the present status in London of these two documents? Do you concur in Department's view that they be published now if Eisenhower approves?

If 1109 is approved for release, Department plans to bring document up-to-date by deleting first three paragraphs, renumbering remaining paragraphs, changing three governing powers to four, and changing term "supreme authority" to "Control Council". Text of proposed release on 1109 is given in immediate following telegram.

Proposed release on 1323 would be introduced as follows:

"U.S. policy on regulation of foreign correspondents in Germany.

"A statement of American policy on the regulation of foreign correspondents in Germany has been sent to the Commander-in-Chief of the U.S. forces of occupation in Germany. This policy will guide him in planning for the regulation of foreign correspondents in the U.S. zone

[46] Designation for the "Directive to Commander-in-Chief of U.S. Forces of Occupation Regarding the Military Government of Germany" as finally approved by President Truman on May 10, 1945.

[47] Draft Directive on control of public information in Germany which was circulated in the European Advisory Commission by the United States Representative as document E.A.C.(44)32, dated November 23, 1944, not printed.

[48] Draft agreement on the status of foreign correspondents in Germany, which was circulated in the European Advisory Commission by the United States Representative as document E.A.C.(45)55, dated May 18, 1945, not printed.

of Germany and in negotiations as the U.S. representative on the Control Council in Germany. The text of the statement follows:" (there follows verbatim text of 1323 beginning "definition of foreign correspondent").

Do you approve texts of these two releases? [MacLeish.]

GREW

740.00119 E.A.C./6–1145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 11, 1945—8 p. m.
[Received June 11—7 p. m.]

5899. Comea 285. For MacLeish. I have been giving thought to proposal for releasing to press IPCOG 1/4 May 11 (former JCS 1067) reDepts 4641, June 9. I fully understand public's eagerness for authentic information re US plans concerning Germany and have always sympathized with Dept's desire inform public more fully.

In addition to method proposed for informing public, several alternative methods are available, including (1) public address by an Assistant Secretary of State, (2) prepared release setting forth basic US aims as further development of Secretary Stimson's release of May 11,[49] or (3) press conference by ActSecy or Assistant Secretary setting forth US program. Any of these methods has great advantages over proposed publication of IPCOG 1/4.

The three papers referred to in Depts 4641 are secret documents under consideration by EAC. IPCOG 1/4 was circulated as EAC 45/56, May 29 (my despatch 23472, June 5).[50] JCS 1109 is secret document EAC 44/32 Nov 23, 1944 (my despatch 19592, Dec 1, 1944).[50] JCS 1323 is secret document EAC 45/55 May 18 (my despatch 23459, June 4).[50]

EAC 45/56 May 29 is being actively studied by EAC delegations as basis for negotiation of US draft general directive EAC 45/30 April 6.[51] EAC has already discussed 45/30 in considerable detail and expects to proceed shortly with its negotiation using EAC 45/56 as a basis for enlarging EAC 45/30 where necessary.

EAC 44/32 on control of Public information in Germany is also under negotiation. UK delegation has presented comments and draft amendments in EAC 45/17 Feb. 27 (my despatch 23093 May 16).[50]

EAC 45/55 May 18 is under active negotiation. Detailed exchange of views took place in EAC June 5. Soviet delegation has presented

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[49] See telegram 3657, May 9, to London, p. 282.
[50] Neither printed.
[51] Not printed; see footnote 28, p. 504.

comments and draft amendments and UK delegation is preparing to do same within few days. Publication of this secret document at present would probably bring to complete stop negotiation of any four power agreement on status of foreign correspondents in Germany.

As Dept will recall from recent British protest against unilateral Soviet announcement re Soviet Zone in Germany, reported in mytel 5862, June 9, [52] EAC has always operated on understanding that its discussions and documents will remain strictly secret except when announcements like those of June 5 are specifically agreed between the four Govts. Unilateral publication of three documents now under negotiation in EAC would undoubtedly bring sharp reaction from other Govts and might well result in immediate cessation of EAC work. Such a development would run directly counter to US Govt view which as I understand aims to secure as much agreement as possible with other three occupying powers. Until Control Council begins to function regularly EAC is instrument through which four Govts work to harmonize their views re Germany.

Even if EAC does not have time to complete negotiation of these three papers, publication of detailed eighteen page unilateral directive would I believe greatly handicap US Commander in Germany in attempting through Control Council to achieve substantial measure of uniform policy re Germany. Some policies laid down in detail in IPCOG 1/4 may eventually require modification in some particulars in order to promote major US interest in securing and maintaining Allied unity in treatment of Germany and to cope with future conditions now unforeseeable. The eighteen-page directive if published would thenceforth be cited continually by critics interested and disinterested alike, in opposition to actions which the US Commander might then consider essential to achieve broad purposes of his mission.

Unilateral publication of these detailed documents while they are under negotiation would create presumption in minds of our Allies that US is turning away from principle of joint responsibility and action in Germany and is preparing to proceed unilaterally within its zone without regard to the views of its Allies. While I have never, in course of 90 EAC meetings, underestimated difficulties of securing coordinated Allied action in Germany, I believe it is vital US interest to promote joint action by every means and to avoid in this crucial period any action that could be interpreted by other Govts as withdrawals from our pledge made at Moscow and renewed at Tehran and Yalta, to act jointly with our Allies in matters affecting Germany as a whole.

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[52] Not printed.

I hope Dept will give further consideration to my suggestions above for issuing broad statement public address or press interview on US policy re Germany and will not in this period of uncertainties issue exact texts of secret documents which are under active negotiation with our Allies.[53]

Sent Dept as 5899, June 11; rptd to Paris as 354 for Murphy.

WINANT

740.00119 EAC/6–1245

The Ambassador in the United Kingdom (Winant) to the Secretary of State

No. 23614 LONDON, June 12, 1945.

SIR: I have the honor to transmit a Memorandum by the United Kingdom Representative on the European Advisory Commission (E.A.C.(45)58 of June 11, 1945) enclosing a redraft of the United States Delegation's proposed General Directive on the Treatment of Germany in the Initial Post-Defeat Period. The United States proposal was circulated in the Commission as E.A.C.(45)30 of April 6, 1945,[54] and was sent to the Department with the Embassy's despatch No. 22349 of April 12.[55]

It will be recalled that the United States draft General Directive was discussed at some length in the Commission at its meeting on May 3, 1945.[56] Since that time the other Delegations have been giving further study to the United States draft and since the end of May they have undoubtedly been assisted in their studies of this paper by the United States Directive to Commander-in-Chief of U.S. Forces of Occupation regarding the Military Government of Germany, which was circulated for the information of the Commission as E.A.C. (45)56 of May 29, 1945.[55]

In recent meetings all Delegations have expressed an interest in resuming discussions of the General Directive at an early date.

Respectfully yours, For the Ambassador:

E. ALLAN LIGHTNER, JR.

Secretary, U.S. Delegation

European Advisory Commission

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[53] Telegram 4979, June 21, to London, stated that after careful consideration of the arguments advanced by Ambassador Winant, it was decided not to publish for the time being IPCOG 1/4, EAC 44/32, and EAC 45/55 (740.00119 EAC/6–2045). The "Directive to Commander in Chief of United States Forces of Occupation Regarding the Military Government of Germany" was eventually released to the press on October 17, 1945, and was printed in Department of State *Bulletin*, October 21, 1945, p. 596.

[54] See footnote 28, p. 504.

[55] Not printed.

[56] See telegrams 4628 and 4629, May 7, 10 p. m., from London, pp. 504 and 506, respectively.

[Enclosure]

Memorandum by the Acting United Kingdom Representative on the European Advisory Commission (Hood)[57]

E.A.C. (45) 58 LONDON, 11 June, 1945.

TREATMENT OF GERMANY IN THE INITIAL POST-DEFEAT PERIOD

On 6th April the United States Representative circulated to the European Advisory Commission a draft General Directive on the Treatment of Germany in the Initial Post-Defeat Period (E.A.C. (45) 30). Preliminary consideration was given to this draft by the Commission at its meeting on 3rd May, 1945.

2. The United Kingdom Delegation has considered the United States draft and prepared a redraft of it, in which some of the provisions of the original United States draft are rearranged, and other fresh provisions are added.

3. I now circulate to my colleagues, as an annex to this memorandum, the United Kingdom redraft of the U.S. General Directive.

4. I hope the Commission will agree to take this redraft into consideration when it resumes discussion of the U.S. draft General Directive.

[Subenclosure]

TREATMENT OF GERMANY IN THE INITIAL POST-DEFEAT PERIOD
U.K. Re-Draft of U.S. Directive

1. The authority of the Control Council to initiate plans and reach agreed decisions on the chief military, political, economic and other questions affecting Germany as a whole shall be paramount, and those plans and decisions shall be carried out in each zone of occupation by the national Commander-in-Chief concerned. In matters exclusively affecting his own zone, each national Commander-in-Chief shall exercise supreme authority in accordance with directives received from his own Government.

2. The purposes of the occupation of Germany, to the promotion of which the above plans and decisions are to be directed are:—

(i) The complete disarmament of Germany and the elimination or control of all German industry that could be used for military production. For these purposes:—

(*a*) the German armed forces, including the General Staff and all para-military organisations, shall be demobilized as soon as practicable and disbanded in such manner as permanently to prevent their revival or reorganisation; and

[57] Originally circulated in the European Advisory Commission by the Acting United Kingdom Representative on June 7.

(*b*) as part of the programme to attain this objective, all implements of war and all specialised facilities for their construction shall be seized or destroyed. The maintenance and production of all implements of war shall be prevented, except as may be otherwise directed.

(ii) To convince the German people that they have suffered a total military defeat and that they cannot escape responsibility for what they have brought upon themselves, since their own ruthless warfare and the fanatical Nazi resistance have destroyed German economy and made chaos and suffering inevitable.

(iii) To destroy the National Socialist Party and its affiliated and supervised organisations, to dissolve all Nazi institutions, to ensure that they are not revived in any form, and to prevent all Nazi and militaristic activity or propaganda.

(iv) To lay the foundations for the rule of law in Germany and for eventual peaceful co-operation in international life by Germany.

3. Nazi laws which provide the basis of the Hitler regime or which establish discriminations on grounds of race, creed, or political opinion shall be abolished. No such discriminations, whether legal, administrative or otherwise, shall be tolerated. National Socialist courts shall likewise be abolished.

4. War criminals and those who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or war crimes shall be arrested, with a view to their ultimate disposal. Nazi leaders and influential Nazi supporters and any other persons dangerous to the occupation or its objectives shall be arrested and interned.

5. All members of the Nazi Party who have been more than nominal participants in its activities and all other persons hostile to Allied purposes shall be removed from public and semi-public office, and from positions of major responsibility in important private undertakings. Those Germans who are permitted to remain in, or are appointed to, official posts (e.g. in the police or the administration) should understand that they hold office only during good behaviour.

6. German education shall be so controlled as completely to eliminate Nazi and militarist doctrines and to make possible the development of democratic ideas.

7. The administration of affairs in Germany should be directed towards the decentralisation of the political structure and the development of local responsibility. The German economy shall also be decentralised, except that to the minimum extent required for carrying out the purposes set forth herein, the Control Council shall permit or secure the establishment of central controls and, in particular, of (*a*) essential national public services such as railroads, communications and power, (*b*) finance and foreign economic affairs, (*c*) production

and distribution of essential commodities, and (*d*) such other matters as may be directed from time to time.

8. In the imposition and maintenance of economic controls, German authorities shall to the fullest extent practicable be ordered to proclaim and assume administration of such controls. Thus it should be brought home to the German people that the responsibility for the administration of such controls and for any breakdown in those controls will rest with themselves and their own authorities. Any German controls which run counter to the objectives of occupation will be abolished.

9. Allied controls shall be imposed upon the German economy but only as may be necessary:—

(*a*) to carry out programmes, as prescribed by higher authority, of industrial disarmament and demilitarisation, of reparations, of relief for liberated areas and of other supplies as may be notified;

(*b*) to assure the production and maintenance of goods and services required to meet the needs of the occupying forces and displaced persons in Germany and essential to prevent starvation, disease or civil unrest;

(*c*) to ensure the equitable distribution of essential commodities between the several zones;

(*d*) to control German industry and all economic and financial international transactions, including exports and imports, with the aim of preventing Germany from developing a war potential and of achieving the other objectives named herein. For the same purpose no extension of credit to Germany or Germans by any foreign person or Government shall be permitted, except with the permission of the Control Council;

(*e*) otherwise to carry out the objectives of occupation and prevent conditions arising which would endanger the occupying forces or impede them in their tasks.

10. No action shall be taken in execution of the reparations programme or otherwise which would tend to support basic living standards in Germany on a higher level than those generally current for comparable categories of the population in liberated territories.

11. The first charge on all approved exports for reparations or otherwise shall be a sum necessary to pay for approved imports.

12. Recurrent reparations should not by their form or amount require the rehabilitation or development of German heavy industry and should not foster the dependence of other countries upon the German economy.

13. A suitable programme for the restitution of identifiable property looted by Germans from Allied territory shall be carried out promptly.

14. Subject to the overriding necessity for the maintenance of military security, political activities (including public demonstrations or

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meetings) shall not be forbidden, but support of Allied authority shall not be lent to any particular political party or policy in Germany.

15. Subject again to the necessity for maintaining military security, freedom of speech and freedom of the Press shall be permitted, and the formation of free trade unions shall be encouraged.

16. Freedom of religion and the maintenance of respect for the churches in Germany shall be fostered, though steps should be taken to ensure that religious activities are not used as a cloak for the spreading of undesirable political ideas or of propaganda directed against any of the United Nations.

17. The attitude to the German population of all Allied forces shall be just, but firm and distant. Fraternisation between Allied forces and the German population shall be strongly discouraged; in particular, contact between Allied forces and German forces not yet demobilized shall be reduced to a minimum. In general, contact with German officials should be as little as is necessary in order to ensure the adequate supervision of administration.

18. This directive does not apply to Austria.

EAC Files: File "140 III Proclamations and General Order"

Memorandum by the Political Adviser to the United States Delegation to the European Advisory Commission (Mosely)

LONDON, June 19, 1945.

THE "GENERAL ORDER" OR AGREEMENT ON ADDITIONAL REQUIREMENTS

[Here follows the contents of section 1 of the memorandum by the Secretary, United States Delegation, European Advisory Commission (Lightner), February 9, printed on page 447.]

In accordance with Department's telegram No. 10371,[58] the U.S. Joint Advisers conducted detailed consultations, in December 1944 and January 1945, with responsible representatives of the U.S. side of SHAEF (G–3 and G–5[59]). An exhaustive report by the U.S. side of SHAEF dated January 28, 1945, was transmitted to the Military Adviser by General Bedell Smith in a letter of February 7.[60] The report (GCT/387.4–2/PHP) emphasized repeatedly the desirability of negotiating tripartite policy in the E.A.C. through adapting the U.S. draft General Order to serve as a basis of agreement between the occupying Powers. The report concluded that "The General Order . . .[60a] should be recast in form of a policy agreement among the U.S., U.K. and U.S.S.R. for ultimate implementation through the

[58] Dated December 12, 1944, *Foreign Relations*, 1944, vol. I, p. 418.
[59] Operations Division and Civil Affairs Division, respectively.
[60] Neither printed.
[60a] Omission indicated in original memorandum.

Control Council". Appendix 5 of the report transmitted detailed suggestions, article by article, regarding the adaptation of the General Order for this purpose.

3. *Preliminary Stages of Negotiation of the "General Order".*

From the time that the Ambassador received Department's telegram No. 10371 of December 12, 1944, the U.S. Delegation has never pressed for the negotiation of the General Order. Instead, it has urged negotiation of the separate Directives and, after April 6, 1945, negotiation of the U.S. draft General Directive.

On the other hand, the U.S. Delegation was not instructed to repudiate the commitment, made in March 1944, to negotiate a "General Order". By Department's telegram No. 2076 of March 17, 1945, drafted as the result of two long conferences held in Washington between the State, War and Navy Departments, the Ambassador was informed that it was understood that he would continue the negotiation of the General Order, in the form of an Agreement on additional requirements of a non-military nature, to be enforced on Germany by the occupying Powers, and that in this negotiation he would make appropriate use of JCS 1103 of October 13 [61] and of the informal (US) SHAEF report transmitted by General Bedell Smith.

At numerous meeting of the E.A.C. the U.K. Representative pressed over many months for early negotiation of the General Order. For example, at a meeting of January 29, 1945, Strang recalled previous understandings to proceed with the work of drawing up agreed Proclamations and General Orders. He stated that his Government was pressing for action on this matter, on the basis of the agreement whereby the British Government had accepted the short-term Surrender Instrument.

At the same meeting the French Representative also pressed for action on the General Order. He pointed out that the French Government had agreed to refrain from asking for certain amendments to the Surrender Instrument on the understanding that the French *desiderata* would be covered in the General Order. The French position was made clear in two memoranda: E.A.C. (44)47 of December 29, 1944,[62] and E.A.C.(45)9 of February 7, 1945.[63]

At the January 29 meeting the Soviet Representative also indicated his full understanding of the obligation which he had entered into on behalf of his Government in March 1944. He also indicated that his Delegation was preparing, for consideration in the E.A.C., comments

[61] Document designation for J.C.S. consideration of the United States draft of proclamations and general orders for Germany prepared by the United States Delegation on the European Advisory Commission. For the views of the Joint Chiefs of Staff on these matters, see instruction 4665, October 24, 1944, to London, *Foreign Relations*, 1944, vol. I, p. 365.

[62] *Ibid.*, p. 427.

[63] Not printed; see footnote 73, p. 450.

and amendments to the U.S. draft General Order of November 14, 1944,[65] which had meanwhile been accepted by the three other Delegations as a basis for discussion in the E.A.C.

Upon the completion of the Declaration on the Defeat of Germany, which was subsequently issued in Berlin on June 5, 1945,[66] the Soviet Representative indicated that he was now ready to negotiate the General Order. During the last ten days of May and the first half of June 1945, the E.A.C. devoted a series of meetings to a detailed consideration and redrafting of the General Order.

4. *Character of the Document Submitted.*

The document which the E.A.C. is now preparing to submit to the four Governments represents an agreement to impose certain additional primarily non-military requirements upon the German people. It is thus, first of all, an agreement among the four occupying Powers concerning certain requirements which are not covered in the Declaration of June 5. It is, secondarily, a document to be issued, in whole or in part, to the German people. In no sense does it represent a "taking of power" since supreme authority in Germany has already been taken by the four Powers through the Declaration of June 5. Basically, the Additional Requirements document is an extension, or second instalment, of the Declaration of June 5, to cover the non-military fields of Allied activity.

During the negotiation of the "Additional Requirements" the U.S. Delegation has succeeded in many ways in strengthening its usefulness as an initial and basic agreement between the occupying Powers, as well as in securing the insertion of a number of important policy matters based on the U.S. Memorandum of March 23 and the revised JCS 1067.

Separate comments on the various articles follow,[65] to the extent that they reflect policy discussions and revisions.

P[HILIP] E. M[OSELY]

740.00119 E.A.C./6–2045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 20, 1945—1 p. m.
[Received June 20—10:15 a. m.]

6221. Comea 291. Urtel 4909, June 19.[67] No change status additional requirements since June 12. Gousev awaiting replies to three

[65] Not printed.
[66] For text, see Department of State, Treaties and Other International Acts Series No. 1520, or 60 Stat. 1649.
[67] Not printed; it requested a report on the status in EAC of agreement on additional requirements and general directive (740.00119 EAC/6–1145).

minor questions referred to Moscow. US draft covering report circulated informally June 13 [68] under study by other delegations. If Austrian negotiation goes smoothly additional requirements can I believe be forwarded in one week. Certain parts US general directive have been incorporated in additional requirements.

Gousev pressing for completion agreements on Austria and may intend withhold completion other documents until Austrian papers are settled. Gousev recognizes other pending matters including general directive and status foreign correspondents require urgent attention. In June 18 meeting US Delegation pressed for immediate consideration general directive and offered take as basis discussion UK redraft June 11 (my despatch 23614, June 12). French and UK Delegations again pressed for early determination principles of restitution.[69]

WINANT

740.00119 Control (Germany)/6–2245: Telegram

The Secretary of State to the Acting Secretary of State [70]

SAN FRANCISCO, June 22, 1945.
[Received June 22—10:43 p. m.]

17. I refer to the second paragraph of the President's memorandum of June 15 [71] requesting the Department's view concerning the wisdom of attempting to secure agreement at the forthcoming conference on a twenty-five year treaty between the three or four principal powers to demilitarize Germany and to keep her demilitarized by force if necessary.[72]

Due to the extreme pressure of work here in the final days of the conference it has not been possible for us to go into this question as fully as it deserves. I am therefore sending you a [*by*] separate telegram [73] two memoranda prepared by officers of the Department here:

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[68] For text of the final version of this report as it was approved by the European Advisory Commission on July 25, 1945, see *Conference of Berlin (Potsdam)*, vol. II, p. 1008.

[69] For documentation on Allied discussions concerning German reparations and restitution, see pp. 1169 ff.

[70] The Secretary of State was in San Francisco as Chairman of the United States Delegation to the United Nations Conference on International Organization, April 25–June 26, 1945. For documentation regarding this Conference, see vol. I, pp. 1 ff.

[71] Memorandum of June 15 from President Truman not found in Department files; this same request was made in the President's memorandum of June 9 to the Acting Secretary of State, *Conference of Berlin (Potsdam)*, vol. I, p. 162.

[72] For text of the draft treaty on the demilitarization of Germany, prepared by the Foreign Economic Administrator, and dated February 17, see p. 424. For additional documentation regarding consideration of a long-term treaty for the demilitarization of Germany, see *Conference of Berlin (Potsdam)*, vol. I, pp. 204 and 450.

[73] See telegrams 18 and 19, June 22, *infra*.

one by Llewellyn Thompson [74] and one by John Hickerson.[75] Mr. Dunn is in accord with the views expressed by Mr. Hickerson. These memoranda have been prepared while the officers were under great pressure of work in connection with conference matters. It seems desirable that I send you the three memoranda separately for study and appraisal in the Department along with other information on the same subject. It has not seemed advisable to discuss this matter with Senator Vandenberg [76] and Senator Connally [77] pending at least a preliminary determination of the Department's position on the proposal.

740.00119 Control (Germany)/6–2245 : Telegram

The Secretary of State to the Acting Secretary of State

SAN FRANCISCO, June 22, 1945.
[Received June 22—11 : 26 p. m.]

18. My immediately preceding telegram in regard to the proposal to demilitarize Germany. Thompson's memorandum reads as follows:

"The conclusion of such a treaty would have two great advantages. In the first place it would greatly reduce Soviet fears that Germany will one day be allowed to regain her strength and be used by the western powers in an anti-Soviet combination. With Germany demilitarized, no combination of European powers could effectively threaten the Soviet Union and the latter could afford to adopt a more liberal policy, particularly in eastern Europe. This would make it possible to break the vicious circle in which Soviet moves to insure her security tends to bring about the very combination of powers against her which she seeks to avoid.

In the second place, such a treaty would strengthen the influence of the United States in European affairs, generally, as it would go far to remove the fear of European states that we may within a few years turn our back on Europe and return to the policy of isolation.

The chief arguments against such a treaty are the following:

1. The conclusion of the treaty might be interpreted as showing lack of faith in the efficacy of the United Nations organization. It would undoubtedly detract from the charter of the United Nations if such a treaty were submitted to the Senate at about the same time as the charter.

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[74] Acting Chief of the Division of Eastern European Affairs and a political officer of the United States Delegation to the San Francisco Conference.

[75] Deputy Director of the Office of European Affairs and an Adviser to the United States Delegation at the San Francisco Conference.

[76] Arthur H. Vandenberg, Senator from Michigan and member of the United States Delegation to the San Francisco Conference.

[77] Tom Connally, Senator from Texas and member of the United States Delegation to the San Francisco Conference.

2. There is great risk in proposing a treaty of this kind unless it is virtually certain that the Senate would accept it. A Senate debate on the subject, which might rally isolationist and anti-Soviet forces would probably be bitter and would not strengthen our international position at this critical time.

3. The chief argument against our proposing at the Big Three meeting the immediate conclusion of such a treaty relates to the question of timing. Germany is already effectively being demilitarized and will remain so as long as it is occupied by Allied troops. For the treaty to be fully effective, it should contain provisions, or be related to other arrangements, which cannot be determined at this time, it would be difficult, for example, to agree upon specific provisions covering inspection and enforcement measures until it is definitely known whether or not Germany is to be dismembered. It would appear more appropriate to conclude a treaty on this subject at such time as our troops are withdrawn from Germany and/or the Allied control machinery ceases to function. At that time we could take advantage of the experience gained in the operation of the control machinery; the United Nations organization would presumably have come into operation and we could better judge to what extent the treaty should be related to it. The development of the post-war political situation in Europe should by then have become sufficiently clear as to enable us to conclude a more effective treaty than would be the case at this time. Moreover, at that time we could propose the simultaneous conclusion of a similar treaty with respect to Japan. There could be little doubt but that this would facilitate approval of the arrangement concerning Germany.

In view of the foregoing it would seem advisable for us to agree in principle to such a treaty but to defer the date of its conclusion. Should this matter be raised at the Big Three meeting, or should we decide to take the initiative in doing so, we could indicate our willingness and intention to conclude such treaties at the appropriate time. We could point out:

1. That we are already proceeding to the *de facto* demilitarization of Germany.

2. That juridically the question is now covered by the terms of the Moscow declaration [78] which states, *inter alia*, that the signatories 'will act together in all matters relating to the surrender and disarmament of that enemy' and that 'they will take all measures deemed by them to be necessary to provide against any violation of the terms imposed upon the enemy'.

3. That following the defeat of Japan and before such time as our troops of occupation are withdrawn from Germany and/or the Allied control of Germany is terminated, we intend to propose the conclusion of long term treaties providing for the demilitarization of both Germany and Japan."

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[78] For text of the Declaration of Four Nations (United States, United Kingdom, the Soviet Union, and China), on General Security, signed at Moscow, October 30, 1943, released to the press on November 1, 1943, see *Foreign Relations*, 1943, vol. I, p. 755.

740.00119 Control (Germany)/6–2245 : Telegram

The Secretary of State to the Acting Secretary of State

SAN FRANCISCO, June 22, 1945.
[Received June 22—11 : 08 p. m.]

19. My immediately preceding telegram in regard to the proposal to demilitarize Germany. Hickerson's memorandum reads as follows:

"Taking everything into account I believe this idea has considerable merit. I do not like the specific draft of a treaty prepared by Oscar Cox.[79] I do not believe we have reached the point yet of considering a draft but I think the idea is worthy of exploration.

Specifically I believe that it would be desirable for the President to sound out Stalin and Churchill on this idea at the forthcoming meeting. I think that it would be undesirable for the President to go further at this time than to express an interest in this proposal and to say that he is willing to consider it and discuss it further through diplomatic channels if Stalin and Churchill think that it is a good idea. I do not feel that any commitment in respect of such a treaty should be made at the forthcoming meeting other than to discuss the matter further through diplomatic channels. The purposes of raising the idea at this time would be to find out how much importance the Russians would attach to such a proposal and whether it would in fact be useful in removing their fears that the western countries might at some time wish to strengthen Germany as a bulwark against the Soviet Union.

After all we fully expect to participate in the demilitarization of Germany anyway and to keep Germany demilitarized for an indefinite period in the future. If there is advantage to the United States in agreeing to do this in a formal treaty it seems to me that it would amount to our obtaining this advantage in return for something we expect to do anyway.

I do not like the idea of a 25 year term. That is exactly the length of time between the outbreak of World Wars I and II and psychologically it seems to me it would be undersirable to use such a figure. Why not 50 years? I do not believe that such a treaty would be interpreted as showing a lack of faith in the United Nations organization. After all the charter makes specific provision for the control of enemy states outside the organization (chapter 12, paragraph 2 of the Dumbarton Oaks proposals).[80] It is perfectly clear that this job will be done by the responsible powers outside the organization for an indefinite period of time.

As to timing such a treaty would not in the ordinary course of events be concluded and ready for signature until after approval in the United States of the charter. I see some merit in the idea of proposing a similar treaty in regard to Japan although the circumstances are quite different in regard to Japan from those relating to Germany.

[79] For text of Cox's February 17 draft of a treaty on the demilitarization of Germany, see p. 424.

[80] See proposals for the establishment of a general international organization, October 7, 1944, *Foreign Relations*, 1944, vol. I, p. 890.

This point might be met by our making it clear that if we sign a treaty to demilitarize Germany we will expect a similar treaty to be concluded in regard to Japan at the appropriate time.

I think that if such a treaty is concluded it should be between the four countries represented on the control commission. However, I see some advantage to adding China as a signatory since China adhered to the Moscow declaration."

740.00119 EAC/7–345

Memorandum by the State-War-Navy Coordinating Committee to the Secretary of State [81]

WASHINGTON, 3 July 1945.

The State-War-Navy Coordinating Committee (SWNCC) has considered certain draft directives with respect to Germany which were prepared by the U.S. Advisers, European Advisory Commission (EAC) and which were transmitted by Ambassador Winant. Certain of these have been disposed of by separate JCS papers,[82] but certain others of them have not been so disposed of, namely: (*a*) Political Prisoners, JCS Memo 326; (*b*) War Criminals, JCS Memo 332; (*c*) Dissolution of the Nazi Party and Purge of Nazi Personnel, JCS Memo 334; (*d*) Property Control, JCS Memo 322; (*e*) Food and Agriculture, JCS Memo 329; (*f*) Labor, JCS Memo 333; (*g*) Coal, JCS Memo 339; (*h*) Oil, JCS Memo 347; (*i*) Internal Trade, JCS Memo 348; (*j*) Foreign Trade, JCS Memo 349; (*k*) Control of Educational Institutions in Germany, JCS Memo 309; and (*l*) Removal of German Officials and Civilians in Territories Formerly under German Control, JCS Memo 341.[83]

The recent revision of JCS 1067 (IPCOG 1/4) (JCS 1067/6 as amended by JCS 1067/8)[84] contains adequate treatment of the policy questions raised in the unprocessed draft directives.

There is set forth in the Enclosure hereto a list of such draft directives and the appropriate paragraphs of JCS 1067/6, as amended by JCS 1067/8 dealing with their subject matter.

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[81] This memorandum was included as Appendix "A" to a report by the State-War-Navy Coordinating Subcommittee for Europe which was designated SWNCC 14/1, dated June 21, 1945. In an action designated SWNCC 14/2, the State-War-Navy Coordinating Committee approved SWNCC 14/1. This memorandum was transmitted to London in instruction 5847, August 6, 1945, not printed.

[82] See the report of the State-War-Navy Coordinating Subcommittee for Europe, p. 426, and the memorandum by the Chairman of the State-War-Navy Coordinating Committee (Dunn) to the Secretary of State, March 24, p. 474.

[83] None printed.

[84] JCS 1067/6 was the same as IPCOG 1, April 26, 1945, "Directive to Commander in Chief of United States Forces of Occupation Regarding the Military Government of Germany", p. 484. JCS 1067/8 amended JCS 1067/6 as indicated in the memorandum by the Joint Chiefs of Staff to the Secretary of War and the Secretary of the Navy, May 10, p. 509.

With the exception of the draft directive on War Criminals (JCS Memo 332) now in the course of preparation and except as noted below, it is not believed necessary to provide the United States Representative on EAC with further expression of U.S. policy on these matters. It is suggested that Ambassador Winant be advised that the recent revision of JCS 1067 adequately treats the policy questions raised in the draft directives and that it is not believed necessary to transmit further expressions of U.S. policy on these matters at this time.

As to the Removal of German Officials and Civilians in Territories Formerly under German Control (JCS Memo 341), arrangements should be made between the Control Council and the governments of the liberated countries in which such persons are found, and in the case of Austria with the Allied Administration there, concerning the repatriation to Germany of such persons. In the absence of such arrangements, a zone commander may arrange with appropriate authorities in any liberated country for the repatriation of such persons into his zone.

For the State-War-Navy Coordinating Committee:
H. FREEMAN MATTHEWS
Acting Chairman

[Enclosure]

There is set forth below a list of the draft directives prepared by the U.S. Advisers, EAC, and not acted upon separately by SWNCC or JCS. In the right hand column are set forth the paragraphs of JCS 1067/6, as revised by JCS 1067/8, which deal particularly with the subject matter of the draft directives:

a. Disposition of Political Prisoners, JCS Memo 326	13
b. War Criminals, JCS Memo 332, briefly touched upon (a separate directive is in the course of preparation) [85]	8
c. Dissolution of the Nazi Party and Purge of Nazi Personnel, JCS Memo 334	6
d. Property Control, JCS Memo 322	6, 15, 29 and 48
e. Control of Food and Agriculture, JCS Memo 329	27 and 28
f. Control of Labor, JCS Memo 333	23 to 26 inclusive
g. Control of Coal Industry, JCS Memo 339	34*c*
h. Control of Oil Industry, JCS Memo 347	30, 32 and 34
i. Control of Internal Trade, JCS Memo 348	16, 18, 21 and 22

[85] U.S. Draft Directive on the identification and apprehension of persons suspected of war crimes or other offenses and trial of certain offenders, designated E.A.C. (45) 63, not printed, was circulated in the European Advisory Commission by the United States Representative (Winant) on August 15, 1945 (740.00119-EAC/6-1545). For text, see *Conference of Berlin (Potsdam)*, vol. I, p. 580.

j. Control of Foreign Trade, JCS Memo 349 40, 41, 42, 49 and 50

k. Control of Educational Institutions in Germany, JCS Memo 309 14

740.00119 EAC/7–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

[Extract]

LONDON, July 4, 1945—7 p. m.
[Received 8 : 30 p. m.]

6737. Comea 314. Final text agreement on additional requirements agreed today EAC preparatory to signature.

. . . . . .

WINANT

[At the Tripartite Conference of Berlin, July 17 to August 2, 1945, agreement was reached on the political and economic principles of a coordinated Allied policy toward defeated Germany during the period of Allied control. For text of the agreement, see part III of the Report on the Tripartite Conference of Berlin, released to the press on August 2, 1945, *Conference of Berlin (Potsdam)*, volume II, pages 1501–1505, or Department of State *Bulletin*, August 5, 1945, page 154. See also part II of the Protocol of the Proceedings of the Berlin Conference, August 1, 1945, *Conference of Berlin (Potsdam)*, volume II, pages 1481–1485. For additional documentation regarding the principles to govern the treatment of Germany in the initial control period, see *ibid.*, volume I, pages 435–506 and *ibid.*, volume II, pages 750–830 and 1560–1564, and the Minutes and Other Records of Conference Proceedings, *ibid.*, pages 31–606 *passim.*

An agreement between the Governments of the United States, the Soviet Union, the United Kingdom, and the Provisional Government of the French Republic on certain additional requirements to be imposed on Germany was signed *ad referendum* on July 25, 1945, at a meeting of the European Advisory Commission at London. For text of the agreement, together with the accompanying "Report by the European Advisory Commission to the Governments of the United States, the Soviet Union, the United Kingdom, and the Provisional Government of the French Republic" of the same date, see *ibid.*, volume II, page 1008 ff. For documentation regarding the negotiation of the agreement on "Additional Requirements", see *ibid.*, volume I, pages 604–606, *ibid.*, volume II, pages 138, 407, 1006–1023.]

740.00119 EAC/9–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, September 4, 1945.
[Received September 4—4 p. m.]

9015. Comea 355. EAC (European Advisory Commission) has tentatively approved Secretary General's report on work of EAC [86] and will hold final formal meeting to record approval of that paper (which will be attached to the minutes) and to record dissolution of EAC.[87] Commission does not wish to hold final meeting until all four Govts approve additional requirements agreement, which was transmitted to four Govts on July 25. As reported mytel 7820 August 3 Comea 349 [88] UK Govt approved that agreement August 2. Soviet representative in letter of Sept 4 has notified me his Govt's approval. Massigli in last EAC meeting stated he was informed orally his Govt also approved. He now tells me he expects written confirmation such approval later this week.[89] I should very much like to be able inform colleagues of US approval before end this week in order EAC wind up its affairs.

WINANT

740.00119 EAC/9–445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 6, 1945—8 p. m.

7667. Reurtel 9015, Sept. 4. State-War-Navy Coordinating Committee has approved "Additional requirements" except for Art. 38.[90] Committee believes this article is not a requirement to be imposed upon Germans and consequently not appropriate for inclusion in agreement directed to Germans.

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[86] For the report on the work of the European Advisory Commission, dated September 10, see p. 544.

[87] This final formal meeting of the Commission was never held. For documentation regarding the dissolution and final report of the Commission, see pp. 539 ff.

[88] Not printed.

[89] In telegram 9397, September 3, 8 p. m., from London, not printed, Ambassador Winant reported that the French Representative to the Commission in a letter of September 10 had informed him of the French Government's approval of the Agreement on Certain Additional Requirements (740.00119 EAC/9–1345).

[90] On July 7, 1945, the agreement on additional requirements to be imposed on Germany and the accompanying report by the European Advisory Commission were circulated in the Informal Policy Committee on Germany for consideration by the Committee and for reference to the Joint Chiefs of Staff for comment from a military point of view. After the dissolution of the In-

This Govt believes Control Council is now proper place for negotiating subject matter of Art. 38 which relates exclusively to arrangements between Occupying Powers. Our policy is contained in draft directive on renegades and quislings which was sent to you for use in EAC negotiations (Dept instruction 5546, May 31 [91]). This draft directive will be submitted to Control Council for negotiation.

For your information and guidance we feel that Art. 38 might compel us to deliver substantial numbers of persons over to political persecution. Draft directive provides for use of discretion on part of commanding general to refuse delivery of individuals not legitimately indictable as renegades and traitors, a position we wish to maintain out of considerations of decency and humanity.

Repeated to Murphy with instruction to use own discretion as to publication *in toto* or in part provided deletion is acceptable to other Govts.[92]

ACHESON

740.00119 EAC/9–845

The Ambassador in the United Kingdom (Winant) to the Secretary of State

No. 25310 LONDON, September 8, 1945.
[Received September 18.]

SIR: I have the honor to transmit copies of the U.S. draft Directive on United Nations' Renegades and Quislings [93] which has been circulated in the European Advisory Commission, for information only, as E.A.C. (45) 64, September 6, 1945.

This revised draft of a Directive on the same subject circulated by the British Delegation [94] was sent to London with the Department's

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formal Policy Committee on Germany, consideration of the agreement on additional requirements was transferred to the State-War-Navy Coordinating Committee. On September 1, the Joint Chiefs of Staff informed SWNCC that there was no objection from the military point of view to the agreement.

Article 38 of the agreement read as follows: "Any person referred to in subparagraph 36 (*b*) above who may be apprehended or surrendered to the Allied Representatives will be handed over immediately, on demand, to the Government of the United Nation concerned." The persons referred to in paragraph 36 (*b*) included "any national of any of the United Nations who is alleged to have committed an offence against his national law and who may at any time be named or designated by rank, office or employment by the Allied Representatives".

[91] *Ante*, p. 514.

[92] In his telegram 440, September 4, 5 p. m., from Berlin, the United States Political Adviser for Germany reported that the British were strongly in favor of publishing *in toto* the agreement on additional requirements (740.00119 Control (Germany)/9–445).

[93] *Ante*, p. 515.

[94] For text of the British draft directive on renegades and quislings, circulated in the European Advisory Commission on February 22, 1945, see *Conference of Berlin (Potsdam)*, vol. II, p. 422, footnote 5.

instruction No. 5546 of May 31, 1945, for the guidance of the U.S. Representative on the European Advisory Commission. It was decided not to circulate this Directive until the Agreement on Certain Additional Requirements to be Imposed on Germany had been signed in the Commission and approved by the Soviet Government. Article 38 of the Agreement, which had been introduced by the Soviet Delegation, had been approved by the Commission before the U.S. Delegation received the draft Directive, and to have reopened the discussions on the basis of paragraph 5 of the Directive would undoubtedly have further delayed the signing of the Agreement. The U.S. Delegation was most anxious to have the Agreement signed and felt that the implementation of Article 38 of the Agreement could be worked out in Berlin, where the U.S. Representative on the Control Council would of course be guided by the policy set forth in the Directive.

Respectfully yours,

For the Ambassador:
E. Allan Lightner, Jr.
Secretary, U.S. Delegation
European Advisory Commission

740.00119 Control (Germany)/9–1145: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

London, September 11, 1945—8 p. m.
[Received September 11—6:33 p. m.]

9304. After receiving urtel 7667, September 6, I sent following letter September 8 to EAC representatives:

"I am instructed to inform you that the US Government has approved the agreement of July 25 on certain additional requirements to be imposed on Germany except for article 38 which my Government believes is not appropriate for inclusion in a document directed to the Germans. In view of the fact that this subject relates exclusively to arrangements between the occupying powers and the fact that the EAC is no longer active my Government considers that the Control Council in Berlin is now the proper place for negotiating the subject treated in article 38."

Winant

740.00119 Control (Germany)/9–2645

Minutes of the Sixth Meeting of the Allied Control Council for Germany, Held at Berlin, September 20, 1945, at 2 p. m.[95]

[Extract]

CONL/M(45)6. [BERLIN,] 20 September 1945.

. . . . . .

64. CERTAIN ADDITIONAL REQUIREMENTS TO BE IMPOSED ON GERMANY

The Council had before them CONL/P(45)34.[96] General Sokolovsky [97] referred to Article 38, which had been omitted at the instance of the U.S. Delegation. He was willing to sign the proclamation now but expressed the hope that the U.S. Delegation might see their way later to publish Article 38.

(64) The Members of the Council:

a. approved and signed the proclamation; [98]

b. took note of General Sokolovsky's suggestion concerning Article 38;

c. took note that as a German text was not yet completed a published promulgation of the proclamation throughout Germany would have to be postponed for a few days.

. . . . . .

[Twenty-three United States draft directives were circulated in the European Advisory Commission. Draft directives 1–21 were presented for consideration by the Commission, while draft directives 22 and 23 were circulated in the Commission for information only. None of these draft directives was acted upon by the Commission. Unless otherwise indicated, they are not printed.

[95] Transmitted to the Department in despatch 1012, September 26, 1945, from Berlin, not printed. For a complete report on the meeting, see telegram 569, September 20, 10 p. m., from Berlin, p. 836. For documentation regarding American participation in the Allied Control Authority for Germany, see pp. 820 ff.

[96] Note by the Allied Secretariat of the Allied Control Authority for Germany dated September 18, 1945, not printed, reviewing the consideration by the Allied Control Authority of the agreement on certain additional requirements to be imposed on Germany. At its Third Meeting on August 21, 1945, the Coordinating Committee referred the agreement to the Political Directorate for report. At the fourth meeting of the Political Directorate, it was unanimously decided to recommend that the agreement be published *in toto* subject to the following amendments: the words "in so far as these have not already been fulfilled", in parentheses, were to be inserted into the preamble, and section (article) 38 would be omitted. At its eighth meeting on September 17, the Coordinating Committee approved the report of the Political Directorate and referred the matter to the Control Council.

[97] Gen. Vasiliy Danilovich Sokolovsky, First Deputy of the Supreme Chief of the Soviet Military Administration in Germany, Marshal Georgy Konstantinovich Zhukov.

[98] For the text of Allied Control Council for Germany Proclamation No. 2, dated September 20, 1945, see Department of State *Bulletin*, October 7, 1945, p. 515, or *Official Gazette of the Control Council for Germany*, No. 1, October 29, 1945, p. 8.

1. Censorship of Civilian Communications	E.A.C.(44)30 November 23, 1944.
2. Control of Works of Art and Monuments	E.A.C.(44)31 November 23, 1944.[99]
3. Control of Public Information in Germany	E.A.C.(44)32 November 23, 1944.
4. Securing and Examining Information and Archives	E.A.C.(44)33 November 23, 1944.
5. Disposition of German and German-Controlled Naval Craft, Equipment and Facilities	E.A.C.(44)34 November 23, 1944.
6. Control of Merchant Shipping Subsequent to Surrender	E.A.C.(44)35 November 23, 1944.
7. Control of Inland Transport	E.A.C.(44)36 November 23, 1944.
8. Disposition of German or German-Controlled Aircraft, Aeronautical Equipment and Facilities	E.A.C.(44)37 November 23, 1944.
9. Disposition and Control of the German Police	E.A.C.(44)38 November 25, 1944.
10. Control and Disposal of Nationals, Armed Forces and Property of Enemy Countries Other than Germany	E.A.C.(44)39 November 25, 1944.
11. Administration of Justice	E.A.C.(44)40 November 25, 1944.
12. Religious Affairs	E.A.C.(44)41 November 25, 1944.
13. Elimination and Prohibition of Military Training in Germany	E.A.C.(44)43 December 8, 1944.
14. Control of Post, Telegraph and Telephone Services in Germany	E.A.C.(44)46 December 14, 1944.
15. Disposal of German Armed Forces	E.A.C.(45)1 January 1, 1945.
16. Disarmament of the German Armed Forces and Disposal of Enemy Equipment	E.A.C.(45)12 February 16, 1945.
17. United Nations Prisoners of War	E.A.C.(45)31 April 14, 1945.[1]
18. Treatment of Displaced Persons and Refugees	E.A.C.(45)39 April 17, 1945.[2]
19. Control of German Foreign Relations and the Disposition of Enemy Diplomatic and Consular Property and Records	E.A.C.(45)40 April 17, 1945.[3]

[99] *Foreign Relations*, 1944, vol. II, p. 1060. For documentation regarding the interest of the United States in the measures for the protection and salvage of artistic and historic monuments in war areas, see *ibid.*, pp. 1031 ff.

[1] For text, see subenclosure to instruction 5087, February 9, to London, p. 410.

[2] The text of this draft directive is contained as section III, paragraphs 17–22 of Annex "A" to Appendix "A", annexed to the memorandum by the State-War-Navy Coordinating Committee to the Secretary of State, March 24, p. 477.

[3] For text of this draft directive, see section II, paragraphs 6–16 of Annex "A" to Appendix "A", p 475.

20. International Agreements	E.A.C.(45)41 April 17, 1945.[4]
21. Control of Aviation in Germany	E.A.C.(45)50 May 4, 1945.
22. Identification and Apprehension of Persons Suspected of War Crimes and Other Offenses and Trial of Certain Offenders [4a]	E.A.C.(45)63 August 15, 1945.
23. United Nations' Renegades and Quislings	E.A.C.(45)64 September 6, 1945.[5]]

IV. THE DISSOLUTION AND FINAL REPORT OF THE EUROPEAN ADVISORY COMMISSION

[At the Tripartite Conference of Berlin, July 17–August 2, 1945, agreement was reached regarding the establishment of a Council of Foreign Ministers and the dissolution of the European Advisory Commission. For text of the agreement, see part II of the Report on the Tripartite Conference of Berlin, released to the press on August 2, 1945, *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, volume II, pages 1500–1501. See also the Protocol of the Proceedings of the Berlin Conference, August 1, 1945, *ibid.*, pages 1478–1481, and the Minutes and Other Records of Conference Proceedings, *ibid.*, pages 56–58, 61–63, 66–70, 78, and 500.]

EAC Files: Lot 52 M 64, File "Minutes—EAC Meetings—1 June 45 To".

Minutes of an Informal Meeting of the European Advisory Commission, Held at Lancaster House, London, Monday, 6 August 1945, at 4:15 p. m.

[Extracts]

Present: Ambassador Winant and Mr. E. A. Lightner;[6] Lord Hood;[7] Mr. G. F. Saksin[8] and Mr. N. V. Ivanov; Ambassador Massigli and M. Franfort;[9] Russian-

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[4] For text of this draft directive, see section I, paragraphs 1–5 of Annex "A" to Appendix "A", p. 474.

[4a] For documentation on this subject, see pp. 1151 ff.

[5] *Conference of Berlin (Potsdam)*, vol. II, p. 422, footnote 6.

[6] E. Allan Lightner, Jr., Assistant Political Adviser to the United States Representative on the European Advisory Commission.

[7] Viscount Hood of the British Foreign Office, Acting United Kingdom Representative on the European Advisory Commission.

[8] Georgy Filipovich Saksin, Counselor of the Soviet Embassy in the United Kingdom and Acting Soviet Representative on the European Advisory Commission.

[9] Pierre Franckfort, First Secretary of the French Embassy in the United Kingdom and member of the French Delegation to the European Advisory Commission.

728–099—68——35

French-English interpreters: Mr. W. D. McAfee and Mr. T. A. Marchenko; Deputy Secretary-General, Lt. M. W. Boggs.

. . . . . .

IV. Report on the Work of the E.A.C.

Mr. Saksin proposed that, in view of the action taken at Potsdam, the E.A.C. prepare a summary of its work. The Berlin communiqué [9a] had expressed a high opinion of the work of the E.A.C., and mentioned that it had successfully tackled the work entrusted to it. Mr. Saksin stated that, as a matter of fact, it has performed many complicated tasks since October 1943. It has completed eleven documents; its members have spent 520 hours in 111 meetings. All this work has been justified by the work accomplished. Its great value has been that it has been one of the few existing organs where, in a consistently friendly atmosphere, and [*an*] attempt has been made to reach agreement on important problems. Mr. Saksin suggested that the Secretary-General, assisted by experts from the four Delegations, be asked to draw up a report of the Commission's work and that the report be completed within about two weeks. Mr. Saksin circulated a memorandum (not enclosed) proposing a preliminary outline for drawing up such a report.

The Commission accepted Mr. Saksin's proposal and agreed to study his memorandum.[10]

The meeting adjourned at 2020 hours.

EAC File: Lot 52 M 64, File "306 EAC Report 1945/1946"

Viscount Hood of the British Foreign Office to Mr. Philip Mosely, Special Assistant to the Assistant Secretary of State (Dunn)

LONDON, 27 October, 1945.

DEAR PHIL: I suggest that we should try to complete the Report on the work of the European Advisory Commission.

[9a] For text of the Berlin Communiqué, released to the press on August 2, 1945, see *Conference of Berlin (Potsdam)*, vol. II, p. 1499, or Department of State *Bulletin*, August 5, 1945, p. 153.

[10] Memorandum not printed. On August 17, 1945, at an informal meeting, the European Advisory Commission agreed that the Acting Secretary General of the Commission (Lt. M. L. Boggs) would draft a report based on the USSR proposal and would submit the draft to a committee of experts representing the four Delegations. The Acting Secretary General's first draft, not printed, was accepted by the committee of experts on August 27. The Committee's draft report was referred to the Commission for approval on August 31 (EAC File· Lot 52M64).

You will remember that at the informal meeting of the Commission on the 31st August, general approval was given to the Report and the Acting Secretary General circulated on the 6th September a text [10a] which incorporated the suggestions made and agreed at the meeting. In his covering note [11] Lieutenant Boggs drew attention to certain outstanding points and the United States Representative circulated on the 8th September a memorandum [11] proposing certain further amendments arising from the fact that the United States Government did not approve Article 38 of the Agreement on Certain Additional Requirements to be Imposed on Germany.[12]

It was proposed that the final text should be approved at a formal meeting of the Commission, but as that meeting never took place, I suggest, that we should now agree between ourselves the few outstanding points and arrange with Lancaster House for the circulation of the Report to the four Delegations.

The points mentioned in the Acting Secretary General's note of the 6th September might, I suggest, be dealt with as follows:

(1) the last sentence of the report [13] should be amended to read as follows:—

"This recommendation was communicated to and approved by the Provisional Government of the French Republic."

(2) The date of 12th September 1945 should appear at the foot of the report.

(3) Under Item 9 in Annex II the following dates should be inserted: [14]

French approval: 11th September 1945
United States approval: 8th September 1945
(except for Article 38)

[10a] Not printed; for the final version of the Report on the Work of the European Advisory Commission, see p. 544.

[11] Not printed.

[12] For text of the agreement between the Governments of the United States, the Soviet Union, the United Kingdom and France on certain additional requirements to be imposed on Germany, signed on July 25, 1945, at a meeting of the European Advisory Commission in London, see *Conference of Berlin (Potsdam)*, vol. II, p. 1011.

[13] In the draft report of September 6, 1945, not printed, this sentence read as follows: "In accordance with this recommendation [the recommendation of the Potsdam Conference that the European Advisory Commission be dissolved], which was communicated to and approved by the Provisional Government of the French Republic, the Commission met for the last time on . . . . . September, 1945, and recorded its dissolution."

[14] In the draft report of September 6, item 9 to Annex II, left blank the dates of French and United States approval of the agreement on certain additional requirements to be imposed on Germany.

(4) On page 2 the number of formal meetings should be shown as 20.[15]

I further suggest that we should adopt the amendments proposed by the United States Representative in his memorandum of 8th September.

I enclose a copy of the report showing the amendments suggested above and I should be grateful if you would let me know whether you agree that this should be the final English text. If so, the French and Russian texts might be similarly amended and then the three texts with Annex I and maps can be sent to each delegation.

I am writing in similar terms to Saksin and Gros.[16]

Yours ever, SAMMY

740.00119 EAC/11–545

The First Secretary of the British Embassy (Maclean) to the Assistant Chief of the Division of Central European Affairs (Leverich)

WASHINGTON, November 5, 1945.

DEAR LEVERICH: I write, in confirmation of our telephone conversation, to tell you the answer we have now received from the Foreign Office to the question which you put to me some time ago regarding the demise of the European Advisory Commission.

The Foreign Office tell us that the E.A.C. went into liquidation without formally recording its dissolution. It held an informal meeting on August 31st at which it decided to hold a last formal meeting for the purpose of approving a report of its work and recording its dissolution. This meeting has however not been held, though I understand the Foreign Office will try to get the record tidied up in some way.

The Potsdam Communiqué, of course, only recommended dissolution but this expression was, we understand, deliberately used in order to meet French susceptibilities. The French have since stated that they agree with the recommendation. Thus there is no doubt that all four Governments do definitely regard the Commission as dissolved.

Yours sincerely, D. D. MACLEAN

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[15] The draft report of September 6 fixed the number of formal E.A.C. meetings at 21, presumably in anticipation of a final meeting to mark the dissolution of the Commission and approve the Report.

[16] André Gros of the French Embassy in the United Kingdom who served as a member of the French Delegation to the European Advisory Commission.

EAC File: Lot 52 M 64, File "306 EAC Report 1945/1946"

Memorandum of Conversation, by Mr. Philip E. Mosely, Special Assistant to the Assistant Secretary of State (Dunn)

[LONDON,] November 17, 1945.

1. Mr. Saksin called, at his request, to discuss the status of the final report of the work of the E.A.C. In this connection I had written to him on November 1,[17] as well as to Lord Hood and Professor Gros, approving, on behalf of the Ambassador, the suggestions for revision contained in Lord Hood's letter of October 27.

2. Mr. Saksin urged strongly, on behalf of Mr. Gousev,[18] that the draft report dated September 6 be approved without change. The first reason which he advanced was that the Commission had not met since September 6 and was now assumed to be defunct and that it would be embarrassing and inappropriate for the Commission now to appear to be renewing its activity through presenting a report to the four Governments. To this I replied that the completion of the report did not in itself involve any new activity on the part of the Commission since the report was merely a summary of its previous activity. The report itself could be dated September 11, the day following that on which the approval of the Agreement on Additional Requirements had been completed; thus it would be clear that the activity of the Commission, even in the matter of exchanging approval of that Agreement, had been completed on September 11, the date on which the Council of Foreign Ministers had begun its sessions.[19]

3. It soon became clear that Mr. Saksin's real objection was to the inclusion in the report of the proposed U.S. amendment of September 8 (page 3 of the draft report) referring to the failure of the U.S. Government to approve Article 38 of the Agreement on Additional Requirements. Mr. Saksin implied that his Ambassador had not notified his Government of Mr. Winant's letter of September 8 [20] approving the Agreement with the exception of Article 38, and that it would now be most embarrassing for this reservation to appear in the final report of the Commission.

4. I emphasized to Mr. Saksin that the report would be incomplete and misleading unless certain changes were made in the September 6 draft in order to make it factually correct as of September 11. I pointed out that apart from the reference to the U.S. reservation on Article 38, certain corrections would in any case be necessary. In order to find out exactly what final changes Mr. Saksin had in mind,

[17] Letter not printed.

[18] Fedor Tarasovich Gousev, Soviet Ambassador in the United Kingdom and Soviet Representative on the European Advisory Commission.

[19] For documentation regarding the First Meeting of the Council of Foreign Ministers at London, September 11–October 2, 1945, see vol. II, pp. 99 ff.

[20] Not printed, but for an extract, see *Conference of Berlin (Potsdam)*, vol. II, p. 1011, footnote 4.

I offered to go over the text of the draft report with him and to write down the final changes as he would like them.

5. The changes would be as follows:

a) In the last paragraph on page 2 to read "20 formal" instead of "21 formal" meetings.

b) At the end of the next to the last sentence of paragraph 2 on page 3 insert the following words: "with the exception of the Agreement on Certain Additional Requirements to be imposed on Germany, which, as of this date, is under consideration by the Governments concerned (See Appendix II, paragraph 9)."

c) Page 9, final paragraph, should read as follows: "This recommendation was communicated to and approved by the Provisional Government of the French Republic" (as proposed by Lord Hood in his letter of October 27).

d) On page 9 the date would appear as "6th September, 1945".

e) Appendix II, page 2, paragraph 9, omit any reference to French and U.S. approval of the Agreement on Additional Requirements, leaving only the references to U.K. and Soviet approval.

6. In conclusion I explained to Mr. Saksin that I would present his observations to Mr. Winant and would inform him as soon as possible of Mr. Winant's opinion concerning them. I made it clear that I was not agreeing to the changes suggested in paragraph 5 above or to the principle of dating the report as of September 6.

P[HILIP] E. M[OSELY]

[In identical letters to Viscount Hood of the British Foreign Office, André Gros of the French Embassy in the United Kingdom, and G. F. Saksin, Counselor of the Soviet Embassy in the United Kingdom, dated November 29, 1945, Mr. Philip Mosely suggested slight revisions of the textual changes proposed by Viscount Hood in his letter of October 27, page 540. In a letter dated January 18, 1946, Viscount Hood informed Mr. Mosely that Saksin, Gros, and himself agreed to the proposals set forth in Mr. Mosely's letter of November 29. Viscount Hood stated that he had arranged for the report on the work of the European Advisory Commission to be printed.]

740.00119 EAC/11–2547

Report on the Work of the European Advisory Commission [21]

SECTION I: ORGANISATION AND PROCEDURE OF THE COMMISSION

The European Advisory Commission was established by the Governments of the United Kingdom, the United States of America and the

[21] Transmitted to the Department by the Office of the United States Political Adviser for Germany at Frankfurt in despatch 537, November 25, 1947. This despatch says in part: "The American Embassy in London has informed this

Union of Soviet Socialist Republics pursuant to an agreement concluded on 1st November, 1943, at the Moscow Conference of Foreign Ministers.[22] The Conference decided that the Commission would be composed of representatives of the three Powers, assisted where necessary by civilian and military advisers; that it would have its seat in London, where a joint Secretariat would be established; and that the Presidency would be held in rotation by the representatives of the three Powers.

The principal terms of reference of the Commission were defined as follows:—

(1) "The Commission will study and make recommendations to the three Governments upon European questions connected with the termination of hostilities which the three Governments may consider appropriate to refer to it . . . ."

(2) "As one of the Commission's first task the three Governments desire that it shall, as soon as possible, make detailed recommendations to them upon the terms of surrender to be imposed upon each of the European States with which any of the three Powers are at war, and upon the machinery required to ensure the fulfilment of those terms . . . ." In its study of these matters, the Commission was directed to take into account relevant information furnished by the three Governments, as well as the experience already gained in the imposition and enforcement of unconditional surrender upon Italy.

(3) "Representatives of the Governments of other United Nations will, at the discretion of the Commission, be invited to take part in meetings of the Commission when matters especially affecting their interests are under discussion."

As a result of the scope and complexity of problems connected with the surrender, occupation and control of Germany, and as a result of the way in which military operations in Europe developed, the European Advisory Commission has in practice, with the approbation of the member Governments, concentrated its attention primarily upon German and Austrian questions.

The following were appointed as Representatives of their Governments on the Commission: Mr. J. G. Winant, Ambassador of the United States; Mr. F. T. Gousev, Ambassador of the Union of Soviet Socialist Republics; and Sir William Strang (later Sir R. I. Campbell), of the United Kingdom Foreign Office.

On 11th November, 1944, the Governments of the United Kingdom, the United States of America and the Union of Soviet Socialist Republics invited the Provisional Government of the French Republic

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Office that neither the Department of State in Washington nor the Embassy in London has a copy of the Report. The Office of the Political Adviser, therefore, had photostatic copies made for its files, for the Embassy in London, for the Office of Political Affairs in Berlin and for the archives of the Department." (740.0019 EAC/11–2547)

[22] For documentation on this Conference, see *Foreign Relations*, 1943, vol. I, pp. 513 ff.

to become a member of the Commission.[23] Upon the acceptance of this invitation the French Ambassador in London, M. Massigli, took his seat in the Commission for the first time at the formal meeting held on 27th November, 1944.

Each Representative was assisted by such political, military and other advisers and experts as his Government found it practical to provide for the purpose. These advisers and experts varied from time to time according to the nature of the problems under discussion. As a general rule, each Representative was accompanied at meetings of the Commission by one or two advisers who participated in the discussions as required.

The Commission had at its disposal a combined Secretariat, consisting of a Secretary-General, officials appointed by certain Delegations, and a small staff of interpreters, translators and clerks. The Secretary-General was in charge of the Secretariat and was responsible to the Commission for its work. The Secretariat had its seat in Lancaster House, which was also the meeting-place of the Commission. Expenses incurred as "common service charges," which were not large, were shared equally among the three, later four, Governments, while each Government paid the salaries of its own nationals serving in the Secretariat.

The duties of the Secretariat comprised the following: (1) oral interpretations at meetings (2) translation, reproduction and circulation of documents, (3) arrangement and custody of the official records, (4) preparation of the Minutes of formal meetings and of the Secretary General's notes of informal meetings.

The Chairmanship of the Commission was held in rotation in the following order: Mr. Winant, Mr. Gousev, Sir William Strang (later Sir R. I. Campbell), M. Massigli. Each Chairman presided for a term of one month, from the 14th of January, 1944 (the date of the first formal meeting).

English and Russian were established as official languages of the Commission, with equal validity. When the French Representative took his seat in the Commission he informed his colleagues that, in order to expedite business, but without thereby creating a precedent, he would normally speak in English and would use French when occasion arose for a more precise statement. After the French Representative joined the Commission, Agreements were signed in the English, Russian and French languages, all three texts being authentic.

The Commission decided at its preliminary meeting on 15th December, 1945, [*1943*] that its proceedings, minutes and documents would be secret, and that members of the Delegations and of the Secretariat would have no dealings with the Press. Such public statements as

[23] For documentation regarding the question of French participation in the European Advisory Commission, see *Foreign Relations*, 1944, vol. I, pp. 85 ff.

were to be issued by or on the recommendation of the Commission had first to be approved by the Commission as a whole.

In general the main work of negotiation in the Commission was carried on by the Representatives themselves, without delegation of authority to committees. The Commission, however, did have two formally constituted committees serving under it.

The Establishment Committee, consisting of the Secretary General, as Chairman, and three members, one from each Delegation, was formed on 18th February, 1944, for the purpose of making recommendations with regard to expenses incurred at Lancaster House and the work of the Secretariat.

The Allied Consultation Committee consisting of one civilian and one military member from each Delegation, was formed on 7th December, 1944, for the purpose of facilitating consultation between the Commission and certain European Allied Governments on various matters especially affecting the latter. The work of this Committee is described in greater detail in Section III below.

In addition to these two Committees, *ad hoc* committees of experts were appointed from time to time and charged with various special and technical tasks.

Meetings of the Commission were called by the Chairman at the request of any Delegation. Although three of the four Representatives were Ambassadors in London and in this capacity had heavy responsibilities aside from their duties in connection with the European Advisory Commission, the Representatives at all times held themselves at the disposal of their colleagues.

The Commission held 20 formal and 97 informal meetings. A preliminary and informal session was held on 15th December, 1943, for the purpose of settling questions of procedure. At the first formal meeting, convened on 14th January, 1944, the decisions of the preliminary session were confirmed and formal meetings continued to be held regularly from that date until 23rd March, 1944. Minutes of these formal meetings were prepared by the Secretary General in draft form and circulated to the Delegations for amendment and approval, after which they were distributed in final form. Thereafter the Commission conducted all its discussions without formal minutes in a series of informal sessions; and formal meetings were convened only for the purpose of signing Agreements or establishing a formal record of other proceedings. The minutes of formal meetings at which Agreements were signed were prepared in advance and signed by the Representatives at the meeting itself. While no minutes of informal meetings were circulated, the Secretary General summarized the proceedings of these sessions in a "Secretary General's note of an informal meeting," copies of which were retained in the files of the Secretariat and made available to any Delegation upon request.

The Commission prepared and recommended to the Governments twelve formal Agreements, the texts of which, together with the Minutes of the meetings at which the documents were signed, are attached [Annex 1].[24] These Agreements had their inception in memoranda or draft agreements submitted to the Commission by the various Delegations. Such proposals were the subject of careful study by each Delegation and of thorough and frank discussion in meetings of the Commission. As a result of this detailed examination and exchange of views on each proposal, amendments and revisions were made until a text unanimously approved by the Representatives was formulated. The final agreed text was signed by the Representatives and transmitted, usually under cover of a brief report, to the Governments for their consideration and approval. Each Government communicated its approval of an Agreement to its Representative, who then notified the other Representatives by letter. All Agreements signed in the Commission have been approved without amendment by all the Governments concerned, except that the United States Government considered that Article 38 of the Agreement on Certain Additional Requirements to be imposed on Germany should be referred to the Control Council in Berlin for consideration. The Commission has prepared Summaries of most of the signed Agreements for communication to the Representatives of the chiefly interested European Allied Governments, and also for simultaneous publication in the four capitals.

Continuous contact of the four Representatives has enabled them to consider informally a range of problems considerably wider than that of the Agreements which have actually been signed, and to acquaint their Governments with the views of other Governments on many aspects of the treatment of Germany. For example the Commission has discussed, among other topics, restitution, the status of foreign correspondents in Germany, the protection of United Nations nationals in Germany, and a general Directive on the Treatment of Germany in the Initial Post-Defeat Period. Members of the Commission have studied the drafts presented by their colleagues on such matters as mutual exchange of intelligence information pertaining to Germany, foreign representation in Germany, and directives which were prepared with a view to possible issuance by the Governments to the Commanders-in-Chief in Germany and which dealt with a wide variety of problems related to the political, economic and military control of Germany. The Commission, however, had no time to give detailed consideration to all these matters.

Mutual confidence between members of the Commission, built up over many months of frank discussion, has facilitated the removal of

[24] Brackets throughout this document appear in the original. Annex 1 not printed.

difficulties which might otherwise have hindered the full cooperation of the Allies.

Section II: Agreements Signed by the Commission

A. Surrender, Occupation and Control of Germany

(1) *Unconditional Surrender of Germany*

At the first formal meeting the Commission agreed that its initial task should be that of drawing up the terms of surrender of Germany and devising machinery for their enforcement. Each of the Delegations (United Kingdom, United States and Union of Soviet Socialist Republics) accordingly prepared draft proposals on this subject. The United Kingdom Delegation proposed a "Draft German Armistice" (15th January, 1944)[25] based on the principle of unconditional surrender and designed to confer on the Allied Powers far-reaching political and military authority. In presenting this draft, which comprised 70 articles, the United Kingdom Delegation emphasized the view that whatever form of surrender was ultimately imposed upon Germany in the light of the conditions prevailing at the time, a relatively long armistice document would in the initial stages of discussion be the most convenient way of ensuring thorough consideration of all the issues involved. The United States Delegation circulated two documents. The first of these (25th January 1944),[26] in the form of a memorandum rather than a draft instrument ready for signature, comprised 27 provisions to be imposed on Germany, while the second, a "Draft Instrument and Acknowledgment of Unconditional Surrender" (6th March, 1944),[27] contained thirteen general articles under which the Allies assumed supreme military and political authority over Germany. The United States Delegation proposed that this instrument be accompanied by proclamations and orders setting forth in greater detail the more specific requirements which Germany would be obliged to carry out. The Delegation of the Union of Soviet Socialist Republics circulated (18th February, 1944)[28] "Draft Terms of Surrender" in 20 articles. This document was primarily military in character designed to effect the cessation of hostilities, the disarament of the German forces, the surrender of military material and the occupation of Germany. The final article, however, provided that the Allies would present additional political, economic and military requirements connected with the surrender of

[25] *Foreign Relations*, 1944, vol. I, p. 112.

[26] For text of this document in the form of a memorandum by the Working Security Committee, dated January 6, 1944, see *ibid.*, p. 104.

[27] The original version of this document was transmitted as subenclosure 1 to instruction 3735, February 12, 1944, to London, *ibid.*, p. 167. For the revisions made in this document, see telegram 1395, February 25, 1944, 2 p. m., to London, *ibid.*, p. 182.

[28] *Ibid.*, p. 173.

Germany which would undertake to carry them out unconditionally.

The Commission discussed these proposals at considerable length in a series of formal and informal meetings and as a result unanimously resolved to draft a surrender instrument which would be relatively brief and predominantly military in character, while reserving to the Allied Governments complete freedom to impose subsequently such additional terms as might be deemed necessary. It was understood that many of the detailed political and economic provisions which had appeared in the initial United Kingdom proposal and which were not to be included in an instrument of a relatively brief character, could be incorporated in agreed form in a general order or other document of a similar nature. (*See* below, "Agreement on Additional Requirements.")

With the assistance of a committee of experts, which considered the military terms in all the draft documents on the unconditional surrender of Germany, the Commission analysed, compared and coordinated the relevant provisions of the proposals before it, and as a result formulated, article by article, a single tentative draft of the surrender instrument. This document, after undergoing successive revisions and modifications at the hands of a committee of experts, a drafting committee, and the Commission itself, emerged later as the approved text of the "Unconditional Surrender of Germany," signed by the Representatives of the United Kingdom, the United States of America and the Union of Soviet Socialist Republics on 25th July, 1944.[29] The accompanying Report by the Commission [30] explained that the Surrender Instrument was predominantly military, comprising an unqualified acknowledgment of the complete defeat of Germany, a short series of military articles providing for the cessation of hostilities and for disarmament, and a general article setting forth the supreme authority of the Allies and binding Germany to carry out unconditionally such further requirements as the Allies might impose. The Report also contained an interpretation of Article 2 (*b*) of the Instrument and informed the Governments of the action which the Commission contemplated taking in the matter of consultation with other Allied Governments. [E.A.C.(44) 7th Meeting].

By an Agreement signed on 1st May, 1945,[31] by the Representatives of the United Kingdom, the United States of America, the Union of Soviet Socialist Republics and the Provisional Government of the French Republic, the "Unconditional Surrender of Germany" was amended to allow for full participation of the Provisional Govern-

[29] *Foreign Relations*, 1944, vol. I, p. 256.
[30] *Ibid.*, p. 254.
[31] *Ante*, p. 258.

ment of the French Republic in the imposition of surrender terms upon Germany. [E.A.C. (45) 1st Meeting.]

(2) *Declaration regarding the Defeat of Germany and the Assumption of Supreme Authority with respect to Germany*

While the "Unconditional Surrender of Germany" was prepared on the assumption that it would be signed on the one hand by the Allied Representatives and on the other by representatives of the German Government and German High Command, the Commission recognized in its initial discussions that the complete defeat of the German armed forces might result in there being at the close of hostilities no Central Government in Germany capable of signing a general surrender or giving effect to the requirements of the Allies. As military operations developed, the possibility of such a situation arising became more probable, and the Commission accordingly undertook to recast the "Unconditional Surrender of Germany" in the form of a Declaration to be issued, without German signature, by the Governments of the United Kingdom, the United States of America, the Union of Soviet Socialist Republics and the Provisional Government of the French Republic. On the basis of the "Unconditional Surrender of Germany," a United Kingdom proposal circulated on 30th March, 1945,[32] and amendments to the latter proposed by the other Delegations, the Commission drafted and on 12th May, 1945, signed the "Declaration regarding the Defeat of Germany and the Assumption of Supreme Authority with respect to Germany." [33] [E.A.C. (45) 3rd Meeting.]

Following a number of local military surrenders, brief unconditional surrender terms were signed by the German military authorities provisionally at Rheims on 7th May and finally at Berlin on 8th May, 1945.[34] The Declaration was approved by the four Governments by 21st May, 1945. The Commission agreed on 4th June to recommend to the four Governments that the four Commanders-in-Chief meet in Berlin for the purpose of signing and publishing the Declaration. In accordance with this recommendation, the Declaration was signed and issued at Berlin on 5th June.

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[32] Annex A to memorandum by the United Kingdom Representative on the European Advisory Commission (Strang), E.A.C.(45)28, March 30, p. 208.

[33] For text of this Declaration, which was signed and issued in Berlin on June 5, 1945, by the military representatives of the Governments of the United States, the Soviet Union, the United Kingdom, and France, see Department of State, Treaties and Other International Acts Series (TIAS) No. 1520, or 60 Stat. 1649. For documentation regarding the negotiations in the European Advisory Commission relative to the Declaration regarding the Defeat of Germany and the Assumption of Supreme Authority with respect to Germany, see pp. 160 ff.

[34] See bracketed note, p. 280.

(3) *Zones of Occupation in Germany and the Administration of Greater Berlin*

From March to September, 1944, the Commission considered the problem of zones of military occupation in Germany and the administration of Greater Berlin. The Commission had before it basic proposals on this subject presented by the United Kingdom Delegation on 15th January, 1944,[35] by the Union of Soviet Socialist Republics Delegation on 18th February, 1944,[36] and by the United States Delegation on 12th June, 1944,[37] as well as various revised proposals circulated at informal meetings. The first stage in reaching a complete agreement was the signature by the Representatives of the United Kingdom, the United States of America and the Union of Soviet Socialist Republics on 12th September, 1944, of a Protocol [38] which defined the boundaries of three zones of occupation in Germany within her frontiers as they were on 31st December, 1937, delimited three sectors of occupation in the Berlin area, and provided for the establishment of an Inter-Allied Governing Authority for Berlin. The Protocol also provided that the Eastern zone in Germany and the North Eastern sector of Berlin would be occupied by armed forces of the Union of Soviet Socialist Republics, but did not allocate the other zones or the sectors in Berlin as between the United Kingdom and United States forces. [E.A.C. (44) 9th Meeting.] A further Agreement signed in the Commission on 14th November, 1944,[39] made certain alterations in the boundaries between the North Western and South Western zones, assigned the North Western zone in Germany, as well as the North Western part of Berlin, to the United Kingdom, and assigned the South Western zone, as well as the Southern part of Berlin, to the United States. [E.A.C. (44) 12th Meeting.] The Crimea Conference decided that a French zone in Germany should be formed from the United Kingdom and the United States zones and referred the matter to the European Advisory Commission for implementation.[40] An Agreement signed in the Commission on 26th July, 1945,[41] defined the boundaries of the French zone, fixed the new limits of the United

[35] Memorandum by the United Kingdom Representative on the European Advisory Commission regarding the military occupation of Germany, E.A.C. (44) 2, January 15, 1944, *Foreign Relations*, 1944, vol. I, p. 139.

[36] Memorandum by the Representative of the Soviet Union on the European Advisory Commission entitled "Terms of Surrender for Germany", E.A.C. (44) 9 (Revised), February 18, 1944, *ibid.*, p. 173.

[37] For the instructions to the United States Representative on the European Advisory Commission relative to the United States proposal regarding zones of occupation in Germany, see telegram 3499, May 1, 1944, to London, *ibid.*, p. 211.

[38] For text, see TIAS No. 3071, or *United States Treaties and Other International Agreements* (UST), vol. 5 (pt. 2), p. 2078.

[39] For text, see TIAS No. 3071, or 5 UST (pt. 2) 2087.

[40] See article II, "The Occupation and Control of Germany", of the Communiqué issued at the end of the Crimea Conference, dated February 11, 1945, *Foreign Relations*, The Conferences at Malta and Yalta, 1945, p. 970.

[41] For text, see TIAS No. 3071, or 5 UST (pt. 2) 2093.

Kingdom and United States zones, and provided for French participation in the administration of Greater Berlin. On account of the physical conditions prevailing in the area, the Commission did not attempt in this Agreement to fix the boundaries of a French sector of occupation in Berlin, but recommended that the limits of this sector, which would have to be formed from the United Kingdom and United States sectors on account of the greater destruction in the Soviet area, be determined by the Control Council in Berlin. [E.A.C. (45) 7th Meeting.] On the date this Agreement was signed, an exchange of letters took place between the Governments of the United Kingdom and the United States of America and the Provisional Government of the French Republic regarding a possible future adjustment between the French zone and the United States and United Kingdom zones of occupation.[42] The United States and French Representatives also exchanged letters relating to the use by the French authorities of certain records located at Karlsruhe and to the free passage to be accorded United States forces across and above the French zone.[43]

(4) *Control Machinery in Germany*

Between February and November, 1944, the Commission considered the subject of Allied machinery required for effective control of Germany. At this stage the three Governments were not yet prepared to formulate in detail the content of their policy towards Germany, but the Commission considered it essential to agree in advance on machinery through which the Allies could carry out in Germany whatever policies the Governments might finally lay down. On the basis of a number of proposals circulated by the United Kingdom, United States and Union of Soviet Socialist Republics Delegations, the Commission undertook to work out an agreement on control machinery which could be put into operation whether or not a German central authority existed at the time of surrender. The Agreement on Control Machinery signed on 14th November, 1944,[44] provided for a tripartite Control Council and subsidiary agencies through which the Allies would exercise supreme authority in the period during which Germany would be carrying out the basic requirements of unconditional surrender. The purpose of these agencies comprised the control and disarmament of Germany, including the most urgent tasks of economic disarmament, the abolition of the Nazi regime, and the preparation of conditions for the establishment in Germany of organs based on democratic principles. [E.A.C.(44) 11th Meeting.]

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[42] For a description of this exchange of letters, see *Conference of Berlin (Potsdam)*, vol. II, p. 1005, footnote 2.

[43] For a description of this exchange of letters, see *ibid.*

[44] For text, see TIAS No. 3070, or 5 UST (pt. 2) 2063.

An additional Agreement signed by the Representatives of the United Kingdom, the United States of America, the Union of Soviet Socialist Republics and the Provisional Government of the French Republic on 1st May, 1945,[45] provided for participation of the Provisional Government of the French Republic in the control machinery on an equal basis. [E.A.C.(45) 2nd Meeting.]

(5) *Certain Additional Requirements to be Imposed on Germany*

From the beginning of the discussions of German surrender, it was realized that effective control over Germany would eventually require an agreement supplementing the predominantly military clauses of the Surrender Instrument by providing for joint action of the Allies in the political and economic spheres. The Commission agreed in March, 1944, that certain broad political and economic requirements should be imposed upon Germany at the time of, or shortly after, the surrender, and the way for such action was prepared by Article 13(*b*) of the Declaration issued on 5th June, 1945. After preliminary discussions in late 1944 and early 1945, the Commission during May and June, 1945, worked out a long document embodying some of the more urgent of these requirements. The "Agreement on Certain Additional Requirements to be Imposed on Germany" was signed in the Commission on 25th July, 1945,[46] and submitted to the four Governments with the recommendation that it be transmitted, after approval by the four Governments, to the Allied Representatives in Berlin for their guidance. The Agreement covered a wide range of matters of common concern to the four Powers, including the abolition of Nazi and militaristic organizations, surrender of war criminals, and joint control over German foreign relations, production, trade, finance, transportation and movement of persons. The accompanying Report[47] contained a number of interpretations and explanations of certain articles in the text of the Agreement. [E.A.C. (45) 6th Meeting.] When signing the Report the United Kingdom Representative made an oral statement regarding paragraph 3(*d*).

B. OCCUPATION AND CONTROL OF AUSTRIA

On the basis of the Moscow Declaration on Austria of November, 1943, and a similar statement subsequently issued by the French Committee of National Liberation,[48] the Commission, at an early stage in

[45] 5 UST (pt. 2) 2072.
[46] For text, see *Conference of Berlin (Potsdam)*, vol. II, p. 1011.
[47] *Ibid.*, p. 1008.
[48] The Declaration on Austria was issued by the Governments of the United States, the United Kingdom, and the Soviet Union at Moscow on November 1, 1943, at the conclusion of the Tripartite Conference of Foreign Ministers. For text of the Declaration, see *Foreign Relations*, 1943, vol. I, p. 761. The communiqué from the French Committee of National Liberation on the subject of Austrian independence was issued on November 15, 1943.

its discussions concerning Germany, agreed that separate arrangements would be concluded for the occupation and control of Austria. Preliminary consideration of these subjects was begun in 1944 and proceeded intensively in April, May and June, 1945.

(1) *Control Machinery in Austria*

On the basis of draft proposals submitted by the various Delegations, the Commission formulated, and on 4th July, 1945, signed the "Agreement on Control Machinery in Austria," [49] which provided for an Allied Commission to exercise supreme authority until the establishment of a freely elected Austrian Government recognized by the four Powers. The control machinery for Austria differed from that set up in Germany not only in the details of its structure, but also in its purposes, since the Allied organs in Austria were, in addition to the duty of enforcing the relevant provisions of the Declaration of 5th June, 1945, charged with the tasks of achieving the separation of Austria from Germany, securing the creation as soon as possible of a central Austrian administrative machine, and preparing the way for the establishment of a freely elected Austrian Government. [E.A.C.(45) 4th Meeting.] When signing this Agreement, the United States Representative made an oral statement on the subject of Austrian reparations and parallel statements were subsequently made by the United Kingdom and French Representatives.

(2) *Zones of Occupation in Austria and the Administration of the City of Vienna*

After thorough study and discussion of the drafts submitted and the numerous issues involved, the Commission signed the "Agreement on Zones of Occupation in Austria and the Administration of the City of Vienna" on 9th July, 1945.[50] Austria was divided into four zones of occupation, one of which was allocated to the armed forces of each of the four Powers, while the City of Vienna within the 1937 frontiers was likewise divided into sectors of occupation, with the Innere Stadt being occupied jointly and the City as a whole being subject to the administration of an Inter-Allied Governing Authority. Two aerodromes falling within the Soviet zone, in the vicinity of Vienna, were placed under the administrative and operational control of the United States and United Kingdom forces to facilitate the transport requirements of the British, United States and French Commanders-in-Chief. The accompanying Report of the Commission [51] contained a number

[49] For text, see *Conference of Berlin (Potsdam)*, vol. I, p. 351.

[50] For text, see TIAS 1600, or 61 Stat. (pt. 3) 2679. For United States and British statements concerning this agreement, see telegram 6742, July 4, 1945, 8 p. m., from London, *Conference of Berlin (Potsdam)*, vol. I, p. 346, and telegram 6858, July 7, 1945, 2 p. m., from London, *ibid.*, p. 347; for the French statement, see despatch 24168, July 9, from London, *ante*, p. 157.

[51] For text, see telegram 6894, July 9, 4 p. m., from London, p. 158.

of recommendations having to do with freedom of movement and communication and transit facilities; and with accommodation and training and recreation areas for the garrison of the City of Vienna. [E.A.C. (45) 5th Meeting.]

C. ARMISTICE WITH BULGARIA

During August, September and October, 1944, the Commission devoted much of its attention to the preparation of armistice terms for Bulgaria on the basis of drafts proposed by the Delegations.[52] The discussions which resulted in the final Agreement on this subject were based in the later stages on a Soviet proposal. The Agreement with its accompanying Protocol was signed by the Representatives of the United Kingdom, the United States of America and the Union of Soviet Socialist Republics on 22nd October, 1944.[53] [E.A.C. (44) 10th Meeting.] On the basis of a letter of the United States Representative of the same date,[54] letters were subsequently exchanged between the United Kingdom, the United States and the Union of Soviet Socialist Republics Representatives regarding the manner in which Article 18 of the Armistice should be implemented following the cessation of hostilities with Germany.

SECTION III: CONSULTATION WITH THE EUROPEAN ALLIED GOVERNMENTS

In accordance with its terms of reference, the Commission decided to hold consultations with certain European Allied Governments on matters especially affecting their interests. In a letter of 25th July, 1944,[55] the Chairman of the Commission invited the Ministers for Foreign Affairs of Belgium, Czechoslovakia, Luxembourg, Netherlands, Norway, Poland (the Union of Soviet Socialist Republics reserving its position in regard to the Polish Government in London) and Yugoslavia, and the Representatives in London of Greece and the French Committee of National Liberation, to submit to the Commission in writing such statements of their views or expositions of their special interests as they desired to make known concerning the terms of surrender for Germany and the machinery required to ensure the fulfilment of such terms. Pursuant to this invitation, basic memo-

[52] For documentation regarding the negotiations leading to the signing of an armistice with Bulgaria at Moscow, October 28, 1944, see *Foreign Relations*, 1944, vol. III, pp. 300 ff.

[53] Not printed; see telegram 9077, October 22, 1944, midnight, from London, *ibid.*, p. 472. For the final text of the armistice agreement with Bulgaria signed at Moscow, October 28, 1944, and the accompanying protocol signed the same day, see Department of State, Executive Agreement Series No. 437, or 58 Stat. (pt. 2) 1498.

[54] For text of the letter by the United States Representative, see telegram 9077, October 22, 1944, midnight, from London, *Foreign Relations*, 1944, vol. III, p. 472.

[55] *Ibid.*, vol. I, p. 63.

randa were submitted to the Commission by the Governments of Belgium, Czechoslovakia, Greece, Luxembourg, Netherlands, Norway and Poland.[56] These memoranda (with the exception of the one submitted by the Polish Government in London, which was studied by the United Kingdom and United States experts alone) were studied by the experts of the three Delegations and considered by the Commission. Thereafter the Commission appointed on 7th December, 1944, the Allied Consultation Committee, under the Chairmanship of the Soviet member, Mr. Sobolev [57] (later Mr. Saksin). This Committee prepared a summary of the Instrument of Surrender [58] and held a series of joint meetings early in 1945 with the Representatives of Czechoslovakia; Belgium, Luxembourg and the Netherlands (the Representatives of these three Governments, which had submitted virtually identical memoranda, attended meetings as a group); Norway; Yugoslavia; and Greece. At each such meeting, the Representative of one of the Allied Governments received a copy of the summary together with certain oral explanations. After the Representatives of the Allied Governments had studied the summary, further meetings were held at which these Representatives were furnished additional explanations in reply to questions which they desired to raise.

On 25th May, 1945, the Allied Consultation Committee held a joint meeting with the Representatives of Belgium, Czechoslovakia, Greece, Luxembourg, Netherlands, Norway and Yugoslavia and transmitted to them the text of the "Declaration Regarding the Defeat of Germany," which had been signed in the Commission on 12th May, 1945. An additional joint meeting on the subject of the Declaration was held on 8th June, 1945, with the Representatives of Belgium, Luxembourg and the Netherlands for the purpose or replying to various questions raised by them. On 2nd June, the Committee transmitted to the Representatives of the seven Governments mentioned above summaries which it had prepared, and which had been approved by the Commission, on the zones of occupation in Germany and on control machinery for Germany.[59]

On 31st July, 1945, the Committee held a joint meeting with the Representatives of eight Governments, the seven previously consulted

[56] For summaries of the views of the European Allied Governments regarding the terms of surrender to be imposed upon Germany, see the report of the Committee of Experts of the European Advisory Commission, Document P12/11/44, dated October 4, 1944, *Foreign Relations*, 1944, vol. I, p. 68.

[57] Arkady Aleksandrovich Sobolev, Soviet Minister Counselor in the United Kingdom.

[58] Document P8/33/44, dated December 7, 1944, p. 168.

[59] For texts of the draft summary of the agreement on the occupation of Germany, designated E.A.C. document P9/40/45, dated May 4, and the draft summary of the agreement on control machinery in Germany, designated E.A.C. document P26/39/45, dated May 4, see p. 264.

and the Polish Government of National Unity,[60] which was represented for the first time. Summaries of the Agreements on zones of occupation and control machinery in Austria,[61] which had been prepared by the Committee and previously approved by the Commission, were transmitted to the Allied Governments.

The Allied Consultation Committee held 21 meetings, 11 of which were joint meetings with Representatives of the Allied Governments.

Section IV: Dissolution of the Commission

The communiqué of the Tripartite Conference in Berlin issued on 2nd August, 1945, contained the following paragraph concerning the European Advisory Commission:—

"The conference also considered the position of the European Advisory Commission in the light of the agreement to establish the Council of Foreign Ministers. It was noted with satisfaction that the Commission had ably discharged its principal tasks by the recommendations that it had furnished for the terms of Germany's unconditional surrender, for the zones of occupation in Germany and Austria, and for the inter-Allied control machinery in those countries. It was felt that further work of a detailed character for the co-ordination of Allied policy for the control of Germany and Austria would in future fall within the competence of the Allied Control Council at Berlin and the Allied Commission at Vienna. Accordingly, it was agreed to recommend that the European Advisory Commission be dissolved."

This recommendation was communicated to and approved by the Provisional Government of the French Republic.[62]

M. W. Boggs
Acting Secretary-General,
European Advisory Commission

London, 10 September, 1945.

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[60] For documentation regarding United States interest in establishment of a Polish Government of National Unity, see vol. v, pp. 110 ff.

[61] For texts of the two summaries, which were released to the press on August 8, 1945, see Department of State *Bulletin*, August 12, 1945, p. 221.

[62] The recommendation was contained in the invitation by the Governments of the United States, the United Kingdom, and the Soviet Union to the Government of France to participate in a Council of Foreign Ministers, transmitted in note 533, July 31, 1945, from the Ambassador in France (Caffery) to the French Minister of Foreign Affairs (Bidault), *Conference of Berlin (Potsdam)*, vol. II, p. 1543. For text of the French reply to the invitation, see telegram 4774, August 7, 1945, midnight, from Paris, *ibid.*, p. 1553.

AUSTRIA

PARTICIPATION OF THE UNITED STATES IN THE OPERATION OF THE ALLIED COMMISSION FOR AUSTRIA; INTEREST OF THE UNITED STATES IN THE ESTABLISHMENT OF A GOVERNMENT FOR AUSTRIA[1]

863.01/2–845 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, February 8, 1945—midnight.

509. A coalition of Austrian resistance elements of all the principal former political parties (except the Communists) into a Provisional Austrian National Committee is reported to have been formed in Vienna on December 14, 1944 and to have recently sent an emissary to seek recognition and aid in Paris where he was received at the Quai d'Orsay and the Soviet Embassy (but not at the British or American Embassies).[2]

This emissary is expected to return to Paris again in February. If he should wish to call at the Embassy, in your discretion please receive him and, without committing the United States in any way towards recognition of his group or the furnishing of supplies, hear any requests or statements he may wish to make and report them together with any information you may be able to obtain regarding the Provisional Committee or other resistance activities in Austria.[3]

Please consult . . . of OSS for further background information

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[1] For documentation on the establishment of an Allied control mechanism for Austria, see pp. 1 ff., and *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. I, pp. 347 ff. For documentation on the attitude of the Allied Powers toward the formation of the Renner provisional government in Austria, see *ibid.*, pp. 334 ff. For documentation on the discussions of the Austrian question at the Berlin Conference, see *ibid.*, vol. II, p. 1604, entries in index under Austria.

[2] A note by James W. Riddleberger, Chief of the Division of Central European Affairs, directed to James C. Dunn, Director of the Office of European Affairs, is attached to the original of this telegram and reads: "Extensive O[ffice of] S[trategic] S[ervices] reports along the lines of paragraph 1 of this telegram have come from the OSS representative in Paris. We thought we had better find out more about it."

[3] In telegram 1246, March 15, from Paris, Ambassador Caffery reported that an officer of the Embassy had talked with an emissary of the Provisorisches Oesterreichisches Nationalkomitee (POEN) on that date. The emissary described the POEN as a coalition of all active resistance elements in Austria with no political aim other than the establishment of a democratic republic. It hoped to set up an organization to represent it outside of Austria, and had plans for a committee in the United States. (863.01/3–1545)

and possible introduction of the emissary.[4] Do you know what attitude the French and Russians are taking towards the latter? Apparently the British do not know much about him yet but are now making strenuous efforts to find out more.

Sent to Paris, repeated to AmPolAd,[5] Caserta, for attention of Gray [6] as number 114.

GREW

Archduke Otto to President Roosevelt [7]

PARIS, February 19, 1945.

DEAR MR. PRESIDENT: I regret very much to have again to impose upon your kindness, but I do hope that you will understand that only the absolute necessity forces me again to turn to you.

The first reports of my brother Charles, as well as personal conversations with resistance leaders of inside Austria have given me the impression—I do not yet use the word certitude only because I try to be as cautious as possible—that it will be possible to prepare active guerilla-actions in the mountains as soon as the snow has disappeared and as soon as the conditions for such an action are fulfilled. For that purpose we shall need small arms, that can be dropped in certain areas by parachute. We will need furthermore men, to instruct our people in the use of these arms and in the latest progress of guerilla tactics. For that purpose we will need people of our own, who can talk with their nationals in their language, who know the customs of the place. These men should not be intelligence service people but clearly instructors and later on be able to act within the resistance forces.

It became clear to me, that with very few exceptions emigres could not be used, because they have been away too long.

In a night-long conference on the problem—after having eliminated the possibility to send people out from Austria for the reason that we need everyone in the country—we decided that we should try to get the permission to use reliable prisoners of war for that purpose. The idea was sustained by the fact, that the Russians have already parachuted several hundred communist-trained Austrian prisoners

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[4] Ambassador Caffery reported in telegram 668, February 13, that Allen W. Dulles, OSS representative in Switzerland, had been in contact with the POEN emissary, whose pseudonym was Weiser, for over a year. Mr. Dulles was "96 percent sure that he is 'all right'," but was not certain how formidable the Austrian resistance was. On a recent visit to Paris, Weiser had been received by the Soviet Embassy and the French Ministry for Foreign Affairs, but the British Embassy had refused to see him. (863.01/2-1345)

[5] Alexander C. Kirk, U. S. Political Adviser on the Staff of the Supreme Allied Commander, Mediterranean Theater.

[6] Cecil W. Gray, Counselor of Mission, Office of the U.S. Political Adviser for Austrian Affairs.

[7] Copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y. Archduke Otto of Habsburg was the claimant to the Austrian throne.

of war into the country in order to organize and lead the Austrian Communist Party, which operates under the name of Freedom Front.[8] It was also decided, that these prisoners, if obtainable, should receive their training if possible here in France. A request made by me to the French is under favorable consideration and I am certain that they will give us as trainers officers from their own Forces of the Interior, who have done already the same thing before.

Now I know of several Austrian prisoners of war in American camps in Arkansas, Mississippi and Kentucky, who are considered to be reliable and who have expressed their willingness to serve the cause of Austria. If therefore you should decide to fulfill our request and to give orders accordingly to the military authorities, may I suggest the following procedure: As soon as the decision is made in a favorable sense, my brother Felix, who has the names of the reliable prisoners should be authorised to proceed at once in great secrecy to these camps in order to speak with the soldiers and officers whose names he has. During that talk, other names can be added to the list by the reliable prisoners of war. If they volunteer for the duty, they should leave camp without delay and be brought to the Eastern Seaboard. If possible I would be most grateful, if the first batch could be sent by plane to France, so that their training could start at once. I would be also very grateful if I could be informed of their arrival in advance, so that I could be at hand when they come in. As soon as they are trained, which is estimated at three weeks, we could have them proceed to Austria through channels which we have.

I am in such a great hurry—and make this request before even being able to submit any concrete plans for further action—because the snow will be melting towards the third week of March, at which time we would need the first trained people. I want also to insist once again, that the Russians are doing these things in a great way, which no doubt entitles our side to do at least the same. I suggest for the job in America my brother Felix, because I am sure of his absolute discretion and his experience of the mentality of our people. I add also a note for him, in which I give him detailed instructions. As to the number of men needed I feel that even a few—we have the names of roughly twenty absolutely reliable men—would help, but that these men with their camp-experience shall be able to give us more people. As to the Agency to handle the matter, may I respectfully suggest that it could be the Army and not the OSS. Our people have had a rather unpleasant experience with the OSS in Switzerland and have found that representatives of that agency are sometimes lacking the necessary caution. In this connection I would be most grateful if on these matters an American Officer from the Headquarters here could establish liaison with me already now, so that

[8] Oesterreichische Freiheitsfront.

everything should be ready once the men arrive. They know at the American Embassy always were [*where?*] to reach me. Finally, and I regret to have to raise the question, comes the fact that we have not the funds to provide for these people while they are here. The French give us the officers, some of my collaborators and myself will give them the necessary knowledge of necessities of our special work in the mountains, I hope that the U.S. Army will find it possible to spare somebody to train them in small arms, so that this side is provided for. What I would ask is whether it be possible that their equipment and living be provided by the U.S. Army.

May I ask also, whether it would be possible for you to let me know by cable through your Embassy here, naturally without any details, whether you can accede to my request or not.[9]

I am now working on a preliminary report on military, political and economic matters of Austria today, which I shall send you as soon as possible.

As to the general plan and to the suggestions which will derive from it, I must wait till my brother Charles will have returned. Then only do I hope to have all the necessary information and to see exactly how and on what conditions we can act.

Once again I want to tell you, dear Mr. President, my warmest thanks for all your kindness and interest in the cause of my country. I certainly am sorry to have to impose upon you so often and I hope, that your kindness and friendship will understand the great necessity under which I act.

With my warmest regards and all my best wishes to you, I am, dear Mr. President,

Yours very sincerely OTTO OF AUSTRIA

863.01/1–1845 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, March 16, 1945—10 p. m.

1051. For your background information, in connection with matters such as Archduke Charles'[10] request described in your 240 January 18, noon,[11] the Department has been following closely and with interest the efforts of individuals and groups both inside and outside of Aus-

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[9] In telegram 1310, April 3, the Secretary of State instructed the Ambassador in France as follows: "By direction of the White House please inform the Archduke Otto that his proposal for the use of Austrian prisoners is hardly practicable along the lines as presented in the Archduke's letter of February 19 to the President." (863.01/4–345)

[10] Brother of Archduke Otto of Habsburg.

[11] Not printed; this telegram reported a conversation between the Archduke Charles and Samuel Reber, Jr., Political Officer at Supreme Headquarters, Allied Expeditionary Forces, in which the Archduke requested American military aid for the Austrian resistance movement (863.01/1–1845).

tria to organize Austrian resistance. So far, however, it has not seen evidence of any coalition that would warrant or merit any support from this country that might be interpreted as constituting political recognition, or any formal recommendation by the Department of State to the military authorities that material aid be granted beyond such arrangements for the encouragement of individual acts of sabotage or other aids to military operations as the military authorities themselves may on their own initiative take to further military operations as such.

For your background information in connection with your 240, January 18, noon, the effort to form an Austrian battalion in the United States with War Department cooperation ended in failure largely as a result of the efforts of Archduke Otto to assume a position of leadership in the enterprise.

For your own background information, Erhardt [12] is now in London, expecting to leave within a few days for Naples or Caserta where he will establish his office as United States Political Adviser on Austrian Affairs,[13] pending further developments.

STETTINIUS

863.01/3–1745

The Department of State to the British Embassy

MEMORANDUM

The Department of State has been following, in concert with the British Government, a policy of denying exit permits to Austrians now in the United States. If the British Government perceives no objection, the Department of State believes the time has now come to terminate the general ban on the exit of Austrians from the United States, and henceforth to grant exit permits to all Austrians applying for them, in the absence of security or other objections in individual cases.

In reaching this conclusion the Department has in mind the following factors:

The reasons which prompted the ban on exit permits for Austrians in the first place have now to a large degree ceased to exist in view of the progress of the war, and the Moscow Declaration. At the same time, positive reasons in favor of permitting the Austrians to leave are developing. Resistance movements in Austria have apparently been increasing in size and importance during recent weeks, and there is accumulating evidence that this resistance is becoming organized

[12] John G. Erhardt.

[13] For a definition of the scope of Mr. Erhardt's mission, and his relationship to the U.S. military authorities, as well as the basic outline of U.S. policy toward Austria, see the letter to him from the Secretary of State, April 3, p. 36.

under a Provisional Austrian National Committee, generally referred to as POEN (Provisorisches Oesterreiches Nationalkomittee).

There is some evidence that this Committee is becoming fairly well organized, comprises all important Austrian political elements from right to left, including former Christian Socialists, Social Democrats, Monarchists, and Communists, as well as other Austrians without definite Party affiliations. Its supporters appear to include practically all shades of Austrian political groupings, and are said to number perhaps 40,000 persons, nearly half of whom are in Vienna. Some of its men are reported to have infiltrated the Gestapo organization in Vienna, and others are reported practically to control the telegraph system and to be placed in other strategic parts of the Austrian economic and administrative systems, including the railways to some extent.

POEN has been endeavoring to establish contacts abroad and to establish representative committees in France, Switzerland, Great Britain and the United States. Its emissaries have been received at the Soviet Embassy in Paris, which is reported to have requested that a POEN representative be sent to Moscow and that a Soviet officer be sent to Austria as liaison with POEN. The French Government has apparently become greatly interested in POEN, and is reported to have discussed it at a recent Cabinet meeting. Foreign Minister Bidault is reported to be inclined to favor dealing solely with POEN representatives in France on all matters concerning Austria.

It is believed that representatives of POEN may have communicated with the Foreign Office in London.

An emissary sent from Austria from POEN has called at the American Embassy in Paris to express the desire of POEN to have two Austrians now in the United States, Hans Karl Sailer (Social Democrat, of the Austrian Labor Committee, New York) and Ernst Karl Winter (former Vice-Mayor of Vienna) go to France to assist POEN in its efforts to establish committees abroad.

A statement of the objectives of POEN, given to the American Embassy in Paris by its emissary, states emphatically that it is not seeking to establish itself as a government of Austria, but merely to organize resistance to the Germans. A copy of the Embassy's report on the interview is attached.[14]

While the Department of State does not, at least at this stage, regard the evidence as conclusive regarding either the character or the existence of POEN, or wish to take any steps to assist in the development of POEN, or to aid the activities or movements of other Austrian individuals or groups, it does consider that it would be desirable to

[14] Not printed.

refrain from placing any obstacles in the way of the development of such a resistance organization by the Austrians themselves.

It therefore considers it desirable at this time to alter its present practice regarding exit permits to allow these Austrians to leave the United States. To avoid charges of discrimination, it would prefer to accomplish this by removing the general ban on exit permits for Austrians, thus permitting all Austrians to leave this country except those who should be denied permits on their individual merits.

The Department of State would welcome a statement of British views in the premises.[15]

WASHINGTON, April 20, 1945.

863.01/5–245 : Telegram

The Ambassador in Yugoslavia (Patterson) to the Secretary of State

BELGRADE, May 2, 1945.
[Received May 2—1:35 p. m.]

61. Have forwarded by pouch an envelope addressed to the United States Government in care of Secretary Stettinius, which was handed to our military mission by a Soviet officer. It contains a typewritten "notification" bearing the same address, dated Vienna April 28 and signed by Dr. Karl Renner as State Chancellor.[16] Following is our translation from the German:

"Due to the victorious advance of the Red Army by which the capital city of Vienna and a considerable portion of Austria has been liberated from the armies of the German Reich, we have again come into the possession of our full political self determination and relying on the decisions of the Crimean Conference[17] and Moscow Conference of October 1943,[18] the representatives of all political parties of the country have decided to establish the Austrian Republic as an autonomous and independent state, to form a temporary government, which has started its activities today, under Dr. Karl Renner, Premier, formerly State Chancellor of the Republic (1918–1920) Chairman of

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[15] The British reply was given in an *aide-mémoire* handed to the Department by the British Embassy on September 14, 1945. The *aide-mémoire* expressed agreement that the ban on exiles should be removed and informed the Department that the British Government had already lifted it in the case of Dr. Oskar Pollak, former leader of the Austrian Social Democratic Party. This was done because the Foreign Office expected the Social Democratic Party to exercise a moderating influence on the political situation in Austria. (863.01/9–1445)

[16] The "notification", not printed, was received in the Department on May 11. For documentation on the formation of the Renner government, see pp. 94–116, *passim*.

[17] For decisions regarding Austria made at the Crimea Conference, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, p. 999, entries in index under Austria.

[18] For text of the Declaration on Austria issued by the Tripartite Conference of Foreign Ministers held at Moscow, October 18–November 1, 1943, see *Foreign Relations*, 1943, vol. I, p. 761.

the peace delegation for St. Germain (1919) and last President of a democratic representation (1928–1934).[19]

The Government notifies you herewith of the above asking for the recognition of the resurrected state and hoping that you will give your support to it, in the fulfillment of the hard task."

PATTERSON

Vienna Legation Files, 1945, Part 24, 801

The United States Political Adviser for Austrian Affairs (Erhardt) to the Director of the Office of European Affairs (Matthews)

VERONA,[20] 13 July 1945.

DEAR DOC: In a conversation here last Sunday Hal Mack[21] discussed with me a scheme of his for dealing with the problem of the Renner Government. He has spoken to the Foreign Office and believes he has obtained its general approval. The scheme is to call together in Vienna as soon as possible after the entry of the Allied forces the political leaders of all the provinces, designated by the various provisional governments. These leaders would confer and bring forth names for a new national provisional government, which would take the place of the Renner Government. You will understand that what underlies this scheme is a basic opposition on Mack's part to the Renner Government. He has been opposed to it since its formation.

A somewhat similar idea is in the mind of Dr. Gruber, Landeshauptmann of Tyrol,[22] judging from a memorandum which he addressed recently to Lt. Col. Watts,[23] at that time the principal Military Government officer at Innsbruck. A copy of Dr. Gruber's memorandum is enclosed.[24] It is reported that Dr. Gruber has been the object of some criticism by Kunschak and Hurdes,[25] as well as by Social Democrats, because of his reactionary attitude. He is the only leader of a provincial or local government in Austria, so far as I have been informed, who has expressed opposition to the Renner regime. Furthermore, with the entry of the French into Tyrol, it is doubtful whether Gruber will maintain his present position. At least he has expressed himself to our people in writing as opposed to having the French take over.

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[19] Dr. Renner was President of the Nationalrat, the lower house of the Austrian Parliament.

[20] The Political Adviser's Office had been moved to Verona on June 6 from Caserta where it had been set up on March 28.

[21] William H. B. Mack, Political Adviser to the Commander in Chief, British Element, Allied Commission for Austria.

[22] Dr. Karl Gruber, Governor of the province of Tyrol.

[23] Lt. Col. John G. Watts.

[24] Not found in Department files.

[25] Dr. Felix Hurdes, General Secretary of the Austrian People's Party.

Early this month there were one or two articles in the British Army newspaper, Union Jack, and an announcement on the French-controlled Radio Vorarlberg, to the effect that the British and the U.S. were about to recognize the Renner Government. More recently, the London Daily Telegraph is reported to have published an item saying that the western powers were still "adamant" in their refusal to recognize Renner.

Obviously, the method and circumstances of the formation of the Renner Government were thoroughly objectionable, and the Communist element in it is probably appreciably larger and stronger than is warranted by its popular support. (Jean Lambert,[26] who arrived in Linz from Vienna a few days ago, is reported to hold the opinion, whatever it may be worth, that if an election were held in Vienna now the Communists would get only 5% of the votes, while the Social Democrats would get 70% and the Christian Socials 25%.) On the other hand, at the present stage of things, an attempt to thrust the Renner Government aside might result in a deadlock and would probably accomplish nothing constructive in the end. Moreover, from a completely detached viewpoint, the present provincial governments of Austria have no more valid proof of popular support than the Renner Government has. Indeed the Renner regime is perhaps more representative than some of them. Lambert is said to be convinced that the regime has grown in influence in the last several weeks. Reports coming to us here indicate that it has the support of most Austrian politicians of any prominence.

In turning this whole problem over in my mind—so far as I can here in Verona before getting into Vienna and talking to people there—I have been giving some thought to an alternative plan of making two or three changes or additions to the Renner Government and then accepting it as the head of a central administrative machine and also as a provisional government until free elections can be held. The changes or additions could well be made through the procedure of a conference of the provincial leaders—a procedure which would be in line with Hal Mack's wishes even though he might have to be persuaded concerning the result. It would be logical to design the changes in the Government so as to make it representative of the whole of Austria instead of only Vienna. I would hope to see a conference of the provincial leaders called almost immediately upon the formal establishment of the Allied Commission.

Joe Gray[27] reports from Salzburg today by telephone that the political leaders there, and in Upper Austria as well, are all intensely

[26] Jean Lambert, pseudonym of Ernst Lemberger, POEN representative in France.

[27] Cecil W. Gray.

anxious to establish contact with those in Vienna and elsewhere as soon as possible, and to have a voice right away in the political reconstruction of the country as a whole. He feels, in addition, that if they were invited to participate in a national conference and permitted to express their views they might be satisfied with very minor changes in the direction of broadening the Renner Government.

It is possible that at this particular moment we might find the Communist leaders also ready to make certain concessions. Lambert reported that Koplenig [28] and Fischer [29] had lost a certain amount of standing with the Soviets because of their failure, so far, to muster the expected popular support, notably in factory elections in which the Communists polled under ten per cent. A recent OSS report from Salzburg, if true, casts a little additional light on the position of the Communists in Vienna. The report, obtained from "a well placed Austrian" recently in Vienna, is that the anticipated replacement of Marshal Tolbukhin by Marshal Koniev should be attributed not to the official reason, viz., that Tolbukhin's Third Ukrainian Army has by its fighting record earned early discharges, but rather to the alleged fact that Stalin was displeased with the lack of discipline among Tolbukhin's troops in their relations with the Viennese. (Lambert, who also referred to this expected change of command, stated that Colonel Pitersky, Tolbukhin's influential political adviser, will stay on in the same capacity with Koniev.)

Speaking of the position of the Communists in Vienna, you are doubtless familiar with the apparent paradox that regarding the nationalization of industry the Communist policy at present may be slightly to the right of the Social Democratic policy, though at present we do not know very much about the latter. It is sometimes suggested that the Communists wish to allow a capitalistic economy to continue in Austria and elsewhere for a couple of years for the purpose of discrediting it. However, this theory does not entirely jibe with recent speeches by Fischer and other Communist leaders, in which the advantages of private initiative in smaller enterprises is extolled in Rotary Club terms, while at the same time, more conventionally, nationalization is urged for large monopolistic enterprises (most of which have come into Nazi hands).

To come back to the question of the Renner Government, a prompt four party agreement on an enlarged provisional government would not only ease the political situation but would be of invaluable help

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[28] Johann Koplenig, Communist member of the Chancellor's Political Cabinet Council.

[29] Ernst Fischer, Secretary of State for Public Enlightenment, Education, and Religious Affairs (Staatssekretär für Volksaufklärung, Unterricht und Kultusangelegenheiten).

in administering Austrian affairs. It seems to me that there is only one way to hope for tolerable functioning of the Allied Commission, with its four headed divisions, and that is for the Commission to call upon a provisional Austrian administration to submit proposals for legislation and for executive action. Agreement on necessary action could perhaps be reached in the Allied Commission on that basis without endless argumentation and delay.

What are your ideas?

With kind personal regards,

Sincerely yours, JOHN G. ERHARDT

800.796/8–645 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VERONA, August 6, 1945—5 p. m.
[Received August 7—4 : 04 a. m.]

133. Although General Clark [30] has been pressing for an early meeting of the four CINC (Commander-in-Chief) Koniev [31] has not yet been able to set date. Reasons given are first, that Koniev is not yet sufficiently recovered from his illness and second, that new instructions are desired from Moscow beforehand since published Potsdam report contains so little on Austria.[32] Clark is requesting JCS (Joint Chiefs of Staff) to assist in bringing about early meeting. British and French commanders have made similar requests to their Govts. Meanwhile US forces in Vienna now consist of reconnaissance and maintenance units. Garrison forces proper will enter with CINC.

General Gruenther [33] has flown from Verona to several meetings of deputy commanders in Vienna in an effort to facilitate smooth entry of Allied Forces. He will leave for another meeting tomorrow.

Repeated to Moscow as 13.

ERHARDT

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[30] Gen. Mark W. Clark, Commanding General, U. S. Forces in Austria, U. S. Military Commissioner for Austria, and U. S. Member of the Allied Council for Austria.

[31] Marshal Ivan Koniev, Commanding General, Soviet Forces in Austria, U. S. S. R. Military Commissioner for Austria, and Soviet Member of the Allied Council for Austria. Marshal Koniev was ill at this time and a meeting of the Four Allied Commanders in Chief was tentatively scheduled to be held sometime between August 5 and August 12.

[32] Reference is to section VIII of the "Report on the Tripartite Conference of Berlin," August 2, 1945, *Conference of Berlin (Potsdam)*, vol. II, pp. 1507–1508.

[33] Maj. Gen. Alfred M. Gruenther, Deputy Commander, U. S. Forces in Austria.

740.00119 Control (Austria)/8–645 : Telegram

Mr. Alexander C. Kirk, United States Political Adviser on the Staff of the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, August 6, 1945—8 p. m.
[Received August 6—5 p. m.]

3210. General McCreery [34] has reported to British War Office that he met with General Clark, General Béthouart,[35] the political advisers, on August 3 at Verona.

They agreed on points to be included in agenda for first meeting of four Commanders in Chief. Though no firm suggestion for date of Commander in Chief's meeting has yet been received from Koniev, the deputy commissioners hoped to discuss this agenda with their Russian colleague in Vienna August 4.

They agreed that, after settlement of questions of procedure, the chief point for discussion would be the setting up of a combined resources board to report on food and fuel situation in Austria in general and Vienna in particular, in time for consideration by four commanders 10 days later at their second meeting. They agreed that, pending consideration of this report and satisfactory agreement with Russians, they would neither assume responsibility for their respective sectors of Vienna nor agree to formal establishment of Kommandatura.

General Clark intends to bring up question of fraternization and the abolition of all existing restrictions. His object is to emphasize difference in treatment between Germany and Austria. Further, he wishes press to give publicity to this. General McCreery sees no objection but has impressed upon General Clark the mixed feelings over question of many wives in Great Britain and need for careful handling by press.

KIRK

740.00119 Control (Austria)/8–1345 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, August 13, 1945—7 p. m.

1819. Verona 133 Aug 6 repeated to you as 13. Dept understands that Soviet authorities in Vienna believe new instructions necessary

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[34] Lt. Gen. Sir Richard L. McCreery, Commanding General, British Forces of Occupation in Austria, British Military Commissioner for Austria, and British Member of the Allied Council for Austria.

[35] Général d'Armée Marie Émile Béthouart, Commanding General, French Forces in Austria, French Military Commissioner for Austria, and French Member of the Allied Council for Austria.

before meeting of four commanders in chief in Austria and entry of garrison troops into Vienna. Dept agrees with General Clark on desirability for early establishment of control machinery as ratified by Soviet Govt.

Brit Govt proposes to instruct Ambassador to raise question of delay with Soviet Govt unless progress is made by Aug 14.

We are persuaded there is no deliberate Soviet obstruction but recognize necessity of immediate establishment of control machinery. Please inquire what steps Soviet Govt consider necessary for prompt institution of quadripartite machinery in Austria.[36]

Sent to Moscow as Dept. no. 1819; repeated to AusPolAd, Verona as 65.

BYRNES

740.00119 Control (Austria)/8–1845 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

[VIENNA,] August 18, 1945.

P–1106. For Dunn.[37] Reference is made to General Clark's message P–1054 to Agwar[38] on August 18th [*16th*] re negotiations on city's food supply of four deputy commanders in Vienna.[39] Following are the salient points:

It was strongly represented by U.S., British, and French deputies that before food is imported by the Allies, surpluses should be drawn by Vienna from the surrounding area of Rumania, Lower Austria, and Hungary but the Russians insist that although the Allied Council could make recommendations, the four governments must decide on the use of Rumanian and Hungarian supplies.

The Allied meeting scheduled for August 14th had to be postponed because the British were so disturbed by the position of the Russians that Generals Adgusers and McCreery[40] returned for con-

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[36] In telegram 3036, August 24, the Ambassador in Moscow reported that on August 22 he received a written reply to his inquiry from Andrey Yanuaryevich Vyshinsky, First Assistant People's Commissar of Foreign Affairs. In his letter Mr. Vyshinsky asserted that Soviet military authorities were not delaying a meeting of the four Commanders in Chief or the entrance of Allied garrison troops into Vienna. He pointed out that meetings of subordinate officers had been going on since July 28. "No objections against entrance of Allied troops into Vienna raised by Soviet commander. On contrary Allies have been advised that they could bring their troops into Vienna anytime they so desired." The meeting of the Commanders in Chief had been postponed at British request. (740.00119 Control(Austria)/8–2445)

[37] Assistant Secretary of State, James C. Dunn.

[38] Adjutant General, War Department. Telegram P–1054 not printed.

[39] Conferences of the four deputy commanders had been taking place since July 24.

[40] Apparent garble. This passage in the copy of this telegram in the Vienna Legation files reads: "The Soviet position so disturbed the British that General McCreery returned to London with advisers for consultation."

sultation to London. Hoping to hurry an agreement, General Clark may suggest at the meeting which may take place next week that he will delay formal entry until the food situation is settled.[41] The pooling system will not be effective by the first of September but the Russians favor a quadripartite resources board.

An immediate agreement in which joint supervision of distribution on a uniform ration scale would be given to supplies furnished on a proportionate basis by each nation is now desired by the Russians, the program to commence on September 1 and to be retroactive to July 25th. An increase of 15,000 tons over the present 10,000 tons of imports will be necessary to raise the scale to 1550 calories per day. The Russians will probably object to increasing the present normal consumer's scale of 850 calories which is creating a critical situation.[42]

[ERHARDT]

740.00119 Control (Austria)/8–1845 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, August 18, 1945—4 p. m.

1862. Please see message from General Clark (P 1054, Aug. 16 [43]) to JCS being sent in paraphrase to General Deane [44] concerning difficulties encountered in establishment of Allied Control Commission in Vienna. General Clark has been instructed to proceed to Vienna for possible meeting of Commanders-in-Chief on Aug. 20 but not adhere to rigid policy of refusing to complete occupation of city until adequate arrangements are made for feeding Vienna population. War Dept instructions state General Clark should discuss question in Commission without committing US to rigid position as regards entry into Vienna or to agree to Soviet proposals.

Dept considers early establishment of Austrian control machinery and adequate arrangements for feeding Vienna population urgently necessary in view of US objectives and responsibilities. Dept, however, supports General Clark's position as stated in his telegram to JCS that pooling arrangements to be set up by Sept 1 as proposed by

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[41] In telegram P–1054, General Clark explained that he recommended this policy because it was clear to him that the Russians were eager to have us in Vienna to share responsibility for a situation which was degenerating and becoming burdensome to them.

[42] General Clark also noted in telegram P–1054 that the British stated that at Potsdam Stalin agreed that the Russians would continue to supply food to Vienna until some other arrangement was concluded. He said that he had had no confirmation of such a statement from American sources and that Koniev's representatives appeared to be unaware of it. For documentation on discussions of the problem of food supply for Austria at the Berlin Conference, see *Conference of Berlin (Potsdam)*, vol. II, pp. 310–311, 368, and 674–675.

[43] See footnote 41 and 42 above.

[44] Maj. Gen. John R. Deane, Chief, U.S. Military Mission in Moscow.

Soviets are not satisfactory and Soviet demand that replacements in food supplies be made from July cannot be accepted.

As you know and as General Clark's telegram reports, Stalin agreed at Potsdam to continue to supply Vienna until the Brit and Americans found it possible to make other arrangements. Please request Soviet authorities to instruct Marshal Koniev to this effect in order that four-power agreements on Austria may be completed at earliest date.[45]

Sent to Moscow as 1862; repeated to AusPolAd, Verona, as 70.

BYRNES

[Regarding the hope of the United Kingdom Government that the United States would not recognize the Renner government before Foreign Secretary Bevin had an opportunity to talk with the Secretary of State at the Council of Foreign Ministers in London, see telegram 8387, August 18, from London, printed in volume II, page 100.]

740.00119 Control (Austria)/8–2245: Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

SALZBURG, August 22, 1945—9 a. m.
[Received 2: 14 p. m.]

152. At General Clark's invitation Soviet, British, and French commanders and their political advisers came to Salzburg to attend a festival concert. Owing to Marshal Koniev's illness he was represented in accordance with previous understanding, by Colonel General Zheltov.[46]

General McCreery told General Clark he had instructions from his Government which Winterton [47] later confirmed in an informal meeting of the deputy COS (Chief of Staff) on August 20 that the FonOff (Foreign Office) view was that the AC (Allied Commission) should not be formally established until questions of Austrian food supply have been settled on long term basis including agreement on supplies

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[45] In telegram 3058, August 25, the Ambassador in the Soviet Union reported that consequent to carrying out these instructions he had received a written reply from Mr. Vyshinsky on August 24. Mr. Vyshinsky's reply said in part: "Generalissimo Stalin stated at the Conference that the Soviet authorities might continue to feed the Viennese population up to September. Koniev's proposal that the Allied authorities begin from September to feed the population in the appropriate Viennese zones of occupation is, therefore, correct. Soviet Govt anticipates that the US will send to the Supreme Commander of the American Forces in Austria instructions along the aforementioned lines." (740.00119-Control (Austria)/8–2545)

[46] Col. Gen. Alexey Zheltov, Deputy Commander, Soviet Forces in Austria.

[47] Maj. Gen. T. John W. Winterton, British Deputy Commander.

from Hungary and Rumania as normal sources. British idea was that meanwhile CINC (Commanders-in-Chief) should meet only as COS (Chiefs of Staff) and not as AC (Allied Commission). Zheltov reacted violently saying McCreery would have little authority if he could not act on such questions himself.

General Clark after hearing both views informed both Zheltov and McCreery that he did not agree with British proposal and that he felt AC (Allied Commission) should meet at earliest possible date and should itself attempt to aim at a satisfactory Austrian solution.

Mack also discussed food questions in conversations with me. He would like to have only interim emergency contributions made by Western powers until Soviets agree to meet certain demands. These would include using Austrian exports to pay for imports and compensation to Austria by the Soviets for plant and equipment already removed to the extent necessary to pay for food imports. Pending settlement of food questions on long term basis British Govt would favor having each of occupying powers provide 6,000 tons of food monthly for Vienna to be distributed by Soviet authorities under surveillance of observers from other three powers. This interim arrangement might continue for 2 months but would be subject to termination by other powers on short notice. Mack indicated also that pending settlement of food questions British Govt would prefer to postpone establishment of AC (Allied Commission). Meanwhile they would not recognize Renner regime. Mack believes he has support of Foreign Office for policy of seeking reconstitution of Renner regime with significant changes including particularly elimination of Communist control of internal affairs.[48]

At one point Mack intimated that in Austrian negotiations British representatives have Balkans in mind. They feel that at Potsdam considerable progress was made toward a more satisfactory basis of Allied participation in Hungary, Rumania and Bulgaria. They wish to prevent Austria from coming under Soviet domination as those countries did. British presumably reason that delay in establishing AC (Allied Commission) and in introducing a higher food ration in Vienna will further weaken Soviet position in Austria.

During visit Genl. Clark had conversations with Genl. Zheltov in which Genl. Clark spoke out bluntly and vigorously. He said he had heard of complaints by Zheltov that US-British-French bloc was taking form in opposition to Soviets in Austria. He pointed out that on many points he differed with British views particularly with regard to British proposal not to hold meeting of AC (Allied Commission) until long range food solution was found. (Clark feels and I agree that holding meeting of AC (Allied Commission) will not in

[48] The Ministry of the Interior in the Renner provisional government was headed by Franz Honner of the Austrian Communist Party.

itself commit US Govt to unsatisfactory decisions since no decision can be taken without our concurrence.) Clark furthermore told Zheltov he was doing everything he could to eliminate suspicion and establish good relationship with Soviets and demanded that they do their part. Zheltov apologized and promised to recommend favorable action on several matters including allocation of 20 communication channels between Vienna and Salzburg. In response to questioning by Genl. Clark, Zheltov stated that Marshal Koniev really was ill due partly to anxiety over Austrian problems. I believe our relations with Russians were considerably improved as a result of our extremely frank talks.

While this message was being written Genl. Clark as well as British and French received an invitation from Koniev for an AC (Allied Commission) meeting on Thursday, Aug. 23. Genl. Clark has accepted and so informed the French and British. Genl. McCreery, we have been informed by Mr. Mack, will refuse without any explanation. In this event there will of course not be a Council meeting but Genl. Clark is hopeful of constructive results from talks with Koniev in any case. Moreover, French Commander has informed Genl. Clark he will accept and Genl. Clark hopes that Genl. McCreery will reconsider and accept invitation.

Repeated to London as 35, Moscow as 16, and Paris as 19.

ERHARDT

740.00119 Control (Austria)/8–2445 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 24, 1945—6 p. m.

7254. Maclean [49] of Brit Embassy called last night on telephonic instructions from FonOff to request that US instructions to General Clark be changed and that Clark be instructed to attend meeting today in Vienna only as commander in chief and not in his capacity as member of Allied Control Commission. Brit not opposed to meeting of commanders in chief in Vienna provided Soviets understand they are meeting as commanders in chief and not as Control Commission. Brit requested US support of their position that no formal meeting of Control Commission be held until Soviets agree to long range plans for feeding Austrian and Vienna populations and guarantee absolute equality with other powers. Brit memo to CCAC [50] (CCAC 205 Aug 21) proposes that western states refuse to join formally Allied Control Commission until agreement is reached on responsibilities for food

[49] Donald D. Maclean, Acting First Secretary of the British Embassy.
[50] Combined Civil Affairs Committee.

supplies in zones and long range procurement, financing and administrative program.

Difficulties surrounding meeting of Control Commission and completion of Vienna occupation are outlined in Salzburg 152 Aug 22 repeated to you as 35. Clark was instructed on Aug 18 to proceed to meeting in Vienna but not to commit US to rigid position of refusing to complete occupation of city and establishing Control Commission until long range plans for feeding Vienna population are completed. Clark likewise instructed to reject Soviet proposals for pooling Austrian resources and replacing Soviet food stocks used in feeding Vienna since July 25. At the same time Moscow was instructed to call to the attention of Soviet authorities Stalin's promise at Potsdam to continue to supply Vienna until Brit and US make adequate arrangements and to request that Marshal Koniev be so informed.

Dept told Maclean that it supported Clark's decision to proceed to meeting at Vienna despite instructions to McCreery not to attend meeting of Allied Commission. Dept will further recommend to War Dept that memo of UK members on long range food policy be withdrawn from CCAC and submitted to Allied Commission in Vienna for discussion.[51]

Dept's position is based on following considerations:

1. Failure to establish Control Commission endangers success of quadripartite policy in Austria and is not consistent with existing international agreements and responsibilities.
2. In view of desperate food situation in Austria there is urgent need for establishment of Allied Commission to discuss interim measures of supplying local population.
3. Nothing apparently can be accomplished by refusing to establish Control Commission and referring matters to subordinate committees for discussion.
4. Resolution of UNRRA declaring Austria eligible for relief[52] makes interim measures for feeding population pending establishment of UNRRA machinery more important than agreement on long range policy.
5. Dept believes that acceptable interim solution can be reached by Control Commission and that decision to instruct Clark to attend meeting without committing US to rigid position does not weaken our diplomatic position.

You are requested to bring these questions to the attention of appropriate authorities with a view to securing Brit approval for immediate establishment of Allied Control Commission.

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[51] By means of memorandum C.C.A.C. 205/1, September 6, the British members of the Combined Civil Affairs Committee requested that C.C.A.C. 205 be withdrawn and that no action be taken upon it.

[52] For text of resolution No. 74: Operations of the Administration in Austria, passed by the Third Council of the United Nations Relief and Rehabilitation Administration on August 22, 1945, see George Woodbridge, *UNRRA: The History of the United Nations Relief and Rehabilitation Administration* (New York, Columbia University Press, 1950), vol. III, p. 144.

Sent to London as 7254; repeated to AusPolAd, Salzburg, as 83; to Moscow as 1909.

BYRNES

740.00119 Control (Austria)/8–2545 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 25, 1945—6 p. m.

7293. Reference Deptel 7254 Aug 24 following is summary of message from General Clark to JCS (P 7013 Aug 24 [53]) :

General McCreery declined to accept Marshal Koniev's invitation to attend meeting of Allied Council in Vienna. General Clark obtained Marshal Koniev's agreement to change meeting from Allied Council to one of Commanders in Chief. General McCreery accepted and attended meeting on Aug 23. He outlined Brit position stating that Brit Govt was unwilling to instruct him to attend Council meeting until problem of food deficit for Austria as a whole has been discussed by the four governments. Brit Govt however willing in view of emergency to agree on interim program and contribute proportionate share of food for Vienna beginning Sep 1 without prejudicing final solution for Austria. Commanders agreed to this program to begin Sep 1. Food will be distributed by existing Austrian machine under Soviet control with Allied representatives as observers. Also agreed to increase Vienna ration scale not later than Sep 20. Quadripartite Resources Committee will be established immediately to examine possibility of utilizing Austrian food resources.

General McCreery believes four governments will be able to import food from countries in Danubian Basin.

General Clark considers Brit position refusing to permit establishment of Council prior to meeting of Foreign Ministers [54] as an error.[55] If this procedure followed, General Clark foresees delay of one month before establishment of Austrian control machinery. He believes delay in assumption of Allied responsibilities in Austria places us in a vulnerable position in world opinion. At present, Brit, US and French are virtually guests of Soviet in Vienna and will remain so until Brit position is changed.

Marshal Koniev proposed that Commanders consider extension of authority of Renner government. Commanders agreed to examine competence of departments of present central Austrian administrative machine and make recommendations as to use by Allied military government. General Clark believes relations have improved considerably after personal contact with Marshal Koniev and believes he will make concessions. *End of summary.*

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[53] Not printed.

[54] The Council of Foreign Ministers was scheduled to hold its first meeting in London beginning September 11.

[55] In telegram P–7012, August 24, the Political Adviser reported that at the August 23 meeting the Soviet and French commanders, as well as General Clark, urged the early establishment of the Allied Council and agreed to inform their Governments of the British position (Vienna Legation Files, Top Secret Correspondence 1945–47).

Dept endorses General Clark's position concerning the early establishment of Allied Council and completion of interim food program but has assured Brit Embassy that no steps will be taken to recognize Renner Govt prior to meeting of Foreign Ministers.

Sent to London as 7293; repeated to Moscow as 1915.

BYRNES

740.00119 Control (Austria)/8–2745 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 27, 1945—7 p. m.

7339. Dept. 7254, August 24 repeated to AusPolAd Salzburg as 83 and Moscow as 1909. In response to urgent representation by Brit Embassy concerning US policy towards establishment Allied Council, Vienna, Dept today communicated following to Brit Embassy:

Dept supports General Clark's position that desperate plight of Vienna population makes establishment of Allied Council urgently necessary. US hopes that commanders in chief will meet as soon as possible as Allied Council to carry out interim program agreed by commanders to begin September 1 and to assume responsibilities for liberation of Austria consistent with 4 power agreements. (Dept 7293, August 25 to London repeated to Moscow as 1915.)

Dept believes that interim program agreed by commanders will solve immediate problem of food in Vienna without committing US to long-range policy of supporting Soviet proposal for feeding Vienna zones. General Clark has been instructed not to commit US to any rigid position. Dept does not believe that establishment of Allied Council will prejudice final solution of long-range problem or will involve responsibility for US zone in Vienna to an extent greater than actually established by interim program.

Dept approves discussion of long-range plan, involving charges for Austrian imports, 4 power financing and utilization of resources of Danubian basin in Council of Foreign Ministers in September,[56] but does not believe establishment of Allied Council should be postponed pending such discussion.

Dept believes that nothing can be gained by refusing to establish Allied Council and that deterioration of food situation in Vienna would place US and UK in extremely vulnerable position. While instructions to General Clark provide wide discretion concerning entry of US garrison troops and completion of Vienna occupation, Dept con-

[56] For documentation regarding the First Session of the Council of Foreign Ministers at London, September 11–October 2, 1945, see vol. II, pp. 99 ff.

siders that acceptance of interim arrangements implies responsibilities for zones as opposed to Brit position that no responsibility should be assumed until full equality achieved with Soviets. Brit Embassy will bring this to attention of Foreign Office. You are requested to urge Brit to instruct General McCreery to attend meeting of Allied Council on same basis as that outlined in instructions to General Clark and to assume agreed responsibilities for occupation of Austria with assurance of US support for discussion of larger aspects of Central European problems of requirements and supply.

Sent to London as 7339; repeated to Moscow as 1917 and AusPolAd Salzburg as 84.

BYRNES

740.00119 Control (Austria)/8-2845: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 28, 1945—2 p. m.
[Received August 28—1 p. m.]

8759. ReDepts 7254, August 24. We saw Harvey [57] this morning and stressed Department's views on immediate setting up of Allied Control Commission in Vienna. He stated British Government had been reconsidering its attitude and had now come to be in substantial agreement with US position. Harvey said instructions would be sent to Vienna probably today and he expressed hope that first formal meeting of Allied Commission can be held next week.

General McCreery is in London at present but expects to return to Vienna on August 31.

British are willing to forego discussing long term problems prior to setting up Allied Commission but say they must insist on two minor conditions first being met. These are: (1) assurance of equal treatment re office accommodation in Innere Stadt; (2) vacating by Soviets of certain former Nazi buildings located in British zone and now occupied by Russians.

In agreeing to US position Harvey said British must stress again their deep opposition to recognition of Renner government as now constituted. He expressed appreciation of Department's position that US would take no step toward such recognition prior to Foreign Ministers Conference. According to Harvey, Mr. Bevin is taking deep personal interest in Austrian situation and while he has no ob-

[57] Sir Oliver C. Harvey, private secretary to the British Secretary of State for Foreign Affairs, Ernest Bevin.

jection to Renner personally and would probably be agreeable to seeing him continue in office he does have definite objection to Ministers of Interior and Justice who he says are Communists and represent no one. Mr. Bevin also feels according to Harvey that there should be more of a federal type of government in Austria and that representatives of the provinces and of the countryside should be given more power.

FonOff will cable its full views on this subject to British Embassy, Washington for transmission to Dept.[58]

WINANT

740.00119 Control (Austria)/8–3145 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA,[59] August 31, 1945—9 a. m.
[Received August 31—8 : 03 a. m.]

169. Our Commander-in-Chief making considerable progress despite fact Allied Control Commission not yet officially established. Largely on General Clark's initiative preparation of eleven basic reports on urgent problems by sub-committees composed of representatives of each power was agreed upon at meeting of Deputy Commanders on August 27 and 28. Subjects to be considered include supplies for Vienna, use of Austrian administrative machinery, political activity, freedom of press, disposition of Sudetenlanders and Volks Deutsche,[60] compilation of lists of Nazis to be apprehended and currency conversion on all of which sub-committee reports are due on or before September 10 and restoration of transportation communications and utilities and study of Austrian food and fuel resources to be covered before end of September.

Relations between top American and Soviet officials cordial especially between Koniev and Clark. Latter recognized as successful combat leader and man of action. This cordiality does not yet extend all way down but considerable progress is being made in that direction.

Clark considers food and fuel as paramount issues and MG[61] is concentrating in my opinion with fair hope success on their solution from a short range standpoint. Clark does not want the Austrians to freeze or to be on a starvation diet and he will not participate in any arrangement that would permit either to happen.

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[58] See footnote 69, p. 583.

[59] The Political Adviser's office was moved to Vienna on August 23.

[60] Ethnic Germans, i.e., persons belonging to the German cultural community living outside the frontiers of the Reich and not Reich subjects. For documentation on transfer of German populations, see vol. II, pp. 1227 ff.

[61] Military Government.

Beginning September 1 Soviets intend to withdraw their Kommandaturas from United States and British zones in Vienna.[62] Our officers have been acting as observers in Bezirk [63] headquarters in our districts for about one month.

ERHARDT

740.00119 Control (Austria)/9–145: Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, September 1, 1945—9 a. m.
[Received 3:15 p. m.]

173. Russian command in Vienna strongly discourages outdoor meetings and demonstrations sponsored by single parties. Socialist Party application for permission to hold peace demonstration on September 1 was turned down unless other two parties participated.

From August 29 Russian Central Command in Vienna has assumed function of censoring printed posters and speeches of all three legal parties. Prior to this time censorship exercised by a subsection of Austrian Ministry of Education. Party posters must now be approved by Russian Censorship Office in Imperial Hotel. Russians ordered removal of non-approved posters 1800 hours 29th August. People's Party and Socialist Party both instructed by Russians on this point. No confirmation yet of similar instructions to Communist Party.

Commercial printer of People's Party posters reported arrested by Russians on August 30.

Flareup in censorship is believed due to a remark in speech by Chancellor Renner on August 18 before Congress of Lower Austrian Socialists. Renner said "first came Green Fascism. It was replaced by Brown Fascism and I greatly fear that many are flirting with Red Fascism". The speech was ignored by all Viennese papers and the publication of its text forbidden in Socialist press. Full text is available in *Informations Dienst*, Socialist Party organ with non-public circulation. Reason for ban on single party meetings and demonstrations may be to hide actual strength Communist Party which is diminishing as a result of unfavorable reaction to Russian occupation.

ERHARDT

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[62] Telegram 176, September 1, from the Political Adviser in Vienna informed the Department that General Clark agreed to assume control of the U.S. zone in Vienna on September 1 (740.00119 Control (Austria)/9–145).

[63] Administrative district of the city of Vienna.

863.6363/9–545 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, September 5, 1945—6 p. m.
[Received September 5—3 : 40 p. m.]

184. My 182 Sept 4 noon.[64] Counter Intelligence USFA [65] conducted independent investigation and confirmed through reliable sources that the Russian Command is endeavoring to have Renner government nationalize crude oil deposits and [to have?] a considerable portion assigned to Soviets. The Soviets have large staff of mineralogists, legal and oil experts in Vienna and several of them together with some members of Renner government visited oil producing region of Zistersdorf some days ago in connection with proposition. Austrians were asked to maintain secrecy. Soviets pressing for signature of pertinent documents but Austrians endeavored to delay in hope that western Allies will prevent confiscation and/or nationalization of oil deposits.[66] Austrian Government officials said to feel lack of recognition renders its position increasingly difficult.

Sent Dept as 184. Rptd to Moscow as 17.

ERHARDT

740.00119 Council/9–645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 8, 1945—8 p. m.

Secdel 13. [For Secretary Byrnes.] [66a] In reply to your Delsec 2 Sep 6 [67] Dept submits the following résumé of views on the Austrian question and recognition of Renner Govt:

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[64] Not printed; this telegram reported that Soviet authorities were pressing the Renner government for an early nationalization of the oil industry. They also sought an agreement providing for joint exploitation of the nationalized oil industry by Soviet interests and the Austrian Government on a 50–50 basis. (863.6363/9–445)

[65] United States Forces in Austria.

[66] In despatch 165, September 4, the Political Adviser in Vienna informed the Department that he had advised General Clark in a memorandum on the same date on means to forestall the nationalization program. He suggested that: (1) the Renner government should be informed that such a step would provoke a serious reaction in the U.S. and would reduce the likelihood of recognition, (2) Soviet authorities should be advised that such a measure required the attention of the Allied Council, and any premature action would prejudice the smooth establishment of that body, and (3) if these two measures failed then a direct approach on a governmental level could be made in Moscow. (863.5034/9–445)

[66a] Secretary Byrnes was en route to the meeting of the Council of Foreign Ministers in London.

[67] Not printed; in this message originating aboard the S.S. *Queen Elizabeth*, the Secretary requested the Department's views regarding the recognition of the Renner government since Foreign Secretary Bevin wished to discuss that question in London (740.00119 Council/9–645).

Dept believes that after establishment of Allied Council in Austria there should be a basic reorganization of the Renner régime which will insure full and unhampered participation of the three principal parties [68] in its political activities and avoid undue dominance by a single party through any such device as control by counter-signatures of deputy ministers. Following such a reorganization of the Renner cabinet we should be prepared to deal with it as the provisional authority to be replaced in time by a Govt elected by the Austrian people under Allied supervision. Final form of Austrian Govt is one which properly should be determined by the Austrian people themselves after free political discussion and unhampered party activity. Dept considers Renner régime if reconstituted with above guarantees would be useful as instrumentality for establishment of a nation-wide administration and arrangement of elections on a unified nation-wide basis. Dept recognizes importance of discussing Brit objections that the balance of parties in Renner administration should be changed.[69] Admission of representatives of the provinces to the cabinet and establishment of a federal structure may be desirable but Dept considers that these questions are not vital requirements for a provisional régime.

Chief qualification involved in US-UK decision to deal with Renner authority is prevention of excessive control by one party at present typified by the Communist control of Ministry of the Interior.[70] Dept realizes it is politically necessary to include Communists in cabinet and also considers that removal of Communist Minister of Interior would be difficult to achieve but that US-UK should press for transfer of control of police force and supervision of elections from Ministry of Interior to Allied Control Commission in order to insure free elections and prevent misuse of power by one party.

Dept considers that recognition of a reorganized Renner administration would facilitate early achievement of our objectives in Austria. Dealing with it as a *de facto* authority would make possible early transfer of administrative functions from Military Govt to Austrian administrative system, the early holding of free elections in the provinces to ascertain exact balance of party strength and

[68] Austrian People's Party, Austrian Socialist Party, and Austrian Communist Party.

[69] In an *aide-mémoire* dated September 3, 1945, the British Embassy urged the Department not to recognize the Renner government. It also informed the Department that British authorities in Austria were being instructed to make the greatest possible use of Austrian provincial authorities in order to increase the importance of the latter and perhaps pave the way for constitutional developments in the direction of a federal structure. (740.00119 Control-(Austria)/9-345)

[70] Franz Honner of the Austrian Communist Party was the Minister of the Interior at this time.

would be a step in fulfillment of objectives stated in Moscow Declaration of 1943. Dealing with it would also make possible early reduction of occupation forces of the four powers, thus reducing both volume of Allied supply into Austria and present drain on Austrian resources. Brit have already proposed discussion of supply question for Austria and entire Danubian area as a basic problem in US-UK relations with Soviets.

Delay in establishment of Allied Commission and lack of a unified administration has made impossible a nation-wide system of denazification and removal of thousands of Reichsdeutsche[71] and Volksdeutsche from Austria. (Gen. Hilldring[72] reports that one third of total population of our zone in Austria are Reichsdeutsche and their immediate removal to Germany is an urgent necessity to achieve our objectives under the Moscow Declaration.[73]) Dept believes that dealing with a provisional Austrian authority following establishment of Allied Commission will facilitate solution of these problems.

If agreement is reached on question of dealing with Renner régime, you may also wish to discuss future policy in Austria. In political field Dept believes following steps should be taken after an effective Austrian administration is established.

1. Reduction of occupation troops on a quadripartite basis and transfer of administrative functions to the provisional Austrian state.
2. Progressive change from the purely military character of Allied occupation to civilian control by the introduction of civilian elements into Allied Commission at an early date.
3. To propose abolition of zones of occupation in Austria and to replace control machinery by an Allied High Commission in Vienna supported by small garrisons of the four powers stationed throughout Austria. Dept believes that garrisons could be maintained in areas now designated as zones and would not necessitate intermingling of troops. Dept likewise considers that these garrisons need only be token forces which could be removed at discretion of Allied High Commission.

Sent to Secdel, London as 13; repeated to AusPolAd, Vienna as 99; repeated to Moscow as 1983.

ACHESON

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[71] Subjects of the German Reich.
[72] Maj. Gen. John H. Hilldring, Director of the Civil Affairs Division of the War Department.
[73] For text, see *Foreign Relations*, 1943, vol. I, p. 761.

863.6363/9–945 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 9, 1945—7 p. m.

7749. For Secretary Byrnes. General Clark (P2045, September 8 [74]) reports pressure of Soviet Government on Renner to sign before noon September 10 agreement setting up Austro-Soviet corporation for control of exploitation of oil industry in Austria. Renner is attempting delay until Allied Council meets on Tuesday [75] but may be compelled to sign. If he does Clark proposes to ask Koniev on Monday status of alleged agreement and stress interest of Control Council in disposal of such an important natural resource. If Renner is able to delay signature Clark proposes to bring question to Allied Council on Tuesday.

War Department has sent following reply to Clark:

"We fully agree with your proposed action. Koniev's attention should be directed to Article 5 of the Agreement on Control Machinery in Austria [76] which provides that the Allied Council will initiate plans and reach decisions on the chief military, political, economic and other questions affecting Austria as a whole. Since the Supreme Authority in Austria is exercised jointly, according to this agreement, we cannot recognize the authority of the Renner Cabinet to conclude an agreement involving the development of oil industry in Austria which is bound to affect Austrian economy as a whole. It should further be emphasized that there are direct U.S. interests involved in the ownership of properties in the eastern zone which were not renounced by the Potsdam agreement.[77] You should also inform the British and French Commanders of your proposed action." [78]

ACHESON

[74] Not printed.

[75] September 11.

[76] For text of the agreement between the Governments of the United States of America, the Union of Soviet Socialist Republics, the United Kingdom, and the Provisional Government of the French Republic on control machinery in Austria, signed July 4, 1945, see *Conference of Berlin (Potsdam)*, vol. I, pp. 351 ff.

[77] Reference is to section IV, subsection 9 of the Report on the Tripartite Conference of Berlin, August 2, 1945; for text, see *ibid.*, vol. II, pp. 1499–1514. For documentation on discussions at the Berlin Conference on the questions of reparations from Austria and the disposal of German assets in eastern Austria, see *ibid.*, vol. I, pp. 342–347; and *ibid.*, vol. II, 432–434, 441–442, 446–447, and 663–667.

[78] This War Department message was repeated by the Department to Vienna as telegram 100, and to Moscow as telegram 1994. In the telegram to Moscow, the Acting Secretary also instructed Ambassador Harriman: "In your discretion you are authorized to approach Commissariat for Foreign Affairs and state that US Govt will not recognize any action affecting oil properties in Austria that is not approved by Allied Council. You may further state that this Govt considers improper and contrary to Moscow agreement and article 5 of Agreement on Control Machinery in Austria efforts of Soviet representatives and authorities in Austria to press Austrian Govt into decision on this matter before meeting of Allied Council." (740.00119 Control (Austria)/9–1145)

740.00119 Control (Austria)/9–1045

Memorandum by Mr. Emile Despres, Special Assistant to the Assistant Secretary of State, and by Mr. Henry P. Leverich of the Division of Central European Affairs to Assistant Secretary Clayton

[WASHINGTON,] September 10, 1945.

We recommend that the Department of State propose to the War Department that an attempt be made to reach a quadripartite agreement limiting the size of occupying forces in Austria.

Three factors make such an agreement strongly advisable: (1) the general poverty of Austrian resources; (2) the practice of the Russian forces (and French forces) of "living off the land" and the Russian contention that maintenance of the occupying forces should be a first claim on Austria's resources; and (3) the desirability of conditioning any reduction in our own forces on corresponding reductions on the forces of other occupying powers.

The first factor requires no detailed explanation. In view of its scanty resources, Austria will continue to require outside assistance. Before 1938, Austria was only 75 per cent self-sufficient with respect to food. It is estimated that 265,000 tons of foodstuffs per year will be needed to supply our zone in Austria and our sector in Vienna, assuming a daily ration scale of only 1550 calories per person.

The Russian practice of living off the land is reflected in their large requisitions of Austrian foodstuffs and their heavy expenditures of Allied Military schillings. In August alone, Russian forces spent 450,000,000 AM [79] schillings as compared with a total of 100,000,000 by the forces of all the other occupying powers. Expenditures at this rate threaten not only to create serious inflationary conditions but also to exhaust our AM schilling inventory, particularly if the contemplated conversion of Reichsmarks into AM schillings is carried out. At the same time, the heavy Russian drain on Austrian food supplies will, if continued, inevitably force us to supply more food at our own expense (either in form of direct US military relief or in form of our contribution to UNRRA).

The Russian zone in Austria is far better supplied with food than the other zones and would, in fact, normally be able to spare considerable food for other parts of Austria. Before the war, the provinces now in the Russian zone accounted for 47% of the productive area in Austria and produced 52% of the wheat, 58% of the rye, 72% of the barley, 49% of the oats, 47% of the corn, 55% of the potatoes and 88% of the sugar beets grown in Austria. Moreover, the same area accounted in 1934 for 49% of the chickens, 45% of the pigs, 46% of the horses and 33% of the cattle in Austria.

[79] Allied Military.

At present, however, the Russian zone has a food deficit owing to the combined effect of the war and Russian requisitions. The Russians have proposed that Austrian resources be pooled and that Austria be considered as a single economic unit, but under existing conditions, this would mean only a pooling of deficits.

Throughout the occupied countries of eastern and southeastern Europe, the USSR appears to be "pasturing out" its army. The advantage of this practice to the USSR is obvious, since it considerably reduces the drain on Soviet food supplies. This practice, however, is a considerable burden on a small country like Austria which requires and is obtaining assistance from us. While the State Department possesses no figures indicating the size of Russian occupying forces in Austria, such figures as are known regarding forces kept in other countries make it appear likely that their size is out of proportion to reasonable requirements.

For these reasons, an agreement limiting the occupying forces appears imperative. It is not within the province of this Department to determine what the size of the total occupying force should be but it is suggested that a relatively small total should be quite adequate for the purpose of controlling Austria.

740.00119 Control (Austria)/9–1145 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Acting Secretary of State

VIENNA, September 11, 1945—9 p. m.
[Received September 13—1 : 55 p. m.]

202. Allied Council for Austria held first formal meeting of Council in Vienna today September 11.

Preparatory documents transmitted despatch 172, September 8.[80]

Council decided: To assume supreme authority in Austria as from September 11; to have chairmanship rotate once each month in order of United States, United Kingdom, France, USSR with General Clark assuming chairmanship as from September 15; that chairmanship of Executive Committee and meetings of directors of division would rotate simultaneously; staff of presiding commissioner will prepare documents for and from meetings during his presidency; Executive Committee comprising Gruenther, Winterton, Cherriere[81] and Zheltov as well as rest of Allied Commission assume functions as from September 11; inter-Allied Kommandatura of Vienna function as from September 11 under Generals Lewis, Palmer du Payrat

[80] Not printed.
[81] Gen. Paul Cherrière.

and Blagodatov; and that Executive Committee work out by September 18 rules of procedure for Allied Commission and Kommandatura.

Council also decided to "allow as soon as possible" freedom of movement throughout Austria of Austrian officials, commercial travelers and other persons and of road and rail traffic and reestablishment of telegraph and telecommunications throughout Austria under plans to be worked out by Executive Committee which is so directed to work out by October first a plan for utilization of country's productive capacity and supplies of foodstuff and raw materials.

Agreed agenda for the meeting comprised: Commencement and method of operation of the Allied Commission; approval of minutes of meeting of Commanders in Chief on August 23; extension of the competence of the central Austrian administrative machine to all provinces of Austria; new ration scales for population of Vienna; political activities of democratic parties in Austria, confirmation of list of urgent problems; proclamation to Austrian people; communiqué.

On extension of the central Austrian administrative machine it was noted that apart from freedom of movement and communication, consideration of this broad subject should be deferred to next meeting of September 20 following reports yet to be made by committee studying the subject.

It was agreed that new ration scale for Vienna effective September 23 should run from 1,300 calories for normal consumers up to 3,000 calories for heavy workers. British and American insistence raised scales to these figures. Koniev had preferred lower scales based on average of 1,550.

He said in agreeing to higher figure many difficulties must be envisaged and supplies Vienna gets from other Austrian areas would have to be taken into account. Gen. Clark stated his understanding that food supplies from Austrian sources will be developed subsequently, but that at outset Allies agree to provide quantities desired.

Council approved a proclamation that "effective this date democratic political parties are hereby allowed maximum freedom to develop their political activities throughout Austria".

McCreery called attention to disquieting financial situation and said he would like Council at next meeting to examine measures to combat inflation. It was agreed Executive Committee should prepare report on matter for consideration at next meeting.

Agenda moved with speed and precision until draft proclamation evoked conflict between Soviets and British over mention of provisional Austrian Govt. McCreery requested deletion of statement inserted by Soviet member of Deputy Commanders meeting September 6 that "the Allied Council will also study the decisions of the Berlin

Conference regarding Austria and will submit for extension the competence of the provisional Austrian Govt over all Austria." He quoted the Potsdam Declaration that the "Govts" will examine this question and explain that a flat statement that the Allied Council will submit a proposal for the extension of the competence of the Provisional Austrian Govt would be misunderstood by British people. Béthouart agreed that proposed paragraph would raise question of extension of powers of a govt not yet recognized. Clark recommended substituting "the question of" for "a proposal for". Koniev urged inclusion of paragraph as originally proposed, arguing people of Austria have noted Potsdam Declaration and expect action by Council. Several substitute formulations were suggested by Clark, who was endeavoring to arrive at one which would not commit Council members to a recommendation to accept the Renner Cabinet as now constituted, but they were all rejected. Koniev then stated that under these circumstances there could be no proclamation [apparent omission] was not issued it would be notice to the Austrian people that the Council was failing.

In this deadlock the Council requested political advisers to work out formula acceptable to all. The resulting formula, although saying little, finally made possible the proclamation as it appears in my separate telegram.[82]

Finally, Béthouart asked permission to state that Tirolean delegation recently expressed to him their desire to have south Tirol population to rejoin Austria. Béthouart recommended that this desire be made known to Govts so that London Council of Ministers may obtain views of Tiroleans from Council members informing their Govts of importance attached to south Tirol by Austrians before determination of Italian frontiers by London Council of Ministers.

Complete report including substance of discussion airmailed next pouch.

ERHARDT

740.00119 Control (Austria)/9–1245 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Acting Secretary of State

VIENNA, September 12, 1945—10 a. m.
[Received 11 : 43 a. m.]

204. Dr. Renner called on General Clark yesterday at latter's invitation for informal talk prior to Allied Commission meeting. They

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[82] Not printed. For text of the communiqué of the first meeting of the Allied Council, see the *Gazette of the Allied Commission for Austria*, No. 1, December 1945–January 1946, p. 26.

met in Clark's office and agreed nothing be said to press. Austrian food situation was discussed in general terms. On political side, Renner said it feasible to call a conference of party leaders and provincial governors to nominate an interim government as in 1919. Conference could do its work in 4 or 5 days and Renner felt Socialist–People's Party strength would reduce Communist representation to small proportion and make retention of Education and Interior Ministers by Communists unlikely. When asked how such a conference could change the present government, Dr. Renner said Chancery might be enlarged and the Ministries increased from 9 to 11 and possibly up to 14.

Renner believes elections should be held latter part November this year because if not held by then, winter conditions will make them impossible until next March. He has full confidence in Austrian proportional representation system and secret ballot but thinks election supervision by Allied Powers desirable.[83]

Renner was greatly pleased at Clark's invitation. He is vigorous and makes good impression. Despatch follows with more details.[84]

ERHARDT

740.00119 Council/9–1245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 12, 1945—9 p. m.
[Received September 12—6 : 35 p. m.]

9375. Delsec 9. For Acheson from the Secretary. The Council today agreed that identic telegrams in the following terms should be sent to the American, British, Soviet, and French Representatives on the Allied Council for Austria:[85]

"At the first meeting of the Council of Foreign Ministers on Sept 11, the British Foreign Secretary suggested that one of the items for discussion at the conference should be long term supply arrangements for Austria.

"It was agreed that the four Govts represented on the Allied Council for Austria should instruct their respective representatives on the Council to consult immediately on this question and submit their recommendations as far as possible in time for them to be considered before the end of the present series of meetings of Foreign Ministers.

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[83] In telegram 122, September 19, the Acting Secretary informed the Political Adviser in Vienna as follows: "Secretary Byrnes has recommended that General Clark encourage Renner to carry out political policy and plans outlined by him in conversation with General Clark September 11." (740.00119 Control (Austria)/9–1245)

[84] Not printed.

[85] See record of the second meeting of the Council of Foreign Ministers, September 12, 4 p. m., vol. II, p. 125.

"You should consult with your colleagues with a view to an immediate consideration of these matters and submission of reports not later than Sept 18 with such agreed recommendations as may be possible.

"An identical telegram has been addressed to each of your colleagues."

Please request Secretary of War to have it sent immediately to General Clark.[86]

Sent Dept as 9375, Sept 12, 9 p. m.; repeated as 34 to AusPolAd Vienna for Erhardt.

WINANT

863.6363/9-1445 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Acting Secretary of State[87]

[Paraphrase]

VIENNA, September 13, 1945.

PV 7431. The proposed Austrian-Soviet Agreement further developments, re my PV 7303, PV 7304 and P 2045, Sept. 8,[88] given. Gruenther informed Zheltov on 8 Sept. that arrangements for long-term disposition of oil resources of Austria which Renner government was considering should be considered by Allied Council. An oral informal message delivered to State Secretary for Industry and Trade Heinl on Sept. 10 on behalf of General Clark stated any agreement for long-term disposition Austrian resources would unless examined by Allied Council be invalid. On lines of Department's 100 of 9 Sept.,[89] a letter was addressed to Koniev by Clark. Clark stated repeated reports had been received by him and his Government that Renner government was considering measures concerning partial control by Soviets of Austrian oil; indicated he would not agree to any action of Renner government disposing of resources without consulting him; referred to Article 5, Control Machinery Agreement; recalled that directly involved in ownership eastern Austrian oil properties were U.S. interests and that these interests had not been at Potsdam renounced.

No reply had been received up to 5 p. m. today from Koniev by General Clark.

Following has been learned from reliable outside source: Contract was presented on 10 Sept. to Renner by Soviet trade representatives

[86] A marginal notation in the handwriting of Francis T. Williamson of the Division of Central European Affairs reads: "Telegram to General Clark sent thru War Dept Sept 13, 1945."

[87] Repeated to London for the Secretary as telegram 8016, September 14.

[88] None printed. PV 7303 and 7304 gave the text in unofficial translation of the proposed Austro-Soviet oil agreement. Regarding P 2045, see telegram 7749, September 9, 7 p. m., to London, p. 585.

[89] See footnote 78, p. 585.

after Renner was summoned to Soviet Headquarters. Saying that other Allied Powers should be consulted, Renner would not sign. Renner stated that a provisional government could not act on a long-term agreement affecting the whole of Austria. Becoming angry, Soviets stated contract of no concern to other powers and exerted strong pressure, threatening in particular to isolate Austria from Western Europe economically and also to refuse to accept proposed Austrian trade delegation in Moscow. On Sept. 11, Renner made following points in conversation with Clark and I.

1. Upon Potsdam Communiqué, Soviet demands were based. Renner agreed with us when we advanced arguments the Department set forth in its 100. In absence of formal U.S. statement on subject, however, Renner said Soviet interpretation to him seemed rather plausible;
2. Proposed contract would be advantageous to Austria;
3. He did not want to displease Western Allied Powers.

Negotiations were opened on a new contract when on Sept. 11, Soviets announced they would postpone return to Moscow. Because of their American bias, Doctors Janoschek [90] and Friedl [91] were barred from the discussions at Soviet demand. By Sept. 14, Soviet representatives demand Renner Government sign. Janoschek is an official in the half of Socony-Vacuum owned Rohöl-Gewinnungs AG. New contract contains provisions for 50-year concession same source reports and also provisions as follows for the $27,000,000 U.S. capital for the corporation.

A. From Austria, $1,000,000. in cash; $12,000,000. worth of new machines to be installed and half a million in oil lands.
B. From Russia, half a million in cash; former German properties worth $12,000,000.; and new installations worth $1,000,000.

Soviets maintain that oil law placed in effect in 1940 [92] is still in effect. Same source reports also that transfers of American and other properties made under 1940 law still valid and on this basis under Potsdam agreement Soviets claim such properties.

That a contract which would endeavor to protect interests of the United States another source states Austrians are drawing up. Consumption estimated at 32,000,000 tons for 1945 and production at

[90] Dr. Robert Janoschek, chief geologist of Rohöl-Gewinnungs AG.
[91] Dr. Karl Friedl, 25 percent owner of Erdölproduktions-Ges. m. b. H., and chief geologist of the company.
[92] Presumably a reference to the German Bitumengesetz of August 31, 1938, which provided that all exploration rights which had not been utilized by the actual development of oil fields were to expire on July 31, 1940. Thereafter all exploration rights reverted to the German Government and could be disposed of only by it. Ownership of developed property was not disturbed, but existing companies lost the right of further exploration. The Bitumengesetz had not been abrogated by the Renner government.

40,000,000. Russia says no need of oil from Austria according to information available here.

No reply was forthcoming from Zheltov late on 12 Sept. when Gruenther called him and reiterated our position emphatically.

Kleinwächter said today he did not believe Renner would sign contract. He is Renner's adviser on American affairs from the Foreign Office and came at my request to see me.

740.00119 Control (Austria)/9–1445 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Acting Secretary of State

VIENNA, September 14, 1945—5 p. m.
[Received September 15—10:15 a. m.]

213. Dr. Karl Renner has just sent me a message pleading in the name of the Austrian people that a free plebiscite be held to determine to which state the south Tirol should be joined.

The plea states "as Austria is not yet a member of the United Nations, it has no part in the preliminaries to the peace treaty with Italy carried on by the Ministers for Foreign Affairs of the five world powers. She therefore duly requests the members of the Allied Commission for Austria to submit the above application to the Council of the Five Ministers for Foreign Affairs in the name of Austria and to lend it their support. If so desired, Austrian experts equipped with all data concerning the matter can be sent to London."

Full text being airmailed.[93]

General Clark informed.

We are taking no action here pending receipt of instructions.[94]

Sent Dept as 213, from AusPolAd Vienna; repeated London as 38.

ERHARDT

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[93] Not printed.

[94] A penciled notation on the margin of this telegram reads: "Report from London that no action taken by Secretary on this request." No such report found in Department files.

During a discussion of territorial provisions for a peace treaty with Italy, the Council of Foreign Ministers adopted on September 14 a U. S. proposal that "the frontier with Austria would be unchanged, subject to hearing any case Austria might present for minor rectification in her favour." (C. F. M. (P) (45) 3rd. Meeting) For the record of the third meeting of the Council of Foreign Ministers, September 14, see vol. II, p. 158. An earlier U.S. policy position on the question of the South Tirol can be found in section B.4 of the memorandum entitled "The Treatment of Austria" (PWC–218), prepared by the Post-War Programs Committee on June 8, 1944, and approved by the President on June 27, 1944. This memorandum recommended the cession to Austria of the Italian province of Bolzano, the portion of the South Tirol in which German-speaking inhabitants were in a majority. See *Foreign Relations*, 1944, vol. I, p. 438.

740.00119 Control (Austria)/9–345

The Department of State to the British Embassy

MEMORANDUM

The Department of State herewith transmits its views on the various questions involving Austria raised in the British Embassy's *aide-mémoire* of September 3, 1945, Ref. 1904/—/45.[95]

1. The Department of State is hopeful that the discussions of the detailed proposals for long-range supply arrangements in Austria proposed by the British Government at the meeting of the Council of Foreign Ministers will result in an agreement satisfactory to the occupying powers. The Department of State recommended the withdrawal of the memorandum of the United Kingdom members of the Combined Civil Affairs Committee (C.C.A.C. 205) from the Committee and the transfer of the discussion to the Allied Council in Vienna on the grounds that agreement had been reached by the four Commanders-in-Chief on an interim program for the feeding of the City of Vienna. The Department of State believes that the actual details of a supply program can be discussed more effectively by the Allied Council in Vienna if an agreement is reached on basic principles by the Council of Foreign Ministers.

[Here follows a close paraphrase of telegram Secdel 13, September 8, to London, printed on page 582.]

WASHINGTON, September 14, 1945.

740.00119 Control Austria/9–1545 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Acting Secretary of State

VIENNA, September 15, 1945—11 a. m.
[Received 3 : 05 p. m.]

216. Yesterday at request of deputy commanders of Allied Council four political advisers[96] met and exchanged views on present Provisional Govt. At this meeting following statement approved and submitted to deputy commanders:

"In view of the statement re the Potsdam Declaration[97] included in the proclamation addressed to the Austrian people by the Allied

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[95] Not printed.

[96] In addition to Mr. Erhardt, these were William H. B. Mack for the United Kingdom, Louis de Monicault for France, and Evgeny Dmitriyevich Kiselev for the Soviet Union.

[97] See section VIII of the "Report on the Tripartite Conference of Berlin," August 2, 1945, *Conference of Berlin (Potsdam)*, vol. II, pp. 1507–1508.

Council on the 12th September [98] and of the desire of the four Govts that Austria should have a recognized and fully representative central govt as soon as possible the political advisers (1) took note with interest of reports that Dr. Renner intends to summon a meeting of provincial representatives to discuss this matter and (2) agreed to recommend to the Allied Council that each occupying power should if requested give facilities to such representatives to proceed to Vienna."

Soviets have placed question of Provisional Austrian Govt on agenda of AC (Allied Council) meeting September 20.

Based on experience in Austria to date there is general agreement among Austrian and Allied officials alike that a central administrative machine is absolute necessity to achieve objectives of Moscow Declaration. It is of utmost importance to reach agreement promptly. We are committed by Potsdam communiqué to examine the question of the extension of authority of Austrian Provisional Govt to all Austria. Renner administrative machine is only one in existence which can be considered as meeting the essential requirements of such a machine and the only practical thing to do is deal with it as a *de facto* provisional administration either (1) as now constituted or (2) as reconstituted by the Austrians themselves subject to Allied Council approval. Dept's 99, September 8 [99] favors second alternative.

Renner himself has told General Clark and me that it is entirely feasible to alter composition of his regime or dissolve it and form another through a provincial (Laender) conference along lines of one held 1919; that such a conference would probably alter composition of Cabinet in such way that Honner would not be Minister of Interior; and that Renner feels he himself is in any case assured of votes to keep him Chancellor. By altering the govt we understood from Renner's statement that he meant increasing the members of his political council and the number of Cabinet posts from 9 to 11 and possibly 13 or 14. His view of usefulness of Laender Conference is widely supported by other members of Cabinet. Initial announcement of his regime last April envisaged eventual replacement by govt elected by the people.

Renner has informed press of his intention to call conference of provincial leaders September 24.

This conference will probably produce a slate for the composition of a Cabinet subject to AC (Allied Council) approval. If approved

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[98] The proclamation declared that the Allied Council had assumed supreme authority in Austria in matters affecting Austria as a whole. Each Commander in Chief, however, was to exercise full authority within his own zone. It then reaffirmed Allied intentions to further the re-establishment of a truly democratic, free, and independent Austria. See *Gazette of the Allied Commission for Austria*, No. 1, December 1945–January 1946, pp. 25–27.

[99] See telegram Secdel 13, September 8, to London, p. 582.

the present Renner regime could be adapted to the decision reached by dissolving itself and being replaced by new slate or reconstituting itself with such changes as necessary to conform to approved slate. Cabinet finally approved by AC (Allied Council) could have some such title as "Provisional Austrian National Administration" with authority throughout Austria subject to definite understanding as to time of holding national elections under Allied supervision.

ERHARDT

740.00119 Council/9–1545 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Acting Secretary of State

VIENNA, September 15, 1945—4 p. m.
[Received 6 : 25 p. m.]

218. I strongly agree about desirability of transferring Reichsdeutsche and Volksdeutsche mentioned in Department's 99, September 8, 8 p. m.[1] but not wholly with explanation of delay stated therein. Military Government Austria has done excellent job under difficult circumstances in handling displaced persons with full cooperation Austrian authorities.

Reichsdeutsche in US zone Austria numbered 122,000 on September 7. Volksdeutsche including Sudetens number 55,000 and in view of Potsdam decisions should now apparently also be sent to Germany. Plans for removal from Austria have long since been complete. Sole obstacle to removal lies not as in Department's 99 but in unwillingness of military representatives of Four Powers in Germany to receive them there, on grounds of lack of food, shelter and Control Council arrangements for their distribution into zones in Germany.

The same objections as to food and shelter to their presence exist also in Austria in even greater degree. Moreover the number involved is great in proportion to population of Austria but small in proportion to refugee and Displaced Persons problem within Germany itself. In addition there are strong political reasons for getting these people out of Austria as quickly as possible: camps here are overloaded already and Reichsdeutsche Displaced Persons are necessarily billeted on Austrians and move freely among them talking politics and spreading propaganda especially that US looks toward war with Russia and does not really want to get rid of Nazi or other Germans.

Military Government Austria is ready and eager to send these Displaced Persons to Germany where they belong and also to admit Austrian Displaced Persons from Germany thus alleviating strain on food and shelter there and providing two way traffic.

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[1] See telegram Secdel 13, September 8, to London, p. 582.

By destinations in Germany the 122,000 Reichsdeutsche breakdown into 9,000 to French zone Germany, 9,000 to US zone, 27,000 to British zone, 15,000 to Russian administered zone, 45,000 to Polish administered zone, 17,000 unclassified [as] yet[.] Military Government Austria has already initiated every effort to arrange through military channels for admission respective zones Germany.

ERHARDT

863.01/9–1645 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Acting Secretary of State

VIENNA, September 16, 1945—12 a. m.
[Received 1 : 08 p. m.]

219. We hear Soviets have notified Renner and Cabinet officers concerned that they object to nationalization law and would not allow it to be published. Soviets are reported to have taken similar attitude on all laws proposed by Renner Cabinet re disposition of property. This is because they do not want anything nationalized that might be German asset and claimable under Potsdam communiqué.

ERHARDT

740.00119 Council/9–1845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 18, 1945—10 p. m.
[Received September 18—8 : 48 p. m.]

9637. Sent to AusPolAd, Vienna as 36, September 18. Repeated to Department as Delsec 29, September 18. For Erhardt from the Secretary. A note of which substance follows was sent me by Bevin today. The views expressed in it coincide with our views. Please so advise General Clark. Bevin and Bidault are cabling it to their representatives.

Begin substance of note:

It is essential that urgent consideration be given the best means of setting up a representative provisional government in Austria which the occupying powers and other governments can recognize and which can conduct free elections with a view to forming a regular government in due course. It is of the utmost importance that the provisional government be representative of all democratic parties and all the provinces.

It is proposed that the Allied Council should ask Renner to invite to Vienna the heads of all existing provincial administrations accompanied by two other representatives in order that each of the three recognized political parties should be represented in the group from

each province. The provincial delegates would constitute a national group to choose freely a provisional government composed of the various political elements. After the delegates had chosen such a government they would submit the names to the Allied Council which would make recommendations to the respective governments as to recognition.

The new provisional government would be responsible for holding elections as soon as practicable in any event within one year for a constituent assembly to decide upon the form of constitution and to provide for the setting up of a regular government.

One of the great weaknesses of pre-war Austria was the cleavage between the rural and urban populations and Vienna's disproportionate influence in relation to the whole country. These defects must be remedied if Austria is to develop satisfactorily in the future. The Allied Council should be instructed to examine this whole matter with special reference to the future of Vienna and offer appropriate advice to the Austrian authorities. *End substance of note.*

[Byrnes]
WINANT

740.00119 Control (Austria)/9–1845 : Telegram

The United States Military Commissioner for Austria (Clark) to the Joint Chiefs of Staff [2]

VIENNA, 18 September 1945.

PV 7519. This message is reply to War 63998 and 65058 and consists of two parts. Part 1 contains recommendations agreed to in three hour meeting of Allied Council for Austria today. Part 2 contains my personal comments.

1. The representatives of the four occupying powers on the Allied Council for Austria are unanimously agreed that the magnitude of the food problem and the extent of the food import requirements for Austria for 1945–1946, however calculated, are of very considerable proportions. The need for immediate effective arrangements to meet these import requirements also is unanimously recognized.

2. Complete agreement was also reached on an estimate of the food production from domestic sources, each of the occupying powers furnishing the estimate for its own zone. There was also unanimous agreement, except as regards barley, on the amounts which would be available for human consumption. As regards barley the Soviet view was that the total amount available should be used for human consumption, whereas the other members of the Allied Council considered

[2] This telegram was sent for information to the Secretary of State in London, and to the Department.

that it should be reserved for the feeding of live stock. (Table I inserted here. Will be included in separate message.[3]).

3. The appraisal of import requirements depends on the level of food consumption envisioned for the Austrian farm and non-farm populations. Since this is a decision that will concern not only Austria but all of Europe as well as countries outside Europe, it is suggested that the Council of Foreign Ministers decide, at the earliest possible moment, what level of food consumption should be taken as the goal. In the meantime, a number of hypothetical goals have been suggested, and the resulting British-French, USSR and American deficit estimates have been recorded for the information of the Council of Foreign Ministers. The Allied Council considers that ration scales should be established for Austria as a whole, maintaining the principle of differentiation for the various groups of population on the basis of the type of labor performed. (Table II inserted here. Will be dispatched by separate message.[3]) Most significant information in this table gives deficits as determined by three methods of calculation. Deficits are in order: 1st column is British-French, 2nd column is United States, 3rd column is USSR.[3a]

	1.	2.	3.
Grain in terms of flour	472	446	288.
Meat	61	97	55.
Fats	30	41	28.
Farinaceous foods in terms of flour including pulses,	132	103	119.
Sugar	28	24	27.
Coffee	7	7	8.
Salt	no est	no est	.14
Potatoes	0	43 (in terms of grain)	0.
Vegetables	113	0	0.

4. The four Allied Commanders have stated that no food is being taken from indigenous Austrian resources by the forces of occupation; recognizing the gravity of the food situation in Austria, they are unanimously agreed that none shall be taken in the future.

5. It is appreciated by the Allied Council that the early establishment of Central Austrian Governmental authority will aid the long range food situation, but not by an[y means solve it.] Statistics in tables I and II will be sent subsequent messages.[4] Part 2 follows.

[3] Not printed.

[3a] In a subsequent message of same date, PV 5736, General Clark explained that "tabulation of deficits is in unit[s] of 1,000 metric tons."

[4] Neither printed.

740.00119 Control (Austria)/9–1845 : Telegram

The United States Military Commissioner for Austria (Clark) to the Joint Chiefs of Staff [5]

[VIENNA,] 18 September 1945.

PV 7521. This is Part 2 of my P[V] 7519 and contains my personal views.

1. At the outset of the discussion it was made clear by the Soviets that they would insist upon a minimal feeding standard for Austria. The following proposal with regard to foreight [*foreign?*] sources of food supply was made by me and supported by the British and French:

"The Allied Council for Austria is further unanimously agreed that, as a matter of policy, food to meet the Austrian deficit should come from normal prewar sources, principally Hungary, Rumania, Yugoslavia, Czechoslovakia and Bulgaria;

That an examination be made of the imports which present conditions in those countries will permit;

That the resulting quantities be taken into account as a part of the means of meeting the deficit and that to the extent that the need cannot be met from the countries concerned, other sources of supply be found."

The Russians firmly refused to support this proposal on the ground that it was beyond the scope of the Council's competence.

Further they stated that though we were not fully cognizant of conditions in central and southeastern Europe there were indications that because of droughts and other factors there were no surpluses for Austria to be had from those areas and it would therefore be impracticable to recommend that any reliance be placed on such sources.

Despite innumerable attempts to reword this paragraph in more innocuous terms, the Russians resolutely refused to accept any text which made any reference to the Danubian Basin or Central European supply sources. In fact they refused to accept the recommendation that as a matter of policy, deficit would come from "normal pre-war sources," no geographical areas being named.

2. In this connection, I am aware of the alarming proportions to which the United States is becoming committed as the residual world supplier. I have done everything to stress in the Council meeting the importance of reserving local resources entirely for the Austrian population and of obtaining for Austria supplies from nearby countries. Yet we must steer clear of wishful thinking and give you a fair picture of what we believe are the facts of the case as seen from here.

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[5] This telegram was sent for information to the Secretary of State in London, and to the Department.

It would be unrealistic to assume that more than insignificant quantities of foodstuffs, possibly sugar, from Czechoslovakia, could be obtained from the Danubian Basin during 1945–1946. It has become evident since I dispatched my P 1054 [6] to you a month ago that sweeping social changes, population transfers, hasty land reforms, changes in farm controls, indiscriminate removal of livestock, farm machinery and transport vehicles in all of eastern Europe, as well as the drought that affected much of the area, have eliminated virtually all surpluses that would under normal conditions have been produced in these regions.

(This information furnished by experts of the Department of Agriculture. Have had presently the advice of Dr. Motz and Dr. Richter, which was concurred in by a recent conference of 15 United States Agriculture Attachés. These facts, they tell me, are well known in Washington and in London.)

Of course I am speaking of the present crop year and it may well be that over a long-term, the Danubian Basin will be the granary for Austria.

3. As indicated in para 2 of the official agreement,[7] the differences in the calculations of the deficits are accounted for by differences in the feeding goals envisioned. The British-French estimates are based on a feeding goal of an average ration of 1700 calories for the total population, including farmers. The American estimate is based upon an average ration of 1700 calories for the non-farming population, allowing for unavoidable retentions by farmers of approximately 2750 calories, or slightly less than their retentions in previous years. The Soviet position is that the Austrian ration scale should be limited to the ration of a vanquished nation.

Russians also wish to reserve barley for human consumption, while the United States, British and French feel that it will inevitably be used for animal feed.

4. The Russians brought up several proposals for increasing Austrian food supplies, such as making use of the existing Central Austrian Government for the initiation of a foreign trade program, rehabilitation of Austrian industry and railroads, and the extension of arable land, all of these proposals answering [*assuming?*] political recognition of the Renner government. These, however, were rejected on the ground that the question of the Renner government is on the Agenda for the next regular meeting of the Allied Council of September 20th.

5. With regard to point 5 concerning non-requisition of indigenous food supplies,[8] it should be pointed out that although the Russians have invariably taken the position that they never have requisitioned

[6] Not printed.
[7] See telegram PV 7519, *supra*, paragraph No. 3.
[8] See telegram PV 7519, *supra*, paragraph No. 4.

Austrian supplies nor intend to do so, entirely reliable sources report that extensive requisitioning is going on not only by individuals and units throughout lower Austria, but also centrally by the Russian High Command in Vienna with demands in some instances placed directly on the Renner government.

6. In view of the urgency in reporting to the Council of Ministers, it had previously been decided that only food and not fuel would be dealt with at this time.

[Here follow statistics based on the estimates of United States authorities of the food import requirements for all zones of Austria for the next twelve months.]

[CLARK]

740.00119 Council/9–1845 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 21, 1945—noon.

8275. Secdel 94. [For the Secretary.] Dept submits following recommendations for your consideration in amplification of your 9637 Sep 18 Delsec 29 containing text of Brit note on establishment of a representative provisional government in Austria. If you approve, Dept would appreciate transmission of these recommendations directly by you to AusPolAd, Vienna.

Dept considers plan for calling of Laender Conference best means of obtaining provisional government consistent with Austrian constitutional and political precedents and representative of all parties and provinces. In order to obtain representative government and prevent abuses, Dept recommends that following objectives form basis of US policy in process of establishment of provisional régime:

1. That Allied Council approve Cabinet appointments and that Renner be retained as head of Cabinet in view of his personal record.
2. That principle of single party representation in Cabinet posts be recognized, and the present system of Under Secretaries representing three parties and countersigning all decrees be abolished as inconsistent with Austrian constitutional procedure.
3. That exact balance of parties in Cabinet be determined by decision of Allied Council on basis of known strength of parties in last free election (1930), modified by any precise information on changes in balance made available by local officials and Allied military authorities in the respective zones.
4. That all three anti-Nazi parties be represented in Cabinet but that principle be recognized that key posts such as Foreign Affairs, Justice, Interior be held by representatives of demonstrably major parties.
5. That re-organized Cabinet constituting a provisional Austrian national administration be given immediate administrative authority

throughout Austria as a whole consistent with four-power agreement on control machinery.

6. That national elections be held under Allied supervision at earliest possible date, preferably by Nov 1945.

Please inform Dept if recommendations are transmitted to Vienna.

ACHESON

740.00119 Control (Austria)/9–2245 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Acting Secretary of State

VIENNA, September 22, 1945—5 p. m.
[Received September 22—3 : 12 p. m.]

243. ReDepts 487 to Berlin September 17.[9] An order has been issued by General Clark rescinding all existing regulations re non-fraternization with Austrian population.[10] However, no fraternization is permitted with any Nazi or Fascist elements remaining.

Sent to Dept. repeated to Murphy USPolAd Berlin as 6 from Erhardt.

ERHARDT

740.00119 Control (Austria)/9–2245 : Telegram

The Chargé in the Soviet Union (Kennan) to the Acting Secretary of State

Moscow, September 22, 1945—midnight.
[Received September 22—9 : 20 p. m.]

3349. ReDept's telegram 1994, September 11.[11] Embassy has received note from Vyshinski dated September 22 reading as follows:

"Acknowledging receipt of your letter of September 14 re oil property in Austria, I hereby inform you that I must regard as unfounded your statement to effect that Soviet representatives in Austria allegedly intend to make efforts 'to press Austrian Govt to make decisions with respect to such oil property before meeting of ACC'.

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[9] Not printed; this telegram informed the Political Adviser in Berlin that the non-fraternization ban could not be relaxed in Germany until after it had been relaxed in Austria. War Department policy was that the relaxation of non-fraternization policies should proceed more rapidly in Austria than in Germany. (740.00119 Control (Germany)/9–1145)

[10] The Department had recommended a relaxation of the ban on non-fraternization in Austria some time before. In a letter to Gen. J. H. Hilldring, June 20, 1945, Mr. H. Freeman Matthews, Director of the Office of European Affairs wrote: "This letter is to record the fact that, from the political point of view, the Department of State considers the policy of non-fraternization undesirable in Austria, in contrast to Germany where there are political reasons in favor of it. . . . it is considered desirable to terminate the present general policy of non-fraternization in Austria with respect to non-Germans at as early a date as is consistent with military considerations." (740.00119 Control (Austria)/-6–2045)

[11] See footnote 78, p. 585.

Negotiations which have been proceeding for some time in Vienna between representatives of Soviet oil organizations and Austrian plenipotentiaries by their mutual agreement are concerned exclusively with enterprises located in Soviet zone of occupation of Austria. Shares of these enterprises belonged to Germany and by virtue of decision of Berlin Conference they are included as part of German reparations account in favor of Soviet Union. It is the purpose of these negotiations to define juridically the right of Soviet Union to these shares by means of an appropriate agreement with Austrian authorities.

Moreover, conclusion of Soviet-Austrian agreement re joint exploitation of oil enterprises in eastern Austria is intended also to secure their quickest restoration in interests of supplying oil products for Austrian economic consumption.

Above mentioned agreement does not impair American rights and interests and is not in contradiction with Moscow Declaration re Austria and with Article V of agreement on control mechanism in Austria".[12]

KENNAN

863.00/9–2445 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Acting Secretary of State

VIENNA, September 24, 1945—4 p. m.
[Received September 25—1 : 05 p. m.]

246. Laender Conference opens today [13] and reports circulating it may last 8 days instead of 3. Such a conference held in 1919 established first Austrian Government. Present conference thus has historical precedent and its decision will greatly influence public opinion. From its deliberations will emerge a proposed Cabinet slate and Governments of occupying powers will have to decide whether to accept it. As background for appraisal of expected developments all members Allied Council agree upon necessity for some kind of central administrative machinery. This is especially true of Soviets who have no operational MG.[14] Until now Soviets have urged in Council meetings

[12] Telegram 277, October 2, from the Political Adviser in Vienna, informed the Department that a substantially similar reply had been received on September 28 by General Clark from Marshal Koniev. General Clark in a counter-reply to Marshal Koniev on October 2, expressed his satisfaction that reports that Soviet authorities were attempting to gain control of the Austrian oil industry were baseless, but he noted that negotiations had been taking place and he repeated the main points of his letter of September 10 to Marshal Koniev. (863.6363/10–245)

[13] Each of the Länder, or provinces, sent a delegation to meet with members of the Renner Cabinet in Vienna for the purpose of settling matters of common interest. The provincial delegations were each made up of the chairmen of the provincial organization of each of the three major parties, the governor of the province, and a member of the provincial council from each party. The first Länder Conference was held 24–26 September. A total of three such conferences were held during 1945.

[14] Military Government.

only the extension to all of Austria of the competence and authority of the present Renner government.

At September 20 meeting of Allied Council Koniev said he was not proposing recognition but only extension of competence with a proviso that within one month after agreement on such extension the composition of the Government would be changed. Bethouart pointed out that Koniev's proposal involved *de facto* recognition and McCreery said he would not agree to extension of competence because all commanders hoped for agreement on a government that could be recognized.

In this connection the British position is clear. They do not like the composition of present Renner government which they regard as over-weighted with Viennese. They also feel Communists have greater representation than they are entitled to and in that they control especially the Ministry of Interior. Conference to announce a Government *de novo* but in that respect their hopes are dim since Soviets would oppose the dissolution of the present Government as a matter of prestige. British as well as French and ourselves feel that the Interior should go to a non-Communist and Renner himself favors this change. From conversations with the other political advisers I have the impression the Soviets will be willing to have Cabinet posts increased to give the provinces adequate representation with the present incumbents retaining their posts especially Honner.

If Laender Conference gives Interior to a non-Communist the Four Powers may consider this an acceptable solution of principal difficulty, provided always the remainder of new slate is unobjectionable. If Honner remains, three suggestions have been discussed as to how the situation could be met:

Socialists are considering as a compromise appointment of a non-Communist below ministerial level in charge of police functions. Renner himself is thinking of reforms within the Interior Ministry to bring about changes in control and powers of police;

Agreement on national elections under Allied supervision before end of year would make Honner question less pressing especially in view of urgency of establishing a central government. However the British do not favor new elections before next year since they wish the Supreme Commanders to be in absolute control during this winter. Soviet position on elections is not known but last week the Austrian Communist Party has for the first time voiced willingness to have elections at an early but unspecified date. Socialists and Volkspartei have previously expressed themselves in favor of early elections. Most competent observers think that even if Honner remains the Austrian secret ballot offers adequate guarantees for a full and free expression of people's will. In any event such apprehension

as may exist applies only to provinces of lower Austria and Burgenland;

Making the police directly responsible to the Allied Commission. Administratively this would be very complicated and difficult and it is believed that the Commission would do well to avoid assuming such an administrative burden.

Outcome of Laender Conference can hardly be entirely agreeable to either British or Soviets. If there is a deadlock General Clark will likely again serve as mediator a role which he already has on two occasions played with great success.

To Department as 246, repeated Embassy London for Delsec as 42.

ERHARDT

740.00119 Council/9–2445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 24, 1945—4 p. m.

8369. Secdel 108. From Clayton for Secretary of State. We have following comment to make on Austrian supply problem with reference to telegrams from General Clark conveying Allied Council recommendations and his personal views.

1. It is evident in this and other issues that the Russian view with respect to the economic treatment of Austria differs considerably from ours. If you judge it appropriate to raise this general question, we would explain our view on the treatment as follows. The Moscow Declaration of Nov 1, 1943 on Austria and the necessity of creating strong support in Austria for continued independence from Germany impels us to assimilate Austria to the status of a liberated country and to make a clear-cut distinction between treatment of Germany and treatment of Austria. Essential to this treatment is development of broad rehabilitation program which in turn involves (1) food supplies sufficient for a proper dietary standard in Austria, with all the occupying powers contributing a fair share to such supplies (2) supplies of raw materials and equipment, furnished either through UNRRA or directly by the occupying powers jointly, which will permit reactivation of the Austrian economy and enable Austria ultimately to do without external assistance, and (3) a restrictive application of claims by occupying powers to German property in Austria in such a way as to avoid removals of equipment essential to a sound Austrian economy and prevent a drain on essential Austrian resources by uncompensated transfers of the profits and products of German enterprises taken over by any of the occupying powers. In recent weeks Russian action under (1) and (3) has run counter to our view.

2. If you regard it as not useful to raise this general question, the alternatives appear: (*a*) to accept any real contribution to Austrian relief the Russians can be persuaded to make, even if it necessitates a somewhat disproportionate contribution by the other occupying powers, or a somewhat lower dietary standard for Austria as a whole than we regard as desirable, or both; or (*b*) to set up in our own zone, perhaps in conjunction with the British and the French zones, a separate economic unit. Since the latter course would delay the transfer of responsibility for internal administration to an Austrian Government, extend the period and degree of American military government commitment, and prejudice the eventual establishment of a unified, independent Austria, it is not advocated by us. It would be less disadvantageous for us to accept a disproportionate share of the relief burden for Austria as a whole than to attempt to operate Western Austria as a separate unit.

3. We agree with General Clark that present insistence on obtaining imports from prewar normal sources of supply is largely academic since apparently no overall surpluses available southeast and east Europe. In few cases such as Zecho sugar it may be possible to arrange for procurement in neighboring countries.

4. We consider that all occupying powers should make supply commitment along above lines for at least 6 to 12 months. We must point out, however, that as long as external supplies to Austria are confined to food, Austrian economy will have to remain on relief basis. Austria must be given means to procure raw materials and some capital equipment to reactivate industry so that it can produce for own needs and export enough to pay for essential imports. Suggest therefore Allied Council be asked immediately to invite UNRRA to send experts to Austria to survey requirements.

5. Foregoing has been informally discussed with CAD,[15] War Dept. Their view is that we should insist strongly in Council of Foreign Ministers on (1) full Russian contribution to Austrian relief on basis of relief standards advocated by us, and (2) principle of reliance on normal pre-war supply sources. Consequently, War Dept. is not in accord with paras. 2 and 3 of this telegram. [Clayton.]

ACHESON

863.6363/9–2645 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Acting Secretary of State

VIENNA, September 26, 1945—3 p. m.
[Received 3 : 40 p. m.]

254. Concluding developments re proposed Soviet-Austrian oil contract (my PV 7431 September 13). In discussions on September 17

[15] Civil Affairs Division.

Soviets indicated willingness to lower somewhat their demands on Austria, e.g., as to capitalization of proposed corporation. However, shortly thereafter Renner is reported to have instructed his representatives for political reasons to suspend all discussions. Apparently that is where matter now stands. Meanwhile Soviets indicated there was no longer need for proposed Austrian trade delegation to proceed to Moscow as planned.

Re Soviet interest in Danube shipping (my 236, September 20 [16]) a Soviet representative in July asked Donaudampfschiffahrt Gesellschaft [17] to prepare proposals for Austrian-Soviet corporation to take over and operate DDSG properties (DDSG was originally an Austrian enterprise controlling bulk of non-German shipping on Danube). After Anschluss control was acquired by Hermann Goering Works.[18] At present about half DDSG fleet is under Soviet flag and about half is held by US forces above Linz. DDSG accordingly submitted plans under which "foreign interests", including USSR, would acquire about 40% stock interest and hold veto power over appointment of Vorstand [19] members. Soviet representatives have made no counter-proposals and Director General of DDSG [20] has impression they are not greatly interested. However, some Austrians, e.g., Joham, Director General of Credit Anstalt, feel apprehension of future Soviet pressure in this field.

Soviet railroad experts soon after occupation indicated considerable interest in Austrian railroad system, preparing and requiring urgent printing of a book in Russian containing compendious information. 300 copies were printed and marked "for official use only".

ERHARDT

840.4016/9–2845

Memorandum by the State-War-Navy Coordinating Committee for the Secretary of State

WASHINGTON, 28 September 1945.

1. By informal action on 27 September 1945 the State-War-Navy Coordinating Committee agreed that the Joint Chiefs of Staff should transmit the attached message to the Commander in Chief, U.S. Forces of Occupation in Austria, and Commanding General, U.S. Forces, European Theater. The Joint Chiefs of Staff have been advised accordingly.

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[16] Not printed.
[17] Erste Donaudampfschiffahrtsgesellschaft, the First Danube Steamship Company.
[18] Reichswerke Hermann Goering.
[19] Board of Directors.
[20] Josef Bauer.

2. The Joint Chiefs of Staff also request that the Department of State make urgent representations to the Governments of the United Kingdom, the Soviet Union, and France to instruct their representatives on the Control Council in Germany to agree to receive in their respective zones in Germany, those German displaced persons and surrendered German military personnel who formerly resided in their zones, but who are now in the U.S. zone in Austria.

3. The State-War-Navy Coordinating Committee further agreed that the Department of State should make urgent representations as requested by the Joint Chiefs of Staff.[21]

For the State-War-Navy Coordinating Committee:
H. FREEMAN MATTHEWS

[Annex]

MESSAGE TO THE COMMANDER IN CHIEF, U.S. FORCES OF OCCUPATION IN AUSTRIA, AND COMMANDING GENERAL, U.S. FORCES, EUROPEAN THEATER

1. Acute food, fuel and housing shortage and overpopulation in United States zone in Austria and political desirability of ousting Germans from Austria make it imperative that all Germans, except those entitled to United Nations status because of persecution, be evacuated to Germany from United States zone in Austria by 1 November 1945. Term "German" as used in this directive refers to German surrendered military personnel as well as persons defined in paragraph 21*a* of directive to the Commander in Chief, U.S. Forces of Occupation in Austria regarding military government in Austria (furnished the Commander in Chief, U.S. Forces of Occupation in Austria as J.C.S. 1369/6 and to the Commanding General, U.S. Forces, European Theater as IPCOG 9/2).[22]

2. State Department will make urgent representations to United Kingdom, Soviet, and French Governments to agree to receive in their respective zones in Germany those Germans who formerly resided there. General Eisenhower should press in Control Council for immediate agreement for return of Germans now in Austria to zones of former residence in Germany.

3. Irrespective of progress of negotiations in Control Council, all Germans in United States zone in Austria formerly residing in United

[21] In telegram 4613, October 3, 8 p. m. to Paris (repeated *mutatis mutandis* as telegram 8761 to London, and as telegram 2092 to Moscow), vol. II, p. 1285, the Department gave instructions regarding the representations to be made to the Governments of France, the United Kingdom, and the Soviet Union on the imperativeness of the evacuation of Germans from Austria.

[22] See *Conference of Berlin (Potsdam)*, vol. I, p. 337.

States zone in Germany should be evacuated immediately by the Commander in Chief, U.S. Forces of Occupation in Austria, and accepted by the Commanding General, U.S. Forces, European Theater.

4. If there is no prospect of speedy agreement in the Control Council, firm pressure should be placed upon United Kingdom and French Zone commanders in Germany to accept Germans formerly residing in their zones.

5. If by 1 October no agreement has been reached in the Control Council, the Commander in Chief, U.S. Forces of Occupation in Austria, and the Commanding General, U.S. Forces, European Theater, should effect necessary arrangements so that all Germans from United States zone in Austria will be moved to United States zone in Germany by 1 November 1945.

6. Although implementation of this directive may inconvenience United States military authorities in Germany the move is considered to be required by urgent political and economic necessity.

740.00119 Control (Austria)/9–2945 : Telegram

The United States Military Commissioner for Austria (Clark) to the Joint Chiefs of Staff [23]

[VIENNA,] September 29, 1945.

War Series PV 7803. My views with respect to the extension of the authority of the Renner government are as follows:

The position taken by the representative of the United States on the Allied Council for Austria should rest on, (1) the basic interests of the United States, and (2) our international commitments. With respect to (1), our interests reside in the reestablishment of a free and independent Austria and in making a success of four-power international cooperation in Austria. With respect to (2), our international obligations are to be found in the Moscow Declaration, the EAC protocol on control machinery,[24] and in the Potsdam Communiqué. Specifically, the EAC protocol provides that one of the primary tasks of the Allied Council is to secure the establishment as soon as possible of a central administrative machine, and the Potsdam Communiqué stated that the Soviets, British and the United States agreed to examine the question of the extension of authority of the Austrian

[23] A copy of this telegram was sent for information to the Secretary of State.

[24] The agreement between the Governments of the United States of America, the Union of Soviet Socialist Republics, and the United Kingdom and the Provisional Government of the French Republic on control machinery in Austria, signed at a meeting of the European Advisory Commission in London on July 4, 1945, is printed in *Conference of Berlin (Potsdam)*, vol. I, p. 351. For documentation regarding the agreement on control machinery, see *ibid.*, pp. 347–356; *ibid.*, vol. II, pp. 668–685; and *ante*, pp. 1–160 ff. *passim*.

provisional government to all of Austria after the entry of American and British forces into Vienna.

In my opinion there is no disagreement at this time among the four occupying powers, with the possible exception of the British, on the proposition that an Austrian central administrative machine is an urgent necessity. This same view is strongly supported by Austrian public opinion. The question presented is whether to utilize the Renner government as such a machine.

In favor of such action it may be stated that:

(1) The Renner regime is made up of officials of the Socialist, Communist and Peoples Parties, the three democratic political groups in Austria.

(2) The consensus of opinion is that it commands the confidence and sympathy of the people to as great an extent as would any other non-elected group.

(3) Insofar as can be judged from here, it would be as acceptable to foreign public opinion as any other non-elected group.

(4) By and large, it is composed of patriotic and able men, several of whom have demonstrated capacities of leadership and gained national and provincial reputations prior to the annexation. All are free of any Nazi taint.

(5) Although hurriedly constituted in April 1945 and of a coalition character, it has to date maintained admirable unity in its ranks.

(6) With some exceptions, its legislative record is good and the vision and force displayed under extremely adverse conditions in planning for Austrian reconstruction commendable.

(7) Its friendly relations with the Soviets place it in a favorable position, more so probably than any Austrian government that could be formed at this time, in the matter of the reestablishment of historical and traditional ties of all kinds with Czechoslovakia and the Danubian area generally.

(8) From the first day of its existence it openly proclaimed its intention to submit to modification through consultation with the western provinces at the earliest practical date.

(9) In harmony with No. 8, it has within the past few days successfully held a Laender Conference, composed of eight delegates from each of the nine Austrian provinces. These delegates represented the three democratic political parties and the provincial government of each province. The Conference, therefore, as nearly represents an expression of the peoples' will as could be had without the holding of an election.

(10) Among the principal results of the Laender Conference were the following:

(*a*) Expression in a resolution of a desire for speedy recognition of the Renner government.

(*b*) Of seven new appointees to the Cabinet (two Cabinet posts and five Under Secretaries) the Peoples Party obtained five, the Socalists one, and the Communists one. This meets, in a way, the previous complaints of the western provinces, where the Peoples Party formerly predominated, that they should have more representation in the government.

(*c*) Every province in the U.S., British and French zones is represented through these new appointments.

(*d*) The controversial matter of having the police under a Communist Minister of Interior was settled through a formula establishing two new agencies. First, a commission will be appointed with jurisdiction in all questions of public safety composed of two members of the Peoples Party, two Socialists, and one Communist. It is to be headed by a new Under Secretary in the Ministry of the Interior from the Peoples Party. The commission functions in agreement with and under the chairmanship of the Minister of the Interior (Communist), and its decisions must be unanimous. Incidentally, this latter provision follows the standard practice of the Renner government which requires unanimous decisions at Cabinet level. The members of the commission have the right of appeal to the Political Cabinet.

Second, three-man advisory councils will be created with one member from each of the democratic parties. These councils, of which there will be nine, will act in an advisory capacity to the security offices (Sicherheitsdirektionen) in each of the nine Austrian provinces.

(*e*) It suggested November 25 as the date for a national election for the provincial diets and a Nationalrat. The preparations for and supervision of such elections are to be entrusted to the previously mentioned five-man commission acting under the chairmanship of the new Under Secretary in the Ministry of the Interior (Peoples Party). Its decisions must be unanimous; in case of disagreement the Political Cabinet decides.

Against the utilization it may be argued that:

(1) The Renner government was formed and has up until the present functioned under Soviet control, whether nominal or otherwise. It is thus suspected of being unduly susceptible to Soviet influence. However, it did resist Soviet pressure for an Austro-Soviet oil contract.

(2) Although Communist strength in Austria was always negligible and no Communist ever was appointed or elected to any high office, it contains three Communists of Cabinet rank, two of them holding powerful and important posts, namely Interior and Education.

(3) The police being under the Communist Minister of the Interior has caused some concern and it may be argued that the new commission and the three-man advisory councils are no guarantee of the removal of such dangers as may exist. This question is being given further study. Apropos of the matter of influencing elections, which is frequently mentioned in connection with control of the police, there are various ways this could be done in Austria today without requiring any help whatsoever from the police. For example, favoritism in such

matters as automobiles, gasoline, travel permits, food and clothing rations, and glass for shattered window panes.

(4) The Laender Conference only changed the government by adding new people and new offices to it. None of the old appointees were removed. (The Minister of Agriculture, a non-controversial figure, resigned on account of ill health, and was replaced by a member of the same party.)

(5) The Under Secretary counter-signature device was retained. This has been objected to abroad but, in spite of the administrative difficulties involved, it has worked well in Austria, providing as it does effective intra-party check.

To sum up, the Renner regime in its composition and on its record is probably as satisfactory from all standpoints as any other group that could be formed. Given the urgent need of an Austrian central administrative machine to facilitate the work of the Allied Commission, it is my considered opinion that the United States should agree to the extension of the authority of the Renner government throughout Austria providing we can satisfy ourselves that the present police set up will permit free elections to be held. The United States should couple such agreement with a definite undertaking on the part of the Renner government to hold a national election for a new government before the end of 1945. This will insure that within three months the Austrian people can have a government of their own choosing, and this very fact renders less important any objections that may be had to the United States taking an affirmative position on the utilization of the Renner regime.[25]

In a following cable I will set forth the British position.[26]

CLARK

740.00119 Control (Austria)/10–145

Memorandum of Conversation Between the United States Military Commissioner for Austria (Clark) and Dr. Karl Renner[27]

VIENNA, September 29, 1945.

After an exchange of amenities, Dr. Renner said that he was pleased to be able to bring General Clark the good news that the recent laender conference had gone very well. General Clark brought up the question of the police, and Dr. Renner explained that the conference had not been able to remove Honner as Minister of the Interior. This was

[25] In telegram 268, September 30, from Vienna, Mr. Erhardt reported that he fully concurred in General Clark's views as set forth in this telegram (740.00119-Control (Austria)/9–3045).

[26] War Series PV–7824, September 30, p. 617.

[27] Sent to the Department in despatch 257, from Vienna, October 1; received October 11.

principally for two reasons, first, insistence upon Honner's removal would likely have embittered the Soviets, and second, it would have opened the way for agitation and trouble-breeding demonstrations on the part of the Austrian Communists. Dr. Renner expressed confidence, however, that the matter had been effectively handled in another way. He then described the five-man Commission established by the conference with jurisdiction in all public safety matters and explained how it would work in actual practice. He laid great stress on the fact that in case of disagreement the Political Cabinet would have the power of decision and not Honner. General Clark called attention to the fact that a Communist was on the Political Cabinet,[28] too, and asked Dr. Renner what would happen if the Political Cabinet disagreed on any particular question. To this Dr. Renner replied that he could do exactly like he had done on two previous occasions when the Political Cabinet was deadlocked. He would not permit the question to come to a vote in the Political Cabinet but he would simply say that it was apparent to him that the will of his Ministers was to have the matter decided in a certain way and that on his own responsibility he was deciding it in that way. Anybody who wasn't satisfied with his decision could resign.

Dr. Renner said that the other check imposed by the conference on Honner's police power, namely, the Advisory Councils to the police headquarters in the provinces and Vienna, was very important. The general public, he said, had overlooked this fact. He explained that the decisions of these councils did not have to be unanimous, and he seemed to feel that such councils would exert a real and wholesome influence.

There followed an extended discussion of the Vienna police. Dr. Renner admitted that the heads of the police in practically all of the districts in Vienna were Communists. This situation was due to the fact that when the Russians entered Vienna in April they had installed Communists in these positions. Dr. Renner then said that Dr. Pamer,[29] Police President in Vienna, and an old-line career police official, had been forced on Honner. Pamer had set up his own secret-service to check on these Communist district leaders, and had obtained a great deal of adverse information on many of them. As a result, two or three had been dismissed and replaced by non-Communists. In addition, Dr. Renner said that the Socialists and the Communists in Vienna had recently reached an understanding whereby several men were to be removed, and he thought that by the time the election was held this fall perhaps only one-third of the district police chiefs would be Communists. With regard to the rank and file of the police

[28] Johann Koplenig.
[29] Dr. Ignaz Pamer.

employees in Vienna, Dr. Renner said that it was often asserted that they were Communists also but in reality they were not.

General Clark asked Dr. Renner whether it would be possible to hold free and honest elections this fall. Dr. Renner, with great confidence, replied in the affirmative. In support of his views he described the five-man commission under a Peoples Party Under Secretary in the Ministry of the Interior which would have complete jurisdiction in election questions. He laid great stress on the fact that this new machinery completely by-passed Honner. As to the voting in the provinces, especially Lower Austria, he said that he had no doubts whatsoever that honest elections could be held. This was due to the fact that Austria had splendid election laws and election machinery. The officials in the polling booths would be composed at least nine-tenths of representatives of the Peoples Party and Socialists. Dr. Renner said that the City of Vienna was the only place which offered any real possibilities of manipulations of the elections but that he personally felt sure that even here the Communists would not be able to exercise any determining influence. Dr. Renner said that for his part he would be glad to see the occupying powers supervise the elections in some way and in this connection he said that the mere presence of the troops would exert a good influence.

At the end of this discussion of elections, General Clark asked Dr. Renner if he could guarantee free and honest elections. To this Dr. Renner replied in the affirmative.

Dr. Renner said that no members of the Nazi party should be allowed to vote at this election because they were the very people who had scoffed at elections and all democratic processes.

General Clark then referred to the Allied Council meeting scheduled for October one, and said that he had talked today with both Marshal Koniev and General McCreery. General Clark said he did not know what the Allied Council might decide about the provisional government but that he wanted to go over with Dr. Renner some of the points that might come up at the Council meeting. These points were as follows:

(1) Extension of authority of the government. Dr. Renner said that he would be satisfied with this because it was the essence of the matter providing as it would for his authority in matters of internal administration. He said that he, of course, would prefer recognition (Anerkennung) because it was more dignified, would give his government more prestige and increased scope and power in dealing with the neighboring states.

(2) General Clark said that whatever the Allied Council might do, it would have to be clearly understood that the Allied Commission would remain the supreme authority in Austria. Dr. Renner said that he thoroughly understood this.

(3) Would Dr. Renner obligate himself to hold elections this year. He said he would.

(4) General Clark said that the Allied Commission would reserve to itself the exercise of certain functions such as frontier control, diplomatic representation, etc. Dr. Renner said he was agreeable to this.

(5) General Clark said that the Allied Commission might decide in some way to assume more direct control or supervision of the police. Dr. Renner said he would be pleased if this were done.

(6) General Clark said that the Allied Commission would want to review all the old laws passed by the Provisional Government, many of which might be acceptable but others would require modification. Dr. Renner said he was agreeable to this.

(7) General Clark said that the Commission would likely wish to pass on new laws before they were promulgated. Dr. Renner said this would be quite satisfactory but that the Commission should do this promptly because some laws were of an urgent character and could not wait a long time for decision.

(8) General Clark said that laws, ordinances, etc., put into effect by the occupying powers could not be set aside by anything the Provisional Government might do. Dr. Renner said he understood this.

At the close of this discussion about legislation, Dr. Renner made a general remark to the effect that he would be quite satisfied if his cabinet could go ahead and discuss such laws as seem necessary and then bring them to the Commission for approval.

Dr. Renner then said that he wanted to bring up something with General Clark which he considered to be of supreme importance. He said that in Austria today he could strongly feel the political tug-of-war between the USSR and Great Britain. This made it extremely difficult for him when he had to do something which he knew would offend one or the other of these powers. The Soviets, for example, had helped Austria in a time of great need and they wanted payment for this political debt. He needed, he said, to lean on an objective friend like the United States. He referred in this connection to the negotiations for the oil contract and said that the support of the United States had been very helpful in enabling him to resist Soviet pressure. He also referred to the Soviet interest in Danube shipping. This was a ticklish matter and he would need all the help he could get in trying to reach a solution which would be fair to Austria and all concerned. General Clark replied that he would be just as helpful as possible at all times.

Dr. Renner said that the Soviets were extraordinarily "tough" in their dealings and that they were meticulous in even the smallest matters; for example, he referred to an Austrian Trade Delegation which the Soviets wanted to come to Moscow. The Soviets had clearly, although not openly, linked the sending of this mission with

the oil contract, and when the latter failed to materialize the Soviets had called off the Trade Delegation visit to Moscow.

At the close of the conversation, General Clark said that there were some three thousand political prisoners in jail in the American zone in Vienna. He had ordered an immediate investigation as to why these people were in jail. Any of them who were there for a good cause he proposed to take out and put in special camps. Those whom he found to be held without good reason he intended to set free. Dr. Renner indicated that he was in agreement with General Clark's proposal.

Just before leaving, Dr. Renner said to General Clark that he was glad to see a General in politics, especially a man of action like General Clark.

740.00119 Control (Austria)/9–3045 : Telegram

The United States Military Commissioner for Austria (Clark) to the Joint Chiefs of Staff [30]

[VIENNA,] September 30, 1945—11 p. m.

War Series PV–7824. 1. Referring to my PV 7803, 29 September re extension of authority of Renner Government, I can now report some local British views:

a. They may be willing to have the Provisional Government as constituted by Laender Conference possess authority throughout Austria, but they strongly desire that it be instituted as a Government *de novo* rather than an extension of the authority of an existing government as proposed at Potsdam.

b. Accordingly they want Allied Council to review all past legislation of Renner Government and to decide which laws shall be made valid throughout Austria. In the case of laws found acceptable they would like to have them formally reenacted. All new laws should be submitted to Allied Council for approval before promulgation.

c. They want the Provisional Government to be not only under general supervision of Allied Council but under detailed control to prevent "free wheeling" by Government.

d. They want eight governmental functions to be exercised exclusively by Allied Commission:

(1) Foreign Affairs and diplomatic representation;
(2) Delimitation of frontiers;
(3) Movement of Austrians and foreigners in and out of Austria;
(4) Displaced persons;
(5) Demilitarization;
(6) Construction, operation and control of all forms of aircraft, equipment and landing areas;

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[30] This telegram was sent for information to the Secretary of State in London.

(7) Settlement of all questions relating to foreign-owned property;
(8) Approval of members of the central and provincial provisional governments; and of the head officials of the central and provincial administrations.

e. They want certain other functions to be exercised by Provisional Government only under direction of Allied Commission and with its prior consent. These include rationing and price control, allocation and distribution of food and other resources, other economic matters, central banking, approval of national budget, and settlement of all questions relating to expropriated Austrian-owned properties.

f. They will press strongly for a thorough-going reorganization of all branches of Austrian police, under Allied supervision and direction. They feel this should be made a condition to the extension of authority of Provisional Government. They have in British element of Allied Commission a staff of British police experts including a high-ranking officer from Scotland Yard. General McCreery has approached me with a view to securing my consent to placing the Scotland Yard officer in charge of Austrian police. They will supply the police with some British equipment and transport.

g. They are now willing to have elections held this year, but even after the elected government takes office they will want to maintain close supervision over it, arguing that since so many Austrians are now away a second election twelve to eighteen months hence will be necessary to ensure establishment of a thoroughly representative Austrian Government.

2. Some of the British points would, if insisted upon, probably cause a deadlock in Allied Council. They are aware that this would seriously delay Austrian reconstruction and under certain conditions might lead to chaos.

3. British are most anxious to have us present united front to Soviets, arguing that otherwise Soviets can play us off against each other. Russians on other hand are extremely sensitive to any appearance of a US–UK bloc.

4. Soviets are prepared to recommend recognition of Provisional Government as broadened by Laender Conference, and have it function under the guidance and control of Allied Council as supreme authority in Austria. They have expressed themselves as agreeable to free elections in near future. On police problem they object to singling out for special Allied scrutiny or control one of the two ministries (Interior) headed by a Communist. This they say would be a blow to Soviet prestige. Accordingly they propose that reliance be placed on the agreed control by the Allied Commission over all ministries, including Interior.

5. In an hour's conversation with Renner yesterday he said he would be satisfied with extension of his government's authority although he frankly stated he preferred recognition, because recognition would

give the government greater prestige and enable it more effectively to deal with neighboring states. In either case Renner accepts fact that Allied Commission will remain supreme authority. He expressed complete confidence in government's ability to hold free and honest elections in 1945. On the police question he said the safeguards provided by Laender Conference would effectively curb possibility of abuse by Honner or Communists.

6. Question of extension of authority of Provisional Government and related questions are on agenda for tomorrow's Allied Council meeting. I discussed these questions privately with both Koniev and McCreery yesterday and made some progress toward reconciling these views. My own views are set forth in PV 7803.

[CLARK]

740.00119 Control (Austria)/10–145: Telegram

The United States Military Commissioner in Austria (Clark) to the Joint Chiefs of Staff [31]

VIENNA, 1 October 1945.

PV 7841. Referring to my PV 7803 of September 29, at a meeting of the Allied Council on October 1, the following resolution was unanimously passed:

1. "After considering the memorandum of the head of the Provisional Austrian Government, Doctor Karl Renner, dated 29 September 1945,[32] communicating the agreed decisions of the Austrian Provincial Conference which took place from 24 to 26 September 1945, the members of the Allied Council recommend to their respective government that the authority of the Provisional Austrian Government, broadened as a result of the Laender Conference, should extend to the whole of Austria, subject to the conditions enumerated in paragraphs 2, 3, 4 and 5.

2. The Provisional Austrian Government will function under the guidance and control of the supreme authority in Austria: the Allied Council. The control over the ministries and departments of the government will be exercised through the machinery of the Allied Commission. Certain functions of government which will be the subject of a separate recommendation will be reserved to the Allied Council.

3. One of the main duties of the Provisional Austrian Government will be to hold free elections not later than December 1945.

4. The Provisional Austrian Government is empowered to enact laws applying to the whole of Austria, provided that they shall first be submitted for approval to the Allied Council and provided that this shall not defeat [*affect?*] the validity, within the part of Austria

[31] This telegram was sent for information to the Secretary of State in London.

[32] A copy of Dr. Renner's memorandum was sent to the Department under cover of despatch 256, from the U.S. Political Adviser for Austrian Affairs, October 1; not printed.

occupied by the forces of the Soviet Union, of any provision enacted between May 1, 1945, and the date on which a new law applying to the whole of Austria is enacted in its place. In this connection, the Allied Council takes note that the Provincial Conference decided to examine the provisions referred to above and requires that the result of this study shall be communicated to it for consideration.

5. Nothing in this resolution affects the validity of any Military Government legislation now in force or hereafter to be enacted.

6. A copy of the memorandum submitted by the head of the Provisional Government in Austria, Doctor Karl Renner, will be forwarded to the Council of Foreign Ministers in London."

The Council also passed a resolution by [*on*] the Democratic Press in Austria, the principal provision of which is that there is to be no censorship. However, certain conditions are set forth to guide the press, violations of which will result in penalties.[33]

A further resolution was approved prohibiting effective December 1 the wearing of military uniforms to former personnel of the German Army and to Austrian civilians unless dyed a color other than gray or khaki.

[CLARK]

740.00119 Council/10–145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 1, 1945—3 p. m.
[Received October 1—2:02 p. m.]

10181. Delsec 86. From the Secretary. Please ask the Joint Chiefs to send the following to General Clark at Vienna.[34]

The Council of Foreign Ministers has approved the following two telegrams to be sent by the Govts of the US, the UK, the USSR and France to their respective Commanders-in-Chief in Austria. The telegrams were approved Sept 29, and Sept 30, respectively.

Begin First Message

1. The following communication has been sent to the Allied Control Commissions in Rumania, Bulgaria and Hungary and to the Govts of Yugoslavia and Czechoslovakia.[35]

2. The Council of Foreign Ministers has decided to clarify through the Allied Control Commissions in Hungary, Rumania and Bulgaria

[33] The text of the resolution of October 1 entitled "Democratic Press in Austria" is printed in the *Gazette of the Allied Commission for Austria*, No. 1, December 1945–January 1946, p. 28.

[34] A marginal notation in the handwriting of Francis T. Williamson of the Division of Central European Affairs indicates that the following was given to the War Department for transmission to General Clark on October 1.

[35] Paraphrases of this message were sent by the Department as telegram 584 to Bucharest, November 1; telegram 359 to Sofia, November 1; telegram 624 to Budapest, November 1; telegram 381 to Belgrade, October 31; and telegram 350 to Praha, October 31. For the Bulgarian response, see telegram 779; December 26, from Sofia, vol. IV, p. 416.

and also with the Govts of Czechoslovakia and Yugoslavia whether there are in the above listed countries surpluses of foodstuffs which could be used for supplying Austria.

3. Therefore by instruction of the Council of Foreign Ministers I request you to inform me whether blank country can set aside foodstuffs for supplying Austria. In case there are such surpluses the Council of Foreign Ministers would like to learn in what quantities they can be set aside for Austria now and from the proceeds of the next harvest.

4. The Council requests that the information in respect to the present surplus be made available within one month and as to the next harvest within three months.

5. On the basis of this information which will be communicated to the Allied Council and on the basis of a study to be made by the Allied Council of the possibility of obtaining the maximum quantity of food from Austria itself both at the present time and from the next harvest the Allied Council should examine the long term arrangements for food supplies to Austria and report the result to the Council of Foreign Ministers with such further information on the supply position in Austria as the Allied Council may deem useful.

Begin Second Message

1. With reference to the question of ration scales and consumption levels to which the Allied Council in Vienna referred in their reports on Austrian food supplies the Council of Foreign Ministers consider that the ration scales for the deficiency areas in Austria should be based on a per capita temporary minimum ration of 1,550 calories a day for the normal consumer which has been agreed by the Allied Govts for the present time maintaining the principle of differentiation for the various groups of the population on the basis of the type of labor performed.

2. It is for the Allied Council to estimate both the quantity of food which can be obtained from local production and the quantity which remains to be imported in order to reach the above standard.

3. This scale should be increased by the Allied Council to 2,000 calories or more as more local or imported supplies become available.

WINANT

740.00119 Control (Austria)/10–245 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Acting Secretary of State

VIENNA, October 2, 1945—3 p. m.
[Received October 2—2:22 p. m.]

276. General Clark sent a message (PV–7833, Oct. 1 to Agwar) to be passed to Dept [36] for info giving text of resolution approved Allied Council meeting Oct 1 recommending Govts of occupying powers agree to extension of authority of Austrian Provisional Govt throughout Austria.

[36] Not found in Department files, but see telegram PV–7841, from General Clark to the Joint Chiefs of Staff, October 1, p. 619.

Resolution provided that control over the ministries and depts of the Govt would be exercised through the machinery of Allied Commission. This gives Commission leverage for dealing with police or any other agency of the Govt and Council, realizing that further study of police is both desirable and urgent, decided that Executive Committee should place the matter on agenda of its next meeting. Also safeguards established by Laender Conference apparently were regarded by Council as representing substantial progress in solution of controversial police matter. McCreery, appearing satisfied by above considerations, was the one who at Council meeting moved to strike out a paragraph in the resolution originally proposed by him which would have singled out police, putting it under supervisory control of Council.

My impressions are that the major consideration influencing all concerned at Council meeting was the acute and urgent need for a central Austrian administration.

As expected (my 246, Sept 24) General Clark today mediated successfully in reconciling Soviet and British viewpoints.

ERHARDT

863.24/10–545

The Secretary of War (Patterson) to the Secretary of State

WASHINGTON, October 5, 1945.

DEAR MR. SECRETARY: Estimates indicate that it will be necessary to import, annually, to Austria 761,000 tons of subsistence supplies and 1,800,000 tons of coal. These tonnages provide a minimum standard of living and do not include imports of supplies other than coal and food, which may be required at a later date to further the objectives of the occupation. Since the United States is the residual world supplier of these commodities, imports will have a direct effect upon the United States economy.

The supply problem in Austria differs from that in Germany, in that there does not appear to be any hope that supply requirements will decrease in the future nor that the Austrian Government shall at any time in the future be able to reimburse the United States for the cost of these imports. The pre-war economy of Austria was insufficient to provide for the needs of its people. This insufficiency is now exaggerated by restrictions to the free exchange of goods within Austria resulting from the zoning of responsibilities by the occupying powers, and by barriers to trade existing between Austria and other Central European and Balkan countries. Normally these latter areas exported substantial quantities of food to Austria.

The War Department, through negotiations by its military representatives in Austria, is exerting every effort to reestablish a free exchange of foodstuffs and other commodities within Austria. The Allied Council for Austria held its first meeting on 14 September 1945. It is hoped that a Quadripartite Resources Board can be established soon. However, the British Government has been reluctant to participate in any quadripartite organization in Austria until consideration has been given to the supply of Austria as a whole, particularly the utilization of the countries of the Danube Basin as a primary source of supply. The Russian Government opposes this view, and has proposed unilateral responsibility for the separate occupied zones of Austria itself.

In view of the close interdependence between civilian supply for Austria and the complex trade problems existing in Central Europe, the War Department does not feel that it can adequately protect the interests of the United States Government without resorting to negotiation on the governmental level. It is, therefore, recommended that appropriate steps be taken through the State Department to negotiate or otherwise arrange such agreements as are necessary to insure the maximum utilization of Central European resources to reduce the import requirements from the United States to Austria.[37]

Sincerely yours, ROBERT P. PATTERSON

863.00/10–1145 : Telegram

The Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)[38]

WASHINGTON, October 11, 1945—3 p. m.

178. After examination of changes in Renner Cabinet made by Laender conference, and resolution of Allied Council Oct 1 (PV 7841),

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[37] Secretary Byrnes, in a reply of November 19, informed the Secretary of War that the Department had made inquiries among the various eastern and central European Governments as to the availability of supplies. He also indicated the Department's readiness to negotiate if negotiation should prove possible. (863.24/10–1545)

[38] A memorandum of October 14, prepared in the office of the United States Political Adviser for Austrian affairs regarding this telegram, contains the following comments:

"The Department of State's views regarding the Provisional Austrian Government have now been received in telegram 178 of October 11, 1945.

"These views are stated in the form of 'recommendations' because 'instructions' come to the Commanding General, not from the State Department but only from the Joint Chiefs of Staff through the War Department.

"Normally the spokesman abroad for the United States Government as a whole is the diplomatic representative acting on instructions received from the Department of State, after the latter has obtained the views and recommendations of any other interested agencies of our Government. At present in Austria the spokesman of 'the United States Government' as a whole is the Commanding General, who receives instructions through the War Department from the Joint

(Footnote continued on p. 624)

Dept considers that reorganization and modifications have met objections raised in previous instructions and constitute the maximum which can be achieved under existing international circumstances. Although reconstitution does not follow exactly recommendations previously transmitted by Dept, changes in organization of Renner Cabinet will be accepted in view of the following considerations:

1. Laender conference is in accord with Austrian constitutional procedure and gives Renner Cabinet legal basis which it did not possess prior to conference and action of council on Oct 1.

2. Reconstitution of Cabinet to include provincial representatives has met basic criticism that Cabinet was predominantly Viennese. Dept considers that in its present organization, Cabinet is the most representative Govt obtainable in Austria until national elections are held.

3. Creation of a commission headed by Under Secretary of Ministry of Interior and advisory councils in provincial security offices to supervise all questions of public safety has met objections concerning Communist control of police functions. Dept is willing to accept this compromise in view of fact that transfer of control of police to military government would involve major administrative difficulties, and at same time removal of Communist Minister would be politically inexpedient. With reference to elections, Dept considers that early elections based on procedure in Austrian law under supervision of new Commission in Ministry of Interior would offset tendency to influence elections.

Although there is objection to system of Under Secretaries in various ministries as unprecedented in Austrian administrative procedure as well as giving Communists veto power in all ministries, Dept is willing to accept Gen Clark's judgment (PV 7803 Sep 29) that device has worked well in providing inter-party check on administrative action.

In view of these considerations and the urgent need to establish a central Austrian administrative machine to function in Austria as

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(Footnote continued from p. 623)

Chiefs of Staff after they have considered the views and recommendations of any other interested agencies of our Government. Although the views of our Government as a whole on foreign political questions are based primarily on views of the Department of State, the latter are expressed not in the form of instructions to the United States representative in Austria (the Commanding General) but in the form of recommendations or advice conveyed through the Political Adviser to the Commanding General or to the Joint Chiefs of Staff who alone can issue 'instructions' to the United States representative in Austria.

"The State Department's telegram 178 thus contains the formal, final views of that Department even though it is in the form of 'recommendations' which the Political Adviser can convey to the Commanding General, and which have no doubt been simultaneously conveyed by the State Department to the War Department for the Joint Chiefs of Staff for consideration in connection with any 'instructions' which the latter may wish to issue. The recommendations contained in it can be carried out without further reference to Washington as far as State is concerned. The Commanding General is therefore free in his discretion to proceed to carry them out unless in his judgment he would prefer first to have formal instructions from JCS or thinks that JCS views might be contrary to those of State." (Vienna Legation Files, 1945, Part 24, 801)

a whole, Dept recommends that the Renner Cabinet as reconstituted by the Laender conference be recognized as a provisional régime to operate within limits contained in Council resolution of Oct 1. Dept further recommends that following steps be taken immediately following a four power decision on recognition:

1. Creation of a central Austrian administrative machine and extension of its authority throughout Austria as a whole by integration of existing provincial administration in various zones of occupation with national ministries in provisional régime.
2. Establishment of freedom of movement on an interzonal basis for Austrian Govt personnel, business men and essential workers; interzonal freedom of transportation and interzonal freedom of communication in mail, telephone and telegraph services as soon as possible in accordance with resolutions of Allied Council Sep 20.[39]
3. Holding of national elections no later than Dec 1945 to establish Govt freely chosen by Austrian people themselves to replace the provisional régime. Dept does not consider that elections this year will affect supreme authority of four commanders during coming winter since authority now vested in Allied Council can be modified only by action of Govts of the four occupying powers. Dept recommends that in elections general supervision should be exercised by Allied authorities in order to insure that procedures utilized are in accordance with Austrian constitution, particularly Article 95 and Article 119 [40] of Constitution as amended in 1929, and that full and unprejudiced use is made in all zones of local election laws (*Landtagswahlordnung* [41] and *Gemeindewahlordnung*) [42] promulgated before 1930. Allied supervision is also necessary to give widest interpretation consistent with military security to proclamation of Council Sep 11 on activities of political parties,[43] to fulfill provisions in US directive on freedom of speech, press, and assembly, and to prevent interference with activities of single political parties.

Dept agrees with Brit view that preliminary agreement on status and functions of provisional régime is desirable to facilitate discussions in Allied Council, but considers that points raised in PV 7824 Sep 30 can be disposed of as they arise in the Council meetings rather than making them the condition of recognition. Dept does not believe that agreement can be reached on all questions raised by the Brit prior to a four power decision on status of the Renner Cabinet and that proclamation of Allied Council's supreme authority in Austria will automatically assure Allied supervision and control of the

[39] Printed in the *Gazette of the Allied Commission for Austria*, No. 1, December 1945–January 1946, pp. 27–28.

[40] These articles set forth the general provisions regulating elections to the Provincial Diets and Municipal Councils. The Austrian constitution as amended on December 7, 1929, is printed in *Bundesgesetzblatt für die Republik Österreich*, January 2, 1930, pp. 1–27.

[41] Election ordinances for the Provincial Diets.

[42] Municipal election ordinances.

[43] Printed in *Gazette of the Allied Commission for Austria*, No. 1, December 1945–January 1946, pp. 26–27.

state functions, including police, which Brit desire to reserve specifically to Council.[44]

BYRNES

863.00/10–1145 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, October 11, 1945—3 p. m.
[Received October 12—1:40 p. m.]

326. Decisions Laender Conference,[45] which ended yesterday, available *en clair* telegram No. 329.[46] Only issue involving prolonged negotiations was question disfranchisement Nazi forthcoming election. We learn vigorous representations necessary persuade Volkspartei withdraw objections disqualification all Nazi party members and candidates. In political commission, which handled question disfranchisement, Volkspartei at first held [garbled group] proposing basic distinction treatment between pre and post 1938 Nazis, with local authorities black listing those persons basically compromised. Volkspartei admitted such procedure would fail exclude all real Nazi but contended disfranchisement many nominal members would transform them into genuine Nazis. Significant Gruber [47] was official Volkspartei spokesman, no longer speaking for western provinces along [*alone*]. Weissgatterer just succeeded Gruber as provincial governor Tyrol. Volkspartei delegates were apparently not unanimous but maintained good discipline.

Uncompromising opposition Communists forced Volkspartei yield on disfranchisement issue to avoid jeopardizing early holding elections. When Volkspartei objected absence perhaps 300,000 ballots would make Austria appear more Nazi than it is in fact Communists replied impression created abroad if Nazi votes would be worse.

Socialists attempted mediate, offering proposal those Nazi party candidates approved after local meeting might vote. Socialist delegation in beginning was split with Carinthian and Styrian representatives led by Styrian Provincial Gov Machold tending toward Volkspartei viewpoint, but party discipline finally prevailed and all Social-

[44] The British, French, and Soviet Governments were informed of the United States Government's approval of the Allied Council recommendations, and the Department made its approval public in a press release on October 16. See Department of State *Bulletin*, October 21, 1945, p. 612.
[45] The second Länder Conference held October 9–10.
[46] October 29, not printed.
[47] Dr. Karl Gruber, Under Secretary of State for Foreign Affairs.

ists led by Vice Mayor Speiser of Vienna finally sided with Communists, forcing Volkspartei yield or wreck conference.

Socialists admit they might have obtained considerable number of votes nominal Nazis Styria and Carinthia and do not believe Volkspartei will suffer considerable loss votes this election by virtue decision taken. They accuse Volkspartei however of fishing for Nazi vote next election.

Decision of juridical and economic commissions lack present major political significance.

ERHARDT

800.515/10–1545 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, October 15, 1945—3 p. m.

2162. After Quadripartite Financial Committee in Vienna had approved all details of projected conversion of Reichsmarks in Austria into AM schillings scheduled to begin Oct 15 Soviet representative on ACC insisted on Oct 4 that currency conversion be postponed. Subsequently, Marshal Koniev proposed in Oct 8 meeting of ACC direct conversion of Reichsmarks and AM schillings now circulating into Austrian national schillings. Koniev argued desirability of such program on ground that Allies are on eve of recognizing Austrian Provisional Govt hence conversion into AM schillings has "lost its meaning" and Austria should be permitted to have its own national currency.[48]

You are requested to impress the Soviet authorities with this Govt's concern with developing situation. Objective of proposed conversion into AM schillings was to effect immediate separation of Austrian currency system from that of Germany as necessary concomitant to Austrian independence from Germany. Conversion would also permit regularization of Austrian currency situation pending eventual conversion into indigenous Austrian currency. Possibility that Aus-

[48] This information had been reported to the Department in telegram 309 from the Political Adviser in Vienna, October 9. In the same telegram the Department was also informed that U.S. financial authorities in Austria felt that because of the inability of the Austrian Provisional Government to print currency rapidly enough there would be an insufficient stock of Austrian notes available to cover Allied expenditures if conversion directly into Austrian schillings were undertaken. Such direct conversion would run the risk of being excessively deflationary and might lead to failure unless it were delayed an undesirably long period. Accordingly Mr. Erhardt intended to continue to press for conversion into Allied Military schillings prior to conversion into Austrian national schillings. (863.51/10–945)

trian Govt may be recognized by Occupying Powers does not reduce the importance of these considerations. This Govt agrees with position taken by Soviet representative in ACC that Austria should have own national currency and does not expect that AM schillings will be maintained in circulation indefinitely. However, conversion directly into Austrian national schillings not possible for extended period during which feared that heavy movement of Reichsmarks into Austria will continue thus blocking effective financial reconstruction. In view these considerations this Govt urges that Soviet accept plan for immediate conversion already agreed upon.[49]

For your info USACA [50] estimates last practicable date for beginning conversion into AM schillings is about Nov 5 owing to scheduled Austrian elections in later Nov and subsequent winter weather which will impede necessary transport and communications.

Repeated to AmPolAd, Vienna as 185.

BYRNES

740.00119 Control (Austria)/10–1645 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, October 16, 1945—noon.
[Received October 16—11 : 50 a. m.]

341. Soviet refusal to consider conversion policy in Allied Council and their prohibition on Soviet representative discussion political aspects program in Finance Committee prevent progress here. Urgency of securing reversal Soviet position and acceptance before October 20 of conversion program approved earlier Finance Committee indicate issue should be raised Moscow. I strongly support position stated in War Dept's Agwar for JCS from Clark (PV 8184, Oct. 13 [51]).

ERHARDT

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[49] Telegram 3578, October 17, from Moscow, informed the Department that a letter had been sent on October 16 to Assistant Commissar for Foreign Affairs Vyshinsky requesting that the conversion program already agreed upon be carried out (863.51/10–1745).

[50] United States Element, Allied Commission in Austria.

[51] Not printed; this telegram, which was repeated to the Department for information, described in detail the breakdown of negotiations in the Finance Committee. General Clark stated that it was obvious that the Soviets were stalling and recommended that representations be made to Moscow emphasizing the urgency of the situation and the complete concurrence of the Austrians themselves to the previously approved plan. It was important, he said, that the matter be settled at the October 20th meeting of the Allied Council. (740.00119-Control (Austria)/10–1345)

Vienna Legation Files, 1945, Part 27, 848–UNRRA : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

[VIENNA, October 18, 1945—4 : 30 p. m.]

PV 8301. October 11 General Clark received from War Department War 74204 October 9 containing substance of State Department's 137 [52] (my 325, October 11, 1945 [53]).

Prior to Executive Committee meeting of October 16 the French member put forward a French proposal indicating general support for having UNRRA undertake relief and rehabilitation operations in Austria. Both this proposal and U.S. proposal referred to in my 325 were placed before executive committee, and committee chose United States proposal for consideration. After brief discussion it was agreed to submit to Allied Council a draft cable to UNRRA inviting latter to send two or three technical representatives to Austria to confer on possible working arrangements, to obtain data on extent of Austrian requirements, and to investigate problems of transportation and distribution. Although United States proposal as introduced also recommended steps to invite UNRRA formally to undertake relief and rehabilitation operations, no action was taken on such steps by executive committee. It was pointed out that inviting technical representatives would not commit Allied Council to inviting UNRRA to undertake relief and rehabilitation operations. Department will be advised of Council action on cable.[54]

Some doubt exists here whether United States Government is definitely in favor of having UNRRA undertake such operations. It is reasoned that to the extent that UNRRA takes over burden of civilian supply, United States will bear 70 to 80 per cent of the cost with no possibility of reimbursement, whereas if Allied Military Forces carry the burden the United States outlay is limited to supplies for United States Zone, plus at present supplies for French Zone for

[52] This telegram, not printed, informed the Political Adviser that the Department had sent a letter to the War Department suggesting that since Austrian relief requirements were still unclear, General Clark should propose to the Allied Council that a team of two or three UNRRA experts be allowed to survey the situation in Austria so that an UNRRA relief program could begin (840.50-UNRRA/9–2745).

[53] Not printed. In this telegram the Political Adviser informed the Department that as a result of discussions between General Clark and UNRRA officials a proposal had been drafted for submission to the Allied Council inviting UNRRA to study Austrian relief needs and to extend relief and rehabilitation operations to Austria. (840.50 UNRRA/10–1145)

[54] By means of telegram P–4577, October 29, the Political Adviser reported that the cable was approved by the Allied Council and despatched to UNRRA on October 20 (Vienna Legation Files, 1945, 848–UNRRA).

which some reimbursement may ultimately be received. I would appreciate further advice from Department as to its views, and if possible some appraisal of present sentiment in Congress re the necessary appropriation.

Advice which I have given informally on this question up to the present is that, considering all factors, UNRRA should undertake relief and rehabilitation operations in Austria. If this is confirmed, I assume it follows that Department favors having UNRRA carry as large a portion of the supply burden as it proves capable of carrying.

[ERHARDT]

863.6363/10–1845 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, October 18, 1945—5 p. m.
[Received October 23—9 : 46 a. m.]

357. Member of Renner Cabinet has reported to us confidentially (my 323, Oct 11 [55]) that deliveries of gasoline supplies to Provincial [*Provisional?*] Govt from Zistersdorf have been cut off by Soviet authorities on basis of technical excuses. Such supplies stated to amount to 10,000 liters monthly, none of which received in Oct. As result Govt is seriously short of gasoline and Renner reported extremely nervous about situation. Inquiry was unofficially [made?] if gasoline could be obtained from other sources.

Informant believes purpose of Soviet pressure is to secure signature of Soviet-Austrian oil contract. Although negotiations on contract have not yet been resumed he expects they will be as soon as Provincial [*Provisional?*] Govt is recognized. Others share this opinion. Since Soviet pressure can be exerted in many ways we must seriously reckon with probability Renner will not be able to resist indefinitely signing contract.

Meanwhile situation American oil companies here rapidly deteriorating (my 324, Oct 11 [56]). Vacuum Oil Company and British controlled Shell Floridsdorfer Mineral Oel Fabrik A.G, have addressed joint letter to Provisional Govt's Ministry of Trade and Commerce with copies to us and to British stating that refineries owned by them have recently been subjected to stringent control by Soviet Oil Administration. Every order received for large quantities of oil products must now be approved by Soviet control officers acting on orders of Soviet Oil Administration and deliveries have already been held up. (Griffa of Socony Vacuum reports refining will stop Oct 20 because

[55] Not printed.
[56] Not found in Department files.

of limited storage capacity.) Letter expresses urgent desire for Allied Commission control of all production and distribution of oil products in interests of all zones of Austria and with due regard for US and British property.

Feldman of Standard Oil reports that certain regular deliveries from Socony Vacuum and other normal sources have been refused and that their distribution operations are consequently confined to stocks on hand which are extremely limited.

Part II.[57] Quadripartite Committee on Petroleum Resources whose formation was ordered by Executive Committee on Oct 4 (my 323, Oct 11) has been organized as oil subcommittee of an existing fuel and power committee. Although it should be helpful in securing information, General Gruenther and I feel that a technical working committee at that level cannot be expected to achieve a solution of oil problem as it is now developing.

We hope this problem can soon be taken up directly with Soviet officials here at a higher level. However, since Soviets point to agreements reached at Potsdam as justifying their recent actions with respect to oil industry in Austria, satisfactory solution will depend upon an agreed interpretation of Potsdam agreements.[58] The two fundamental questions are (1) whether "German foreign assets in western [*eastern?*] Austria" have actually become Soviet property already, as Soviets seem to assume and (2) whether "German foreign assets" include all property whose ownership was claimed by German nationals or German Govt at time of Soviet occupation of eastern Austria regardless of the time and circumstances of German acquisition.

1. We assume that the agreements reached at Potsdam did not establish Soviet ownership of German foreign assets and that before Soviet claims to such assets reparations account can be realized, further procedures or formalities of some kind must be carried out.

2. We assume that under United States interpretation "German foreign assets" means property of bona fide German ownership. In case of oil properties in Austria, the transfers to German ownership effected after Anschluss were in general executed in technically legal ways and with fair or at least not demonstrably unfair compensation. There was apparently not much haggling over price. What the Nazis wanted was to get control of the properties. However, the transfers after that date were in most cases made under pressure of one kind or another. Consequently, the most workable formula would be to treat as not binding all transfers of property to German ownership effected after March 13, 1938 except in cases where an appro-

[57] Part II of this telegram was despatched from Vienna on October 22.

[58] See Report on the Tripartite Conference of Berlin, *Conference of Berlin (Potsdam)*, vol. II, p. 1499, especially section IV, paragraph numbered 9, p. 1506.

priate judicial body finds after hearings that the transfers were agreed to by the former owners without pressure. Soviets would doubtless object to such a formula on ground that realization of many of their just claims would be tied up in judicial proceedings for a long time. Possible compromise would be a proviso that in cases where there is prima facie evidence that the transfer to German ownership was effected without substantial pressure, the property involved should be treated as "German foreign assets" subject to the right of the former owners to establish later that the transfers were made under pressure to recover their property.

In cases where the transfers were considered or determined to have been made under pressure, it would seem proper to restore the former owners or to the Austrian Provisional Govt or other govts in their behalf against refund of the consideration received with equitable adjustments for changes and transactions since the dates of transfer. The money or property so refunded would then presumably be considered German foreign assets and subject to reparations claims by the Soviets.

It would be helpful if Dept could send me urgently any background information or guidance bearing on these questions, including both substantive and procedural aspects.

ERHARDT

Vienna Legation Files, 1945, Part 24, 801.00 : Telegram

Major General Alfred M. Gruenther, Deputy United States Commissioner for Austria, to the Joint Chiefs of Staff [59]

[VIENNA, October 19, 1945.]

War Series PV 8330. 1. At October 18th meeting of Executive Committee General Zheltov, who returned from Moscow on October 16th after two weeks visit there, stated that Koniev has received no instructions from Moscow concerning extension of authority of Provisional Austrian Government. Zheltov would give no hint as to action which Soviet Government is likely to take. He declined to consider a draft communication from Allied Council to Renner notifying him of action by the four governments concerning Austrian Provisional Government.

2. Extension of Austrian Provisional Government is on agenda for Allied Council meeting for October 20th. If Koniev has received no instructions by that time British, French and U. S. members will support a proposal to extend the authority of the Provisional Austrian Government to the British, French and U. S. zones since it is already effective in the Russian zone. We will carefully avoid the use of the

[59] This telegram was sent for information to the Secretary of State and to General Clark, who was temporarily in Washington.

term "recognition". We will also stress the importance of proceeding with the elections now tentatively scheduled for November 25th. If Koniev objects to the extension on the grounds that it will embarrass the Soviet Union or refuses to concur in the holding of the national elections you will be advised promptly before any communication is sent to Renner.

3. If Koniev has received instructions approving extension of the Provisional Government a communication from the Allied Council to Renner will be proposed which will conform generally to the October 1st resolution of the Allied Council sent to you in our PV 7841.

4. General McCreery feels that the Allied Council communication to Renner should enumerate functions of government which are reserved to the Allied Council. However this matter has not been thoroughly studied yet and I am certain that Soviets will not agree. In my opinion it will be a difficult matter to secure Soviet agreement on this subject either now or at a later date. All efforts thus far to secure attendance of the Soviet member of the committee to discuss the matter even on an informal basis have been unsuccessful.

5. It has become evident during the past 10 days that the Soviets are following delaying tactics in solving quadripartite problems. At yesterday's Executive Committee meeting Zheltov stated that he was not prepared to discuss six of the ten subjects on the agenda. The only point of importance which he would consider was the currency conversion program and in that discussion he merely reiterated the Soviet point of view that there should be only one conversion even if we must wait until April 1946 to accomplish it. Separate report is being dispatched to you on this subject today.

[GRUENTHER]

Vienna Legation Files, 1945, Part 28, 851.5 : Telegram

Major General Alfred M. Gruenther, Deputy United States Commissioner for Austria, to the Joint Chiefs of Staff [60]

[VIENNA, October 19, 1945—3 : 55 a. m.]

PV 8337. Subject is Currency Conversion in Austria. Reference is PV 8184.[61]

1. At the October 16 meeting of the Executive Committee, the Soviet representative challenged the figures previously presented with respect to the amount of Austrian national currency required for the conversion and the time required for printing. The Executive Committee therefore directed the Quadripartite Finance Committee to re-study these questions in consultation with Austrian representa-

[60] This telegram was sent for information to the Secretary of State and to General Clark, who was temporarily in Washington.

[61] See footnote 51, p. 628.

tives. At the Executive Committee meeting of 18 October the Finance Committee presented a report containing the following conclusions:

"*a.* The minimum quantity of notes required for conversion into Austrian National Schillings on the proposed partial basis under present conditions would be Schillings six billion with a supporting production of new notes at the present level. This estimate depends on there being no substantial increase in prices, wages and economic activity or in the volume of currency held by the forces of the occupying powers.

"*b.* It would not be wise for the Executive Committee to count on a conversion of Reichsmarks and Allied Military Schillings into Austrian National Schillings before April 1946. The difficulty of obtaining supplies of special colors might cause even further delay. A date in the first half of February however might possibly be achieved in the Soviet representative's estimate, if all bottlenecks in production could be entirely eliminated and all supplies became available without interruption." The Soviet representative signed this report only after consultation with General Zheltov.

2. Although Zheltov accepted the report and approved its submission to the Allied Council for its meeting on 20 October, he would not change Soviet position that the conversion should be from Reichsmarks directly into Austrian National Schillings. In spite of the fact that this involves delay until at least 15 February and more likely until 1 April 1946, Zheltov could give no arguments in favor of such a delay nor could he challenge the statement that all relevant facts had been before the Allied Council when it passed its resolution on 20 September 1945 calling for conversion into AM Schillings and that the plan had the complete approval of the Provisional Government, including Renner himself. The US, British and French representatives continue to support the proposal to convert Reichsmarks at once into Allied Military Schillings. Matter will come before the Allied Council on 20 October but there is no indication that the Russians will recede from their position. Meanwhile the US, British, and French financial experts are studying technical aspects of possible tripartite action.

3. US, British and French financial experts are unable to explain the Soviet attitude upon financial grounds. However, some possible reasons for Soviet position are:

a. Desire to continue unrestricted spending of Reichsmark holdings in order to purchase materials for export from Austria to USSR and Soviet dominated areas and perhaps to influence the forthcoming elections.

b. Pressure tactics to force delivery of additional supply of Allied Military Schillings.

c. Part of a recent general policy of delay.

[GRUENTHER]

800.4016 D. P./10–1745 : Telegram

The Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, October 19, 1945—7 p. m.

197. Urtel 338 Oct 17, 1945.[62] Instructions to General Eisenhower [63] to receive in US zone Germany Germans now in Austria referred solely to Reichsdeutsche. In response to enquiry concerning the reception in Germany of Germans now in other countries (reurtels 218 Sept 15, 338 Oct 17) Dept has sent following suggestions of categories to be received in order listed to US Polad Germany.

a. Reichsdeutsche who fled from Germany to other countries in the final days of the war.

b. Reichsdeutsche and Volksdeutsche who were transferred to countries occupied by the Germans for war purposes or as settlers of occupied territories.

c. Minority Germans (Volksdeutsche) resident permanently in other countries prior to the war.

d. Reichsdeutsche permanently resident prior to the war in areas transferred since the war such as former German areas now occupied by Poland.

Should foregoing be accepted by ACC/G [64] Volksdeutsche might be transferred from Austria to Germany when transfer of Reichsdeutsche from Austria has been completed.

BYRNES

740.00119 Control (Austria)/10–2045 : Telegram

The Deputy United States Military Commissioner for Austria (Gruenther) to the Joint Chiefs of Staff [65]

[Paraphrase]

VIENNA, October 20, 1945.

[Received October 21—12 : 01 a. m.]

War Series PV 8372. Ref. PV 8330 and PV 8337.

1. Koniev announced at this afternoon's meeting of the Allied Council that the Soviet Government approves the extension to the

[62] Not printed. In this telegram the Political Adviser inquired if General Eisenhower's instructions applied to Volksdeutsche as well as to Reichsdeutsche. If they did not, the question arose as to what the disposition of the numerous Volksdeutsche in Austria should be. They were for the most part unacceptable to their former country of residence, and there was no place for them in Austria. (800.4016 D.P./10–1745)

[63] General of the Army Dwight D. Eisenhower, Commanding General, European Theater of Operations, and Supreme Commander, Allied Expeditionary Force.

[64] Allied Control Commission in Germany.

[65] This telegram was also sent for information to General Clark, who was in Washington temporarily.

whole of Austria of the authority of the Provisional Austrian Government. To Doctor Renner will be dispatched a memorandum which conforms to the October 1st resolution and a copy of this memorandum will in a later message be sent to you.[66] Doctor was invited to appear before the Allied Council where he was informed of the action of the four governments.

2. The functions of the government which are to be reserved to the Allied Council Koniev declined to discuss and with instructions to submit recommendations to Allied Council for meeting on 30 October this subject to the Executive Committee was referred.

3. No agreement was reached on the question of currency conversion in Austria though considerable time was spent in discussing it, Koniev maintaining, that portion outlined in our PV 8337, paragraph 2, conversion into Austrian national currency should be made even though it cannot be accomplished before February 1946 at the earliest. This conversion he contended is best for the Austrian people. He would not comment on the fact that immediate conversion into Allied military schillings is favored by all Austrian financial experts and Dr. Renner himself. Emphasizing the serious results to Austrian economy if conversion is delayed until February 1946, French, British and United States members presented arguments in favor of immediate conversion. Referred for study to the Financial Committee was a proposal by Béthouart embodying a compromise measure providing for immediate conversion from reichsmarks into Austrian national currency to the extent that the supply of that currency will permit about 2 billion schillings to be supplemented by Allied Military schillings.

[GRUENTHER]

800.515/10–2145 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 21, 1945—3 p. m.
[Received October 21—2:45 p. m.]

3616. Replying to note sent in accordance with Department's 1924 August 28 [67] Vyshinski has written under date October 19 to effect:

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[66] Text of the October 20 memorandum to Dr. Renner was sent to the Joint Chiefs of Staff in telegram PV–8396, October 21, from Vienna, repeated to the Department and General Clark. The text, which conforms closely to the Allied Council recommendation of October 1 reported in telegram PV–7841, p. 619, is printed in the *Gazette of the Allied Commission for Austria*, No. 1, December 1945–January 1946, p. 29.

[67] Not printed. This telegram instructed the Ambassador to inform Mr. Vyshinsky that the United States and British Governments were preparing to deliver additional Allied Military schillings printed in those countries to Soviet authorities as they became available in Austria. (800.515/8–2845)

1. Soviet Government has instructed State Bank to accept from appropriate Allied authorities quantities in amount of six and five hundred million AM schillings.

2. Commissariat Foreign Affairs has taken note of statement that "British and American treasuries will make known subsequently cost of printing and shipping of AM schillings transferred to Soviet Union" (Embassy's note advised Vyshinski that "Soviet Government would be charged by British and American treasuries for cost of printing and shipping" of these schillings).

3. (Paraphrase) "With respect to conversion of reichsmarks into AM schillings, Soviet Government, as has already been stated by Koniev at meeting of Allied Council on October 8, considered expedient [*inexpedient*][68] such [a] measure since the additional emission of AM schillings could only have negative influence on Austrian national economy. Fact is taken into consideration, furthermore, that Austrian Government is preparing to introduce an Austrian national schilling, which measure should [in] effect strength[en] Austrian political and financial situation."

Repeated to AusPolAd Vienna as 19.

HARRIMAN

800.515/10–2545 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 25, 1945—3 p. m.
[Received October 25—2 p. m.]

3652. Reference Embassy's 3616, October 21. For Department's information. British have told us of Marshal Koniev's continued refusal at the meeting of Allied Control Commission on October 20 in Vienna to accept conversion program into AM schillings and also of Koniev's objections to compromise suggested by General Béthouart that immediate conversion of reichsmarks into Austrian national currency should be made to extent national currency available and the balance converted into AM schillings which in turn will be converted into national currency as fresh supplies become available. Koniev reportedly objected to this on ground AM schillings would drive national schillings out of circulation.

British and French Embassies Moscow are recommending to their Governments that they be instructed to take up question with Vyshinski along following lines:

1. Send Vyshinski copy of Dr. Renner's letter of October 8 [69] addressed to General Clark as Chairman Allied Control Commission for Austria which explains need for immediate conversion into AM schillings and states that there will not be sufficient amount of notes of

[68] Bracketed corrections in this paragraph based on copy in Moscow Embassy Files.

[69] Not found in Department files.

Austrian national currency to permit conversion in near future into that monetary unit.

2. Advance compromise plan as suggested by General Béthouart and answer Koniev's objection by stating AM schillings and Austrian national currency will at all times be mutually convertible on a one to one basis throughout Austria.

British have not yet received reply to their October 19 representations but, in view of Vyshinski's reply to US, they expect similar answer. British and French here believe renewed representations on old basis would be fruitless and compromise plan only one with chance of success.

Sent Department 3652, repeated Vienna 20.

HARRIMAN

740.00119 Control (Austria)/10–2545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 25, 1945—4 p. m.
[Received 4:15 p. m.]

11172. Embassy's 11146, Oct 24, 7 p. m.[70] Foreign Office has now decided to postpone any *démarche* in Moscow on Soviet decision to exchange diplomatic representatives with Austria pending consultation with French and ourselves.

Foreign Office view is that this is further disturbing example of Russian reluctance of [*to*] cooperate, an attempt to gratify Austrian Provisional Govt and people whom Soviet policy and troops are otherwise antagonizing in various ways, and a further attempt to secure pre-eminence in Austrian affairs.

Foreign Office feels that since Soviets have again stolen a march on other Allies it would not be in interest of Western Allies to hold back express disapproval and leave field to Russians. It is accordingly asking Paris and Washington whether it would not be better to give three Political Advisers in Vienna status of those in Bulgaria, Bucharest and Sofia, i.e. personal rank of Minister.[71]

Sent Dept as 11172; repeated to Vienna as 69; Moscow as 365 and Paris as 684.

WINANT

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[70] Not printed; it reported that the Foreign Office was "puzzled and annoyed" by the announced Soviet intention of exchanging diplomatic representatives with the Austrian Provisional Government (740.00119 Control (Austria)/10–2445).

[71] In telegram 376, from Vienna, October 23, after reporting the Soviet invitation to Austria to establish diplomatic relations, Mr. Erhardt observed: "My own view is that as long as Allied Council is vested with supreme authority in Austria it would be inappropriate for Allied powers to establish formal diplomatic relations with Provisional Government. The American position in the Allied Council has been that Austria might have representatives abroad but on a lower level, primarily for trade purposes." (740.00119 Control (Austria)/-10–2345)

701.6361/10–2645 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, October 26, 1945—3 p. m.
[Received October 27—10 : 28 a. m.]

394. Provisional Govt has notified Marshal Koniev it is willing to exchange Ministers with USSR. Koniev had requested exchange of Ambassadors but Provisional Govt answered that the expenses would be intolerable and that no person of the required stature was available. Koniev had intimated it was preferable for Renner not to send a member of Communist Party and Renner is reported to be giving favorable consideration to appointment of General Julius Deutsch.[72]

At a meeting of Executive Committee October 23 General Gruenther inquired of General Zheltov as to accuracy of statements in press that Soviets wished Austrian Govt to exchange Ambassadors with Soviet Govt Zheltov replied "Marshal Koniev has handed a note to the Austrian Govt. It is possible that this note will involve some changes." Gruenther said he did not understand what was meant by "changes". Zheltov answered "I am unable to foretell future events. I cannot say more on this topic".

Renner is puzzled by Soviet request and would have preferred to let matter wait until after national elections, meanwhile, exchanging merely Consuls or trade representatives. He would also like to have matter discussed by Allied Council but considers it probable that press announcement of the exchange of Ministers will be made before Allied Council is officially informed.

In taking this step without prior consultation with other Allied authorities Soviets may have several objectives in addition to the obvious one of placing themselves publicly in a more advance position than the other powers in carrying out Moscow Declaration. The principal objective may be to establish a special and influential means of contact with Provisional Govt independently of Allied Council. Communist party in Austria may gain some prestige or assistance from presence in Vienna of a Soviet Minister. Soviet-Austrian exchange of Ministers will probably lead to demand for similar exchanges between Austria and Balkan countries. Soviets may gain some small advantages by having consular officers in US, British, and French zones of Austria. Renner suggest Soviets may have in mind securing deanship of Diplomatic Corps in Vienna.

[72] Under Secretary and Secretary for Army Affairs in the Austrian Government 1919–20, former commander of the Socialist Schutzbund, former General in Spanish Republican Army, and from 1942 an employee of the Office of War Information in New York.

On the whole this development should tend to increase Soviet influence in Austria at the cost of some diminution of the supreme authority of Allied Council. It is therefore inconsistent with the spirit of quadripartite collaboration. Yet no express agreement appears to have been violated.

ERHARDT

863.6363/10–1845 : Telegram

The Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, October 26, 1945—8 p. m.

217. We agree reurtel 357, Part II,[73] which was not available in drafting our 212 of Oct 25 [74] that oil situation requires level of negotiation higher than technical subcommittee.

US interpretation of Potsdam Agreement in accord USSR view that USSR now has right to claim ownership German assets Eastern Austria. It does not agree that forced transfers to German ownership on or after Mar 13, 1938 are valid. Reference should be made to United Nations Declaration of 5 Jan 1943.[75] Your formula for implementation this position appears workable.

It is clear in fact that equitable segregation of Austria, USSR, and Allied property interests in Eastern Austria must take place by negotiation after detailed exploration of facts. Expansion Austrian oil production after 1938 in particular makes necessary such process. In proposing negotiation attempt immediate freeing domestic oil production Austrian current needs.

In general US interest is: (1) to protect legitimate US property interest and ensure satisfactory conditions future operation US owned properties: (2) to ensure Austria acquires equitable share expanded oil properties; (3) to ensure oil surplus to domestic Austrian needs available for export to acquire foreign exchange for Austria imports. In case of oil and other properties we should urge USSR to avoid

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[73] October 18, 5 p. m., p. 630.

[74] Not printed; it instructed the Political Adviser to urge General Clark to propose the establishment of a Quadripartite Board to resolve the Austrian oil dispute. This board should, in consultation with the Renner government, determine: (1) how the provisions of the Potsdam Protocol could be carried out, (2) Austrian oil requirements, and (3) the interests of the occupying powers in oil exports as a means of financing imports. The Political Adviser was also instructed to stress the fact that any oil agreement between the U. S. S. R. and the Renner government was a matter of common concern to all of the occupying powers, but at the same time to acknowledge U. S. S. R. rights under the Potsdam Agreement to genuine German property interests in oil wells and equipment. (863.6363/10–1845)

[75] For text, see *Foreign Relations*, 1943, vol. I, p. 443, or Department of State *Bulletin*, January 9, 1943, p. 21.

removals or other action which would compromise rapid revival Austrian economy. In exercising claims to German assets in Western zones, we propose to follow this principle.

We will forward by early air pouch a suggested Dept interpretation of Potsdam IV, Para. 9, and definition of US property interest, for your guidance in negotiation.[76] For your immediate information definition of USSR interest is German-owned property or German-owned share in property physically located in USSR zone of occupation. Presence of ownership documents in USSR zone would not entitle USSR to properties physically located in Western Zones. German assets such as deposits, claims, shares, etc., where physical location of property cannot be clearly determined, would be allocated arbitrarily, on best approximation to principle of physical location.

BYRNES

740.00119 Control (Austria)/10–2645

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

No. 378 VIENNA, October 26, 1945.

SIR: I have the honor to report that on October 22 I called on Dr. Karl Renner by appointment at his villa. I told him I was happy to be able at last to make an official call, and in reply he expressed his pleasure that since the Provisional Government had been recognized by the four powers it was possible for him to talk officially with all of the Political Advisers.

Our conversation touched first upon the Soviet request for an exchange of diplomatic representatives. In this connection, I have the honor to refer to my telegrams no. 376 of October 23 [76a] and no. 394 of October 26. Dr. Renner stated that after the close of the Allied Council meeting on October 20, Mr. Kiselev [76b] had asked him to call a meeting of the Austrian Cabinet that same evening, and had later added that Marshal Koniev wished to arrange an exchange of diplomatic representatives. Dr. Renner, after objecting that more time would be needed, had finally agreed to call a cabinet meeting for October 22. Mr. Kiselev had asked that the Soviet Government be notified at once of the name of the man who was to be the Austrian diplomatic representative. Dr. Renner had replied by asking who the Soviet representative in Vienna would be, whereupon Mr. Kiselev had explained laughing that he was not authorized to discuss that question.

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[76] See telegram 10380, November 29, to London, p. 668.

[76a] See footnote 71, p. 638.

[76b] Evgeny Dmitriyevich Kiselev, Political Adviser to the Soviet Military Commissioner for Austria.

Dr. Renner said it was realized at the meeting of the Austrian Cabinet on October 22 that the Provisional Government was in a difficult position. He explained that he had angered the Russians by his refusal to sign the Soviet-Austrian oil agreement, and that it would therefore be especially embarrassing to persist in denying the Soviet request for an exchange of diplomatic representatives. The Cabinet was unable to agree upon an appointment since the number of suitable candidates for diplomatic representation abroad is very limited, but it was conceded that the Soviet request could not be denied.

In the conversation, which is the subject of this despatch, Dr. Renner voiced his opinion that the Soviets did not expect a Communist party member to be appointed. Moreover, as stated in my telegram no. 394 of October 26, reports have since reached me that Marshal Koniev has indicated a preference for a non-Communist and that Dr. Renner is giving favorable consideration to the appointment of General Julius Deutsch.

In the course of our discussion I indicated to Dr. Renner that I did not consider it necessary to have diplomatic representatives at this time, that consular or trade missions abroad would be more appropriate for the present, and that in any event the matter should be referred to the Allied Council for decision. Dr. Renner agreed, but said that in view of all the circumstances he would have to meet the Soviet request. I asked Dr. Renner if I could bring the subject to the attention of General Clark officially, and he replied that that would place him in an embarrassing position with the Soviet authorities. He finally stated that he would announce in the press the names of several men who were under consideration for the Moscow appointment, and that he hoped we would then take some action on the matter.

In reply to a question as to possible Austrian representation in the Balkan countries, Dr. Renner said he thought it would actually be more useful for Austria to have representation there than in the countries whose forces were occupying Austria. However, he added that trade representatives or consuls general would be more appropriate than diplomatic officers. I pointed out that it would place the Provisional Government in a difficult position if it were asked to send diplomatic representatives to countries whose governments had not been recognized by two of the occupying powers. He agreed that this would be an embarrassing position for his Government.

The conversation then turned to the proposed Soviet-Austrian oil agreement. Dr. Renner reported that he had had a meeting recently with Marshal Koniev at which this subject was discussed. The Marshal had adopted a serious tone and spoken sharply of Dr. Renner's failure to sign the agreement in September, pointing out that the Provisional Government had had an opportunity then to secure a 50 per cent interest in the oil industry in Austria but had listened to ad-

vice from other countries with the result that Austria lost control of the industry entirely. Nevertheless Dr. Renner seemed to expect (as others do) that negotiations would probably soon be resumed by the Soviets looking toward the execution of an agreement.

In seeking to justify his action in rejecting the Soviet proposals, Dr. Renner explained to me that he had not been motivated merely by a desire to protect American, British, and Canadian oil interests, since it was not Austria's task to become involved in a conflict with the Soviets over such a matter. Instead, his principal reason, he said, had been that the Soviets were demanding oil rights not only in Zistersdorf but in all parts of Austria, including the Western provinces, and that prior to the Laender Conference he had had no authority to dispose of resources located there.

Dr. Renner then mentioned that in his opinion the Soviets would soon demand a half interest in Danube shipping, an industry of great importance to Austria.

The question of the delayed currency conversion was also discussed briefly. Dr. Renner declared it was a catastrophe for Austria to be unable to secure the withdrawal of Reichsmarks without delay. He had tried to understand the Soviets' last-minute disapproval of the agreed conversion plan, and had come to the conclusion that there were only two important reasons which might account for their attitude: (1) the Soviets were in possession of large supplies of Reichsmarks obtained in Germany, and which they wished their troops to be able to spend freely in Austria, and (2) if the proposed conversion were carried out each Allied Commander would have to obtain from the Austrian authorities currency to meet his military requirements, with the result that it would be brought to light that the Soviet forces were spending a great deal more in Austria than the other Allied forces. After mentioning some of our estimates on this subject, I observed that the Soviet forces perhaps paid in Allied Military Schillings for many goods which the other Allied forces were simply requisitioning without payment. He replied that this was not the case, and that in the last three weeks the Soviets had not paid for anything. He appreciated that the Soviet soldiers were not very well provided for, and so robberies appeared to be increasing rather than decreasing.

During the conversation, Dr. Renner expressed his great anxiety over the fact that Austria was one of the areas where a conflict between the USSR and Great Britain was taking place. He hoped that the United States as a disinterested power would be able to help and support his country in this dangerous situation.

On leaving, I remarked to Dr. Renner that my Government hoped that Austria could develop in a way which would make it free from political domination, and if possible free from economic domination,

by any country. Referring to the possible exchange of diplomatic representatives, I pointed out that such a development would tend to reduce the influence of the Allied military forces in Austria and of the Allied Commission.

Respectfully yours, JOHN G. ERHARDT

740.00119 Control (Austria)/10–3145 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, October 31, 1945—8 p. m.
[Received November 1—12:06 p. m.]

404. Supplementing P–4685 to Agwar signed Clark, October 30,[77] Allied Council considered principally: governmental powers to be reserved, currency conversion, police supervision, property control and electoral law.

Approved Executive Committee recommendation October 26 for Internal Affairs Division supervision of Austrian police, assistance with technical equipment, and [garbled group] to Executive Committee re police.

Instructed Executive Committee to study measures to protect property and interests of occupying powers and their nationals by collaboration between four commanders or direct negotiation of one of them with Austrian Govt with assistance of commander of zone concerned.

Sanctioned validity throughout Austria of Austrian electoral law 198 of October 19.

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[77] Not printed. This telegram for the Joint Chiefs of Staff, repeated to the Department for information, reported details of the discussions in the Allied Council on October 30 concerning currency conversion. Though it had been accepted by the Western Allies, Marshal Koniev rejected General Béthouart's compromise plan for immediate conversion of reichsmarks into Austrian national currency to the extent that existing stocks of Austrian currency permitted, and for supplementary conversion into Allied Military schillings. In the absence of agreement General Clark proposed that an investigation be made of the possibility of conversion step by step and zone by zone, beginning with the three Western zones and using the supply of Austrian national schillings currently available. (740.00119 Control (Austria)/10–3145) In the unofficial U.S. minutes of the October 30 meeting of the Allied Council for Austria (transmitted in despatch 405, November 1, from Vienna), General Clark is quoted as saying that he would regret to take action on a zonal basis, but that the need for immediate conversion to stop a flood of reichsmarks into Austria was so urgent that he was willing to take any possible forward steps. (740.00119 Control (Austria)/11–145)

In telegram P–4752, October 31, from Vienna, to the Joint Chiefs of Staff, repeated to the Department for information, General Clark commented further on this incident: "In my opinion we are going to lose the battle because the Soviets can stall long enough until their proposal will be the only logical one. From a standpoint of logic we have defeated them at every turn and their attempts to answer our arguments are indeed feeble. However, they always end up by stubbornly insisting that their proposal is the only correct one. I introduced the proposal for a tripartite conversion for the purpose of throwing consternation into Soviet ranks and it gave them quite a jolt. However I have no hope that it will have any real effect in forcing a change in their position." (740.00119 Council (Austria)/10–3145)

Council disagreed on governmental powers to be reserved and decided to refer question to governments and request views in time for next meeting November 10.

Executive Committee had October 23 ordered Chiefs Political submit report for consideration Executive Committee October 26. Political Directorate accordingly agreed unanimously to recommend that "following functions should *not* be exercised by Austrian Provisional Government (*a*) demilitarization, etc., (*b*) military and paramilitary organizations, (*c*) scientific military research (*d*) construction or acquisition of aircraft or equipment, and operation of airfields, (*e*) "foreign owned property", (*f*) border control of persons and (*g*) displaced persons.

Directorate reported it could not reach any agreement on inclusion of control of currency credit and international financial transactions or on question whether Austrian Government should have right without consent of Allied Council to exchange representatives with foreign states other than four occupying powers. It suggested that Political Division, consulting other divisions should undertake immediate study of form and method of Allied Council control of functions of Austrian Government.

Zheltov declined to discuss this report in Executive Committee October 26, thus postponing it to October 29 when he suggested following alternative: "In accordance with the memo of the Allied Council to Dr. Renner on October 20, 1945,[78] and by way of an addition to it, the Allied Council reserves the following functions for itself:

(1) Foreign Affairs and diplomatic representation except in the case of countries who are members of the Allied Council,
(2) Demarcation and alteration of frontiers and lines of demarcation,
(3) Displaced persons and repatriation,
(4) Measures for demilitarization on land, water and air,
(5) Settlement of all problems concerning property of foreigners,
(6) Trade and financial relations with foreign countries except those countries which are members of the Allied Council."

Others questioned points 1 and 5 and especially 6, both then and in Council meeting October 30.

General Clark took exception to opportunity in point 6 for individual members to make unilateral trade arrangements with Austria. Since bulk Austria's normal trade is not with other three powers but with other central and eastern Europe, practical effect of 6 would be Soviet hegemony or monopoly of it accompanied by analogous diplomatic relationship under point 1 Soviet formula "property of foreigners" instead of "foreign owned property" apparently made with Potsdam ex-German assets in mind.

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[78] Not printed, but see footnote 66, p. 636.

French suggested dropping point 1 until after elections. British suggested dividing it into Foreign Affairs wholly prohibited and diplomatic representation except with member countries. Soviet member disagreed. US member pointed out Soviet view affected very foundation of Allied Commission and that US Government intended to act through its representative on Allied Council in Austrian matters.

French noted point 6 implied modification of EAC agreement (article V).[79] All three others told Koniev they could not accept the exception in point 6 since Council must, as a whole, deal with Austrian trade matters. Clark said Soviet element showed, by insisting on this exception, it wants to [conduct?] business on whole guts of Austrian situation on direct unilateral basis rather than through Council whereas US Government expects to act through its commissioner in Council and not through direct unilateral diplomatic representation.

Council agreement being impossible, it was decided to refer matters to Governments for view.[80]

ERHARDT

740.00119 Control (Austria)/10–2345: Telegram

The Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, November 2, 1945—8 p. m.

235. You are requested to bring following to attention of General Clark for action in Allied Council:

As a consequence of recognition of Provisional Austrian Govt Dept recommends that a system of representation be established whereby Provisional Austrian Govt may deal directly under control and supervision of Allied Council with Govts of occupying powers and neighboring states on such matters which do not affect supreme authority of Allied Council in Austria. Dept considers that such action is desirable at the present time in view of forthcoming elections and number of problems which will arise in international relations

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[79] This article provided that the Allied Council would initiate plans and reach decisions on questions affecting Austria as a whole. It would also ensure appropriate uniformity of action in the various zones of occupation. See *Conference of Berlin (Potsdam)*, vol. I, p. 353.

[80] In telegram P–4752, October 31, from Vienna, to the Joint Chiefs of Staff, repeated to the Department for information, General Clark summarized his position: "Points 2, 3, 4, and 5 were agreeable to all but it was decided to suspend communication of any reservations to Austrian Provisional Government until points 1 and 6 are settled. I consider that controversial points are important to Allied Council control in Austria and I shall not give in to Soviet point of view unless instructed by you to do so." (740.00119 Control-(Austria)/10–3145)

of Austrian State which do not necessarily require immediate jurisdiction of Allied Council.

In recommending establishment of representation, Dept considers that any formula adopted by Allied Council must be based on fact of supreme authority of Council in Austria and that control and supervision of policies adopted in Austrian foreign relations should be reserved to Council under terms of resolution of Oct 1 and Council's communication to Dr. Renner of Oct 20 (PV 8396 Oct 21).[81] Representation, therefore, should take form of exchanging representatives or agents until such time that Council relinquishes its supreme authority and transfers its sovereign rights to a freely elected Austrian Govt.

Dept considers that establishment of formal diplomatic relations with occupying powers and neighboring states (urtels 376 Oct 23[82] and 394 Oct 26), marked by exchange of Ambassadors, is not wholly consistent with agreed position of Allied Council and its desirability is doubtful as long as Austria remains under supreme authority of Council. Representatives of occupying powers could also serve as political advisers as provided in Article 2 in Agreement on Control Machinery.[83]

Erhardt will be designated as US political representative to Provisional Austrian Govt with personal rank of Minister to serve simultaneously as political adviser to US member of Allied Council. US is willing to receive agent or representative of Provisional Austrian Govt in Washington to carry out consular duties and to facilitate trade and economic relations or any other matter not falling exclusively under jurisdiction of Allied Council. You may so inform Renner at such time as you deem advisable.

BYRNES

740.00119 Control (Austria)/11–345 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, November 3, 1945—4 p. m.
[Received November 3—1:20 p. m.]

421. Dr. Renner has sent following information to me informally. He has been confidentially advised that one of the occupying powers is of opinion that as soon as a new govt has been formed, following the elections, the Allied Commission should be "withdrawn"

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[81] Not printed, but see footnote 66, p. 636.
[82] See footnote 71, p. 638.
[83] See *Conference of Berlin (Potsdam)*, vol. I, p. 351.

(*abberufen*). Each of the four occupying powers would then deal directly with Austrian Govt through diplomatic channels or their respective Commanders individually. At the same time each Allied Commander would exercise authority independently in his own zone of occupation, issuing instructions to provincial govts. Dr. Renner is seriously disturbed by this advice, and is most anxious that Allied Commission should stay in existence and should coordinate Allied forces in the four zones.

The occupying power in question is USSR. Dr. Gruber [85] has told me that he received the same advice from Kiselev.

It seems plain that if abrupt and disturbing unilateral action is to be avoided, a new four-power agreement pursuant to article 14 [86] of Agreement on Control Machinery in Austria should be reached not later than November 25.[87]

ERHARDT

800.515/10–2545 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, November 7, 1945—6 p. m.

2306. Unless you perceive strong objections, you should use Renner letter of Oct 8 to Clark [88] as basis for further approach to Soviets on question of prompt conversion of Reichsmarks into AM schillings in Austria. We understand Brit Ambassador has already conveyed text of Renner letter to Soviets. You should point out to Soviets that recognition by Four Powers of Renner Govt's authority over all of Austria as extended in Memorandum of Oct 20 from Allied Council to Renner [89] creates new situation and that as result wishes of Renner Govt should be given every possible consideration. Oct 20 memorandum reserves certain rights and functions to Allied Council but these have not yet been specified and under existing circumstances wishes of Renner Govt in this matter have every claim to serious attention.

You may also cite Zecho currency conversion measures as causing increased undesirable flow of Reichsmarks into Austria. French compromise (urtel 3652, Oct 25) proposal not regarded here as satisfactory solution to problem. Repeated to Vienna.

BYRNES

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[85] Dr. Karl Gruber, Austrian Under Secretary of State for Foreign Affairs.
[86] See *Conference of Berlin (Potsdam)*, vol. I, p. 354.
[87] Date of forthcoming elections.
[88] See telegram 3652, October 25, from Moscow, p. 637.
[89] Not printed, but see footnote 66, p. 636.

740.00119 Control (Austria)/11–1145 : Telegram

The United States Military Commissioner for Austria (Clark) to the Joint Chiefs of Staff [90]

VIENNA, November 11, 1945.

P 5538. Allied Council meeting held 10, Nov. General relations good. Evident Russians operating under Moscow orders on currency conversion and reservation of governmental powers. On basis of conversation today with Koniev I feel more hopeful of satisfactory agreement on currency conversion. Koniev expressed hope I was not serious about conversion by zones.[91] I assured him I was unless he would be reasonable. Koniev will report our conversation to his Government and hopes for favorable instructions by middle of next week. Koniev expressed personal agreement in general with following principles insisted upon by US, British and French elements and accepted by Austrians.

a. Conversion of reichsmark and Allied Military schilling notes above five reichsmarks or five schillings into Austrial National schillings to begin 10 Dec.

b. Allocation of 2,500,000,000 schillings for civilian needs at outset of conversion, to be supplemented by proportion of current note production in weeks immediately following until total of 3,300,000,000 schillings for civilian needs is reached.

c. Military needs to be taken from balance of estimated stock of 4,500,000,000 schillings expected to be available in Dec if allocation among four powers to be on reasonable basis.

d. If 4,000,000,000 not then available allocation for civilian needs will not be reduced below initial 2,500,000,000 considered minimum necessary for Austrian economy.

e. In deciding on amount and nature of blocking necessary we should take advice of Austrians and in any case include a clause giving Austrians discretion in releasing stringency of blocking measures.

On question of governmental powers reserved by Allied Council each member stated he had consulted his Government and still maintained the position he had taken at 30 Oct meeting, reported in my P 4752,[92] that is, Koniev insisted on points 1 and 6 as they stand in para 2 therein,[93] other powers would not accept either of them with exception clauses therein.

I asked Koniev whether I was to understand he wanted unilateral action on important things like trade and financial relations with which each agreement charges Allied Council. He argued his formula did not do this saying Council had recognized Renner govern-

[90] This telegram was also sent for information to the Secretary of State.
[91] See footnote 77, p. 644.
[92] See footnote 80, p. 646.
[93] Same as points enumerated in telegram 404, October 31, from Vienna, p. 644.

ment *de facto* and USSR had done so *de jure*. I pointed out this meant recognizing supreme authority in Renner government rather than in Council. He merely referred to 20 Oct letter to Renner.

In discussion of practical effects of unilateral versus joint action he digressed to Potsdam agreement "by which Soviet Government was given right to all German assets in Eastern Austria", saying that any differences about its meaning were for settlement between governments and not by Allied Council.

I pointed out I was discussing methods not substance and suggested political advisors with DRAA [*withdraw?*] to try to reword proposal. When they were unable to agree I suggested we may have been mistaken in trying to list specific powers to be reserved and that we had perhaps better drop the attempt and try a new approach based upon fact Allied Council is supreme authority and specific reservations therefore unnecessary. This threw consternation into Soviet group which then began pressing for immediate adoption of the first five points leaving sixth to later consideration.

We decided to let political advisors reconsider whole question for special meeting of Council on Friday next.

Before adjourning I announced that my Government will designate Erhardt as political representative to the Austrian Government and receive a political representative of it in Washington. McCreery made similar statement about Mack. Unfortunately Koniev seized this opportunity to say our action paralleled theirs and there was therefore no longer any reason not to agree with their formula for representation. I stressed that this was in no way to circumvent Council, that Erhardt would continue to sit beside me as my political advisor and that Austro-American affairs would continue to be handled through the Council as heretofore.

In addition Allied Council approved:

(1) 119 decrees of Renner Government found unobjectionable by all powers and five decrees with certain amendments;
(2) Disposal of war material according to Berlin agreement;
(3) Quadripartite censorship of civilian communications in Vienna;
(4) Acceptance of military missions from Czechoslovakia and Yugoslavia under article 12 each [*EAC*] agreement; [93a]
(5) Asking respective governments to make representations to Yugoslavia, Hungary and Czechoslovakia concerning expelling Germans into Austria and letter to German Control Council on repatriation Reichsdeutsche and disposal of Sudetens and other Volksdeutsche.

[93a] For text of European Advisory Commission Agreement on Control Machinery in Austria, see *Conference of Berlin (Potsdam)*, vol. I, p. 351.

863.00/11–1245 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, November 12, 1945—4 p. m.
[Received November 13—1 : 10 p. m.]

445. Dept's 223 October 29, 8 p. m.[94] Dominating fact about political composition present Govt Ministries and bureaucracy is that thoroughly Democratic National Cabinet and Vienna City Council, though reflecting compromises demanded by 3 party coalition and composition People's Party, was superimposed upon and controls old civil service hierarchy from which have been dismissed former Nazis, though to my knowledge no clerical Fascists.

All Austrian Govt Ministries from rank of Section Chief downward are dominated by previous adherents Christian Social Party, some of whom were prominent supporters Dollfuss-Schuschnigg régimes.[95] Socialist deplore this fact but state the People's Party monopoly of these positions, which it took them 15 years to achieve, means complete chaos would result if wholesale dismissals occurred. A few other individuals who were continued in office by the Nazis are also still employed. . . .

[Here follows a list of officials still in office who were at one time connected with clerical-fascist organizations.]

Our considered opinion is that National, Viennese City and Provincial Govts are highly competent. Renner Cabinet has produced legislation remarkable both in quantity and quality and its administrative record, given enormously difficult conditions of operation, has been excellent. It has been particularly skilled in its dealings with the Allied Council and with the various elements of the Council.

From your report it is obvious disfranchisement of former Nazis and elimination prominent Heimwehr and Sturmscharen from public office by American Military Govt has been confused in American press. These are 2 separate issues. Neither American Military Govt nor any responsible Austrian group has advocated the disfranchisement of Heimwehr and Sturmscharen. Since both these groups connected with former Christian Social Party, only People's Party, the direct heirs of the Christian Socials, have, however, protested dismissals owing affiliation these organizations.

Though People's Party throughout Austria is critical of Military Govt decision, antagonism is centered in western and southern prov-

[94] Not printed.
[95] 1933–1938.

inces. Formal protests have been made only in Salzburg but this is probably because only Salzburg Military Govt has moved to implement "Austro-Fascist" provision of Denazification Directive.

ERHARDT

740.00119 Control (Austria)/11–1445 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, [12 November 1945.]
[Received November 14—12 : 10 p. m.]

[P–5568.] Some improvement in Allied Council progress will be noted in complete report on November 10 meeting in P–5538 of November 11 to Agwar signed Clark for JCS to pass to State.

Although nothing definite was done on currency conversion, it appeared divergences were narrowing and some decision might become possible at extraordinary meeting agreed for Friday, November 16th.

Approval of 125 Renner laws was brought forward in implementing extended authority of Austrian Government. It completed basis for November 25 elections.

Approval of censorship regulations completes long delayed prerequisite to reopening Austrian International Postal and Communication services.

Approval of first two missions of United Nations, viz, Czechoslovakia and Yugoslavia, should facilitate efforts to reopen some foreign trade channels.

Council adopted Executive Committee recommendation set forth in my telegram of November 7 [96] that four occupying powers make strong representations through government channels to Czechoslovakian, Hungarian and Yugoslavian Governments to prevent mass expulsion of Germanic peoples into Austria from those countries. (Please repeat such representations to me when made.) [97]

On important question of unilateral versus joint action inherent in reservation of governmental powers, although no agreement was reached, the issues were clearly defined. Russians want Allied Council to have full authority over Austrian relations with all countries

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[96] Telegram 430, from the Political Adviser in Vienna, not printed.

[97] By means of telegrams 741 to Budapest, 417 to Praha, and 429 to Belgrade, November 28, the Department instructed its Ambassadors at those posts to call to the attention of the Governments to which they were accredited the imminent danger of a further influx of Germanic peoples into Austria, and to urge that measures be adopted by each Government to prevent the mass expulsion of such people into Austria (840.4016/11–2845) ; for text, see telegram 417, November 28, to Praha, vol. II, p. 1315.

On November 20, the Allied Control Council for Germany approved a plan for the transfer of the German population to be moved from Austria, Czechoslovakia, Hungary, and Poland into the four occupied zones of Germany. For documentation on this subject, see *ibid.*, pp. 1227 ff.

except members of Council. (Kiselev mentioned Hungary to me as an example.) Soviet member obviously wanted very much to get adoption of first five points of Soviet proposal in my telegram November 1 [98] and in P–4752,[99] even at sacrifice of sixth point. Clark would have preferred not to announce at this meeting Department's intention designate me representative to Austrian Government but his hand was forced by British decision to announce me [*Mack?*] as designation. After initial surprise Russians interpreted this as following their own example.

As elsewhere recently, question of precise meaning of Potsdam agreement arose in Council discussion. Russians repeatedly state that in accordance with it all German property in Austria is now Soviet property and that any questions regarding interpretation of that agreement are a matter for settlement between the governments outside the Allied Council.

ERHARDT

740.00119 Control (Austria)/11–1445 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, November 14, 1945.
[Received November 17—2 : 20 p. m.]

In accordance Allied Council decision November 10 a quadripartite meeting of Political Advisers was held November 13 to endeavor to arrive at agreement on governmental powers to be reserved.

Complete agreement was found impossible and it was decided so to report to Allied Council.

Meeting did, however, develop certain views.

Russians insist on cardinal principle that nothing shall interfere with freedom of their Govt to deal directly with Austrian Govt without review by Allied Council. British willing agree govts of occupying powers be free to discuss matters directly but held that any agreement to be made should first be submitted to Council not as restriction on govt of occupying power but as control over Austrian Govt vested in Council by EAC agreement. Soviet alone refused submit agreements to Council.

Russians willing omit altogether points 1 and 6 of their proposal in P–4752 to Agwar from Clark [1] but insist that if adopted at all they must except members of Council. British refuse to adopt latter exception and also refuse to omit items altogether.

[98] No pertinent telegram of this date found in Department files; reference is possibly to telegram 404, from Vienna, October 31, p. 644.
[99] Not printed, but see footnote 80, p. 646.
[1] Not printed, but see telegram 404 from Vienna, October 31, p. 644.

Kiselev refused to include in Polish [*Political?*] Adviser's report to Allied Council any more than statement that agreement could not be reached. He would not include statement of reasons why agreement could not be reached although he had been willing to discuss them. Also he would not include any reference to new agreement under article 14 of EAC agreement [2] following elections, although he told me privately his Govt has no such new agreement under consideration at present (nor have other Govts as far as I know). He repeatedly expressed his desire that close Allied cooperation be maintained and that the Allied Council continue in existence acting in unison. He listened attentively to all suggestions for achieving this. But he was above all determined apparently under instructions from Moscow not to have the Council interfere with matters on which his Govt wishes to deal directly with Austrian Govt.[3]

ERHARDT

863.00/11–1445 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, November 14, 1945—8 p. m.
[Received 8:12 p. m.]

451. Confidentially Gruber told us that when Renner visited Tyrol recently Béthouart told him Otto was in Innsbruck (he is living in hotel run by French) and endeavored sound out Renner on subject. Renner advised Béthouart to tell Otto to leave Austria. Conversation evidently became somewhat heated for Béthouart told Renner he was not his messenger boy.[4]

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[2] Reference is to article 14 of the agreement on control machinery in Austria: "The nature and extent of the Allied direction and guidance which will be required after the establishment of a freely elected Austrian Government recognised by the four Powers will form the subject of a separate agreement between those Powers." (*Conference of Berlin (Potsdam)*, vol. I, p. 354.)

[3] This matter was discussed by the Allied Council on November 16, but since no agreement could be reached it was decided to defer it until after the elections. Accordingly the following resolution was adopted: "(43) (*a*) Since Article 14 of the London Agreement of July 4th, 1945, provides that the nature and extent of Allied direction and guidance in Austria will be considered after the recognition by the four Powers of a freely elected Austrian Government, the Council will await the fulfilment of the conditions laid down in the aforesaid Article before resuming the discussion of the question of Reserved Powers. The Allied Council instructs the Executive Committee to prepare at once a study of this question. (*b*) In addition, as further important questions will arise from the recognition by the four Powers of a duly elected Austrian Government, the Allied Council instructs the Executive Committee to study these further major problems." (Allied Commission for Austria. Minutes of the 9th (Extraordinary) Meeting (ALCO/M(45)9, p. 6)

[4] In telegram 360, October 19, from Vienna, Mr. Erhardt reported that at an Allied Council meeting General Béthouart had mentioned informally that Otto was in Austria, and added that General de Gaulle wanted him to inform the Allied Council and to permit Otto to remain in the French zone, but "not to support his cause beyond that". (863.0011/10–1945)

Today political Cabinet discussed matter and decided Otto must leave Austria at once. Gruber leaving for Innsbruck tomorrow with instructions for Landeshauptmann of Tyrol. Latter is to inform Otto that central govt in conformity with law of April 3, 1919 has decided that he must leave the country immediately. Otto will also be told that once outside he can publicly renounce claim to throne as provided for in that law. When he does so, Government will give further consideration to the question of his return to Austria.

Gruber saw Monicault [4a] today, told him the latest developments and asked his aid in getting Otto out.

Monicault promised to help.

Gruber said Govt much concerned about this turn of affairs and hopes matter can be settled quickly and quietly to avoid having it injected in the political campaign. He stated that if Landeshauptmann needed help he himself would see Otto in Innsbruck.

Sent Department as 451 repeated to Paris as 43.

ERHARDT

863.00/11–345

The Department of State to the British Embassy

MEMORANDUM

The Department of State is in agreement with the views expressed in the telegram of the Foreign Office of October 3, 1945 [5] that the ban on the return of Austrian political refugees to their country be lifted except in the case of extreme Nazis and any others who may be objectionable for security reasons. This question has been referred to the War Department with the recommendation that action be taken as soon as possible.

Pending an approval by the War Department for the lifting of the general ban on the return of political refugees to Austria, the Department of State has recommended that individual refugees, who are not objectionable for security reasons, be repatriated as soon as their applications are received for exit permits.

The Department of State considers that it would be desirable to withhold a public announcement that the ban will be lifted until such announcement can be made simultaneously by the British and

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[4a] Louis de Monicault, French Political Adviser for Austrian Affairs.

[5] Presumably reference is to a Foreign Office telegram handed to the Department in a note by the British Embassy dated November 3, 1945, neither printed (863.00/11–345).

American Governments. The British Embassy will be informed when an announcement can be made by the American Government.[6]

WASHINGTON, November 19, 1945.

863.00/11–2145 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, November 21, 1945—4 p. m.
[Received 5 p. m.]

469. Representatives three political parties are all extremely cautious in predicting outcome elections next Sunday.[7] Everyone agrees, however, that the Socialists and Peoples Party will run neck and neck, with most persons predicting 2 to 4 percent margin for Socialists. Estimates of Communist vote run as high as 20 percent but most experienced observers forecast 10 to 15 percent. Whatever exact results, no party is expected obtain a plurality and Communists will hold balance of power.

It is generally agreed three parties have campaigned equally energetically but that Socialists have had most skillful propaganda and that Communists have been somewhat unscrupulous in electioneering tactics. Much of their propaganda in recent days incidentally has emphasized recent Red Army favors to Vienna and lower Austria population, which appears to be effort counteract predicted unfavorable effect Red Army behavior on Communist election prospects. Peoples Party in its championing of Heimwehr and small Nazis has probably lost more votes from Anti-Nazi center groups than it will obtain from Nazis, most but not all of whom will be effectively excluded from voting by disfranchisement legislation. No one expects extensive election swindles but possible influence of Red Army on voters in lower Austria is factor about which non-Communist circles have some misgivings.

Whatever the election results three-party coalition will continue in office following election. The Communists following their present line will undoubtedly continue advocate United Labor movement which Socialists will continue resist. A possible split in the Peoples Party, with a liberal minority breaking off to form fourth party following election if [*is?*] possibility which would introduce element of fluidity into the situation.

ERHARDT

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[6] In an *aide-mémoire* of January 7, 1946, not printed, the Department notified the British Embassy of War Department concurrence. The public announcement of the lifting of the ban was made on January 9; see Department of State *Bulletin*, January 20, 1946, p. 73.

[7] November 25.

863.00/11–2145 : Telegram

The Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, November 21, 1945—8 p. m.

289. Dept recommends that you support efforts of Austrian Govt to apply provisions of law of April 3, 1919. You may in your discretion inform French representative that US does not support restoration of monarchy in Austria and has agreed to political activity only by three major parties now represented in Govt. Dept agrees that injection of this issue into political campaign is not desirable under any circumstances and recommends that if matter is not settled before elections you may desire to bring matter to attention of Austrian Govt and Council making public statement of US policy on monarchy contained in PWC 218 "Treatment of Austria".[8]

Repeated to Paris as 5449.

BYRNES

[Mr. Erhardt reported in telegram 466, November 20, from Vienna, that Otto had been persuaded by the Austrian Government to leave Austria on November 17 (863.0011/11–2045). In telegram 480, November 24, from Vienna, Mr. Erhardt informed the Department that he had brought the American position on the Hapsburg question to the attention of the Austrian Government when the question first arose, and would continue to do so on all suitable occasions (863.00/11–2445).]

701.6163/11–745

The Department of State to the British Embassy

MEMORANDUM

The Department of State refers to the *aide-mémoire* of the British Embassy of November 7, 1945 (1904/173/45) and the *aide-mémoire* of November 7, 1945 (1904/174/45) [9] in transmitting the following views on the resumption of diplomatic relations with the Provisional Austrian Government:

1. The Department of State is in agreement with the view expressed in the *aide-mémoire* that no useful purpose can be served by raising in Moscow the question of unilateral action of the Soviet Government in informing the Provisional Austrian Government that it is now prepared to exchange diplomatic representation. No formal reply will be sent to the note of the Soviet Government presented to the

[8] *Foreign Relations*, 1944, vol. I, p. 438.

[9] Neither printed.

American Embassy in Moscow on October 22, 1945 [11] to the effect that the Provisional Austrian Government would be asked to exchange diplomatic representatives.

2. Instructions have been sent to the United States member of the Allied Council in Vienna [12] to recommend the establishment of a system of representation whereby the Provisional Austrian Government may deal directly with the governments of the four-powers and neighboring states on such matters which do not affect the supreme authority of the Allied Council in Austria or which may be reserved for the exclusive jurisdiction of the Allied Council. The United States Government has designated John G. Erhardt to serve simultaneously as political representative to the Provisional Austrian Government with the personal rank of Minister and as Political Advisor to the Commander-in-Chief of the United States forces in Austria.

3. The Department of State agrees that it is desirable to maintain for the present the principle of quadripartite control in Austria on all matters affecting the foreign relations, including international trade and finance of the Provisional Austrian Government. Consequently the United States member of the Allied Council has been instructed to recommend that control and supervision of the policies adopted in Austrian foreign relations be reserved to the Allied Council under the terms of its various resolutions proclaiming its supreme authority in Austria until such time that the Council acting on the recommendations of the four governments concerned relinquishes its supreme authority and transfers its sovereign rights to a freely elected Austrian government.

4. An informal approach has been made to the United States Political Advisor, Mr. Erhardt, by Dr. Gruber, Under Secretary of the Ministry of Foreign Affairs, suggesting that Dr. Richard Schueller, a political refugee in the United States, be designated as Austrian representative. The Political Advisor has been informed that in view of Dr. Schueller's political activity in the United States it would be preferable to send a representative or agent directly from Austria to deal with Consular matters and questions of trade and finance which do not affect the supreme authority of the Allied Council in Austria. The United States Government has expressed its willingness to accept the establishment of an agency of the Provisional Austrian Government in Washington.

WASHINGTON, November 21, 1945.

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[11] Not printed.

[12] See telegram 235, November 2, to Vienna, p. 646.

740.00119 E. W./11–2445 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, November 24, 1945—noon.
[Received 1:53 p. m.]

476. In general the proposed note transmitted in Dept's 271, November 17 [13] seems to us an excellent statement.

Three general comments. First, is it impossible to include in note the unpublished Berlin agreement that reparations would not be exacted from Austria? [14] It obviously adds substantial support to US position.

Second, Dept will appreciate that difficulty may be encountered in obtaining Soviet agreement to formation of board with satisfactorily defined functions. In Allied Council meeting October 30 (my despatches 405, November 1 and 411, November 2 [15]) Koniev flatly rejected McCreery proposal to have Executive Committee investigate and report on interpretation of "German external assets in Eastern Austria." Koniev's position was that only the Govts are able to interpret Potsdam decisions. He strongly reaffirmed this position in AC meeting November 10 (my P 5568, November 12) when question of oil arose.

Third, Dept may wish to consider the alternative of establishing proposed board outside of AC machinery though it would obviously have to do its work in Austria. Considerations are as follows:

(*a*) It is conceivable that Soviet resistance to proposed board might be somewhat less if it were to be established on a level above that of an Allied Commission subdivision or agency.

(*b*) If created at a high level by direct intergovernmental agreement proposed board would have more prestige and its determinations would be less subject to challenge by dissatisfied claimants.

(*c*) Some of board's functions may continue after final dissolution of AC.

(*d*) If board is established in AC the logical members will be chiefs of reparations deliveries and restitution division. Some of these men are either not available for prolonged service or else not qualified. They are already overburdened.

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[13] In this telegram, not printed, the Secretary of State submitted for the Political Adviser's comment the draft of a note to be presented to the British, French, and Soviet Governments. The final version of this note is printed as telegram 10380, November 29, to London, p. 668.

[14] Reference is to the final sentence of chapter VIII of the Protocol of the Proceedings of the Berlin Conference: "It was agreed that reparations should not be exacted from Austria." See *Conference of Berlin (Potsdam)*, vol. II, p. 1490.

[15] Neither printed; these despatches transmitted to the Department the unofficial U.S. minutes and the official minutes of the Allied Council meeting of October 30.

(*e*) The complex questions of property rights should if possible be examined and settled on their own merits and kept separate from negotiations and bargaining over general problems of AC.

If board is under AC, US contribution to its funds would presumably have to come out of War Dept appropriation which might have result of limiting its personnel or facilities. Separate appropriation for an independent board might be preferable.

On the other hand it is appreciated that some functions of board notably determination of appropriateness for reparation purposes under paragraph 6 (*d*) would be intimately related to AC responsibilities. Consequently it would at least be necessary to have close and carefully defined relationship between board and AC.

Particular comments follow: Paragraph 3 last two sentences appear to enable Austrian Govt to make unilateral declaration that a given asset is not German with such declaration binding on all claimants. Presumably it is intended that proposed board would make final determination paragraph 3, it might be desirable to indicate here or elsewhere the principles to govern treatment of property additions subsequent to German acquisition. It might also be desirable to indicate that when transfers to German ownership are reversed the former owners would be expected to surrender whatever compensation had been received from the Germans with appropriate adjustments for changes and transactions in the meantime. Principles to govern the disposition of such refunds might also be indicated. Presumably all of these matters would be subjects for determination by proposed board.[16] Paragraph 4: In second sentence the important words "or Austrian" appear to be lacking immediately following fourth "Allied."[17] Paragraph 5 *a*: It may be anticipated that if there is a 50% German interest in a company 50% of whose property is located in Soviet zone, Soviets will insist on acquiring all of such property in Soviet zone.[18] Paragraph 5 *n* [*b*]: It is respectfully suggested that the second sentence be either eliminated or rewritten and clarified. The meaning of "deposits" and "shares" as bank assets is not clear and

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[16] The last two sentences of paragraph 3 of telegram 10380, November 29, to London, p. 668, represent an alteration of the original text as submitted to Mr. Erhardt in telegram 271, November 17, not printed. In the original they read: "Accordingly, any transfer of property in Austria owned by nationals of the United Nations or Austria to German interests, by unilateral action of the German government, on request or at the instigation of the German government, including 'transactions apparently legal in form, even when they purport to be voluntarily effected,' can be declared invalid by the governments concerned. Such property would then revert to Allied or Austrian ownership and not be subject to reparation claims by the occupying authority."

[17] Change made in final version as suggested, p. 671.

[18] Last sentence of paragraph 5 *a*. of the original draft read: "Thus, if a company in which Germans have a fifty percent interest owns a plant in the Russian zone and other plants in the American, British or French zones of Austria, the U.S.S.R. would be entitled to claim a half interest in the plant in their zone." Cf. same sentence in telegram 10380 to London, p. 671.

the statements about bank liabilities appear to us a little too sweeping.[19] Paragraph 5 *b*: In first sentence of second paragraph is there any reason for not including Austrian claims against Reich Govt? [20] Paragraph 5[*b*]: The last sentence regarding freedom from foreign control is very broadly qualified. It would seem desirable either to omit it or to make it more definite.[21] Paragraph 7: In cases where removal is permissible under Paragraph 7 *d* should removal always follow automatically or should 7 *b* procedure be used in some cases? If the latter is intended this might be an additional matter for proposed board to determine.

Sent SecState as 476 repeated to Paris for Angell [21a] as 48 from Erhardt.

ERHARDT

740.00119 Control (Austria)/11–2445

The Secretary of State to the Secretary of War (Patterson)

WASHINGTON, November 24, 1945.

MY DEAR MR. SECRETARY: As a consequence of the qualified recognition of the provisional Austrian government and the extension of its authority to the whole of Austria under the control of the Allied Council, I should like to recommend that steps be taken immediately to reduce the number of occupation troops of the four powers now stationed in Austria. In view of the information furnished to me by the War Department that the number of Soviet occupation troops is far in excess of the combined total of the American, British and French forces, I further recommend that agreement be sought among the four powers equalizing the forces of occupation in the several zones and limiting them to the minimum number required for garrison purposes and for the fulfillment of the policies of the Allied Council.

I consider that the reduction of the occupation forces would be beneficial to Austria from a political and economic point of view and would be consistent with the Moscow Declaration of 1943 and the various four power agreements which state that the occupation powers

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[19] Second sentence in paragraph 5 *b*. of original read: "The assets of such enterprises consist of deposits, claims, shares, etc., and their liabilities refer to commercial transactions or represent titles which either do not lend themselves to a division by zones or would, if so divided, prejudice the independence of Austria's economic survival." Cf. same sentence in telegram 10380 to London, p. 672.

[20] Change made in final version, p. 672.

[21] Last sentence omitted in final version, p. 672. It read: "On the contrary, to the maximum compatible with a just reparations settlement and legitimate non-German property interests, the Austrian post-war economy should be left free of foreign control."

[21a] James W. Angell, Chief of the U.S. Delegation to the meeting of the Inter-Allied Reparation Agency in Paris.

will seek "to open the way for the Austrian people themselves" to find the basis of national independence.

A reduction of forces has now been made possible by the creation of an Austrian nation-wide administrative system as provided for in the agreement on Control Machinery and in the directive issued to General Clark. Furthermore a substantial reduction in the occupation forces would remove a drain from Austrian resources as a whole and enable the Austrians to utilize their resources on a nation-wide basis for relief and economic rehabilitation.

After the forthcoming elections on November 25, 1945, in which a national government will be chosen by the Austrian people I anticipate that members of the Allied Council in Vienna will recommend to their respective Governments that the agreement on Control Machinery be modified to permit the transfer of a greater measure of authority to the Austrian government. I recommend, therefore, that the discussions on the reduction of the occupation forces take into account the possibility that the purely military character of Allied government in Austria may be changed and that the Allied Council may in time operate in a supervisory capacity over the policies and administration of the Austrian state until a four-power agreement liquidates all Allied controls and recognizes the Austrian state as possessing complete sovereignty.

If you approve this proposal I should be glad to communicate it to the other three governments through diplomatic channels in order that it may be discussed on an inter-governmental basis at the same time that it is proposed by the United States member of the Allied Council in Vienna.

Sincerely yours, JAMES F. BYRNES

740.00119 Control (Austria)/11–345 : Telegram

The Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, November 26, 1945—8 p. m.

299. Letter has been sent by me to Secretary of War [22] recommending that immediate steps be taken to equalize occupation forces in various zones and reduce them to garrison level required for security and fulfillment of policies of Allied Council. On receipt of War Dept approval instructions will be sent for action in Council and simultaneous representations will be made in Moscow, London and Paris.

In view of report urtel 421, Nov. 3, Dept hopes soon to propose that four-power agreement on control machinery be replaced by new agree-

[22] *Supra.*

ment to include following steps in fulfilling international commitments towards Austria:

1. Establishment of a procedure whereby purely military character of Allied occupation can be transformed into a civilian control which will represent interest of all four powers in maintenance of Austrian independence. This objective will involve large scale reduction of occupation troops and progressive transfer of administrative functions and authority to Austrian state with Allied Council exercising supervisory power. Emphasis will be placed on breaking-down rigid division of Austria into zones by stressing military government on a national level rather than on zonal and district basis and providing machinery which will operate through the Austrian government uniformly in Austria as a whole.
2. Establishment of procedure for bringing Allied military occupation to an end and replacement of Allied Council by civilian high commission to supervise fulfillment of Allied policy in Austria and to guarantee Austrian independence.
3. Agreement on form of ultimate liquidation of all Allied controls and transfer of full sovereign rights to Austrian government.
4. Department considers that these proposals should be made soon and early changes effected in character of military occupation but actual liquidation of Allied controls and complete withdrawal of U.S. forces should not take place at this time. Furthermore it is desirable to keep some U.S. forces in Austria during coming winter in order to provide relief supplies pending inauguration of UNRRA activities. Dept does not consider that Austria is at present in a position to bargain with Soviet Union. Since maintenance of independence in the future depends on solution of entire Central and Eastern European question Dept considers that some form of Allied control should be maintained for the present.

Although no specific instructions have been transmitted on reservation of powers (urtel 404, Oct. 31) in view of excellent handling of this question on spot by you and General Clark under terms of general instructions and international agreements, Dept considers that guiding principle in negotiations should be maintenance of supreme authority of Council until authority is modified by international agreement; quadripartite action rather than unilateral action in dealing with all questions affecting Austria as a whole and in all Austrian relations with governments represented on Council; and progressive change in status of Austrian government to enable that government to function ultimately as an independent state.

Dept considers that basis of Austrian independence is precarious and that all possible steps should be taken to establish concept that maintenance of Austrian independence is a European question in which U.S. has a major interest and that U.S. will not accept a unilateral solution placing Austria under immediate and complete control of any power now represented on the Council. Dept realizes that U.S. objectives depend on assistance for economic rehabilitation and par-

ticipation of Austrian economy in general European economic framework. Discussions are now under way for U.S. assistance and possible loan to Austrian government. These will be facilitated by arrival or designation of Austrian representative in U.S.

Your views and suggestions on foregoing are urgently requested.

BYRNES

740.00119 Control (Austria)/11–2645 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, November 26, 1945—8 p. m.
[Received November 27—9 : 47 a. m.]

491. Implementation of Allied Council Austria decisions November 10 reported in P 5538, November 11 to Agwar signed Clark for JCS and State and my P 5568 November 12 required following action by each of four Govts:

(1) Representations to Czech, Hungarian and Yugo Govts to prevent expulsion into Austria of Germanic peoples from those countries, and

(2) Notification to Czech and Yugo Govts that Allied Council accepts the military missions which they informed the Council they wished to accredit to it.

In connection with (2) above interested Govts should be notified that Allied Council decided such missions should provide themselves with everything they require including transport, should be limited to overall total of ten members for each mission, and should be subject to local military or military Govt laws applicable to members of staffs of Allied Commission.

For information of Allied Commission please inform me when Dept has taken action under (1) and (2) above, preferably by repeating to me its messages to the other Govts.[23]

ERHARDT

863.00/11–2745 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, November 27, 1945—6 p. m.
[Received November 28—9 : 42 a. m.]

498. Ernst Fischer Communist Minister Education when asked for comments on Austrian elections suggested following factors explained

[23] The Department carried out this request by means of telegrams 420 to Praha, and 430 to Belgrade, repeated to Vienna as 308, November 28; none printed.

Peoples Party victory and Communist Party defeat:[24] (1) Strength of traditional party allegiances; (2) Desire for return to normalcy; (3) Women's family solidarity with Nazi relatives; (4) Russian occupation. Fischer considers electorate clearly disowned Communists and "on basis democratic principles" Communists have lost right participate Government. He fears, however, that return to two-party system will also mean return to pre-1934 parliamentary deadlock making it impossible reach clear solutions on important issues. His personal opinion is that Communists must now confine themselves to playing role of anti-Fascist gadfly in Parliament. Fischer thinks that formation fourth party composed progressive elements Peoples Party which appeared to loom before election now unlikely following Peoples Party triumph.

In Fischer's opinion Figl Chairman Peoples Party will now form own Cabinet to include Socialist members. Loss of Renner as Chancellor will be felt keenly since only Renner of all contemporary Austrian politicians has stature qualifying him for this most important post. His election as President which is likely might reduce his influence to relative insignificance.

Practically all Communists are stunned and disillusioned by shattering defeat which was expected by no one and older leaders such as Fischer are busy trying to restore faith younger party workers.

ERHARDT

863.51/10–1645 : Telegram

The Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, November 27, 1945—6 p. m.

303. For your info currency conversion program outlined P–5538[25] and P–5949[26] informally approved by State, War and Treas. Joint Chiefs concurrence is in process of clearance. Presume no further action respecting 600 million AM schillings (reurtel 344, Oct 16[27]) required. War will probably notify Clark that if for any reason conversion does not go through and Soviets renew request for AM schillings, such request should be referred to War. Approach to

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[24] Elections were held on November 25 with 94% of the 3,400,000 eligible voters participating. The People's Party received 49.84% of the votes and 85 mandates, the Socialists 44.54% and 76 mandates, and the Communists 5.44% and 4 mandates.

[25] *Ante*, p. 649.

[26] Not found in Department files.

[27] Not printed. In this telegram the Political Adviser suggested that 600 million Allied Military schillings authorized in July for transfer to the Soviets be withheld in the hopes that the increased need for schillings might influence the Soviets in reaching an agreement on conversion. (863.51/10–1645)

Soviets in Moscow no longer necessary re Moscow's 26 to Vienna, 3917 to Dept.[28]

Sent to Vienna, repeated to Moscow as 2401.

BYRNES

740.00119 Control (Austria)/11–2845

The British Ambassador (Halifax) to the Secretary of State

His Majesty's Ambassador presents his compliments to the Secretary of State and has the honour to communicate, on the instructions of His Majesty's Principal Secretary of State for Foreign Affairs, the following proposal for the reduction of the forces of occupation in Austria.

2. Good progress has now been made in a number of respects towards the re-establishment of a free and independent Austria. The Provisional Government has been reconstituted with agreement of representatives from all the provinces, its authority has been agreed to cover the whole country, and elections have now taken place. In the view of His Majesty's Government the time has now come to consider reducing armies of occupation, whose present numbers constitute a grievous burden on Austrian economy. That this is very much in the mind of Dr. Renner himself is clear from his recent speeches.

3. His Majesty's Government accordingly suggest the four occupying powers should now agree in principle to reduce forces of occupation in such a manner that each force would, after a period of months be reduced to some equal figure to be determined. If the United States Government agree in principle to this proposal, His Majesty's Government suggest that the Allied Council should be instructed to work out a detailed scheme which each power would then put into execution.

4. In deciding the numbers required for each force of occupation, account would have to be taken not only of questions relating to internal security but of possible threats from outside. His Majesty's Government therefore suggest that, in order to avoid delaying reduction of their forces on this account, the Four Powers should issue a public announcement to the effect that, pending final definition of Austrian frontiers, they recognise and will maintain the frontiers of Austria which were in force in 1937 and they confidently expect that

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[28] Not printed. The Ambassador in the Soviet Union reported that he had delayed communicating with the Soviet Foreign Ministry as instructed in the Department's telegram 2306, November 7. He had discovered that the program of conversion into Allied Military schillings appeared to have been abandoned by the Allied Council in favor of a program of conversion directly into Austrian National schillings. (863.515/11–2145)

these frontiers will be similarly recognised and respected by all other States.

5. A similar communication has been addressed to the Soviet and French Governments.

WASHINGTON, November 28, 1945.

840.50 UNRRA/11-2945 : Telegram

The Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, November 29, 1945—6 p. m.

315. UNRRA Washington has advised Dept that UNRRA Mission headed by Schaaf, D.D.[29] left for Vienna last week to discuss UNRRA program for all Austria.

Informal discussion now in progress between Dept and British indicates divergence views as to manner and extent to which UNRRA should take over relief and rehabilitation program in Austria though both agreed that some form of UNRRA program desirable for Austria. For your info and guidance, therefore, following is summary of Dept's policy in this respect. Full text will be sent you when final draft completed.

1. The Austrian Government, UNRRA and the ACA (Allied Commission Austria as a whole) should jointly work out import program sufficient to provide Austria with relief and rehabilitation supplies at standards approved by UNRRA Council resolutions for guidance in drawing up such programs.

2. Since, in view world-wide needs, UNRRA funds will probably not be sufficient to achieve even such minimum approved program for Austria, the occupying powers should agree in Allied Council that each at least will be responsible during period military occupation for procuring and financing civilian relief supplies for its own zone sufficient to attain ration standard (1550 calories per day) approved by Council Foreign Ministers Sept 29, 1945.[30]

3. UNRRA should assume responsibility to extent its funds will permit for supplemental relief and rehabilitation imports.

4. Austrian Government should be permitted to make approved barter deals for needed supplies.

5. The ACA should reach agreement with Austrian Government that proceeds all Austrian exports (with certain exceptions such as those resulting from any ExImBank loan) to be pooled under control ACA; and the contributions made by each occupying power as provided in two above, as well as their respective contributions (including that of Canada) made prior to consummation this arrangement, should be repaid out of such proceeds. Any balances remaining

[29] C. Hart Schaaf, Assistant Deputy Director, Department of Supply.
[30] See telegram 10181, October 1, from London, p. 620.

should be made available to Austrian Government for purposes approved by ACA. No payments out of such proceeds should be required as repayment to occupying powers for imports for use occupying forces or of cost of troop pay not expended in Austria.

6. In order not to increase requirements Austria for external assistance, occupying powers should undertake to abstain from requisitioning or purchasing for use own forces Austrian indigenous supplies needed by civilians; and from claiming as part of German reparations, German property in Austria necessary for rehabilitating sound Austrian economy.

Your comments and suggestions would be appreciated. You may wish to discuss above informally and on tentative basis with UNRRA mission.

BYRNES

462.00R/11–2945 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant) [32]

WASHINGTON, November 29, 1945—8 p. m.

10380. Would you communicate following to government to which you are attached as United States view on appropriate interpretation and execution of Potsdam provisions with respect to reparation claims against German assets in Austria. It is the U.S. view that, since an interpretation of the Potsdam provisions is involved, that this matter must initially be discussed at a governmental level. The U.S. advocates, however, that the Allied Council Austria be designated the forum for the working out of this problem, to avoid divided responsibility in its administration. You should indicate that the U.S. regards the settlement of the German reparations issue in Austria as urgent, since it will continue to interfere with the unified operation of the Austrian economy, and with its rehabilitation.

"1. *Agreed Basis for the Reparation Claim.* The Allied reparation claim against German assets in Austria must be established and in-

[32] This telegram was also sent for action as telegram 2420 to Moscow, and as telegram 5592 to Paris. It was repeated for information as telegram 970 to the United States Political Adviser for German Affairs, Berlin, and as telegram 316 to the United States Political Adviser for Austrian Affairs, Vienna. The following paragraph was added to the telegram as sent to Vienna: "Dept would prefer, if other governments agree, that this matter be dealt with in Allied Council. It hopes that raising of issue at governmental level, and subsequent discussion, will satisfy Koniev view and will permit sufficient general agreement for Allied Council to proceed. Should this outcome result you may wish to make suggestions for strengthening of staff in Vienna for such negotiations. Your helpful suggestions have been taken into account with exception probable USSR view of German share of ownership factories in USSR zone. Your judgement on USSR view undoubtedly correct but we prefer more equitable formulation as initial US position." The "helpful suggestions" referred to can be found in telegram 476, November 24, from the Political Adviser in Vienna, p. 659.

terpreted in terms of the Potsdam Protocol, as defined and amplified by relevant parts of other agreements between the major Powers, which concern Austria. The principles outlined and the procedures recommended here apply to all Allied reparation claims against German assets in Austria.

a. The Potsdam Protocol of August 1945 [33] establishes the following policy with respect to reparation claims against German assets in Austria: . . . Paragraph IV, 1. 'Reparation claims of the USSR shall be met by removals from the zone of Germany occupied by the USSR and from appropriate German external assets.' Paragraph IV. 3. 'The reparation claims of the United States, the United Kingdom and other countries entitled to reparations shall be met from the western zones and from appropriate German external assets.' Paragraph IV. 8. 'The Soviet Government renounces all claims in respect of reparations to shares of German enterprises which are located in the western zones of occupation in Germany, as well as to German foreign assets in all countries, except those specified in Paragraph 9 below.' Paragraph IV, 9. 'The Governments of the United Kingdom and the United States of America renounce their claims in respect of reparations to shares of German enterprises which are located in the Eastern zone of occupation in Germany, as well as to German foreign assets in Bulgaria, Finland, Hungary, Rumania and eastern Austria.'

b. The Moscow Declaration on Austria of November 1943, signed by the United States, Britain and the USSR, lays down the following agreed policy towards Austria:

'The governments of the United Kingdom, the Soviet Union and the United States of America are agreed that Austria, the first free country to fall a victim of Hitlerite aggression, shall be liberated from German domination. They regard the annexation imposed on Austria by Germany on March 15, 1938, as null and void. They consider themselves as in no way bound by any changes effected in Austria since that date. They declare that they wish to see reestablished a free and independent Austria and thereby to open the way for the Austrian people themselves, as well as neighboring States which will be faced with similar problems, to find that political and economic security which is the only basis for lasting peace. Austria is reminded, however, that she has a responsibility, which she cannot evade, for the participation in the war at the side of Hitlerite Germany, and that in the final settlement account will inevitably be taken of her own contribution to her liberation.'

c. The United Nations Declaration Regarding Forced Transfers of Property in Enemy-Controlled Territory of January 1943, signed by the U.S., U.K., and U.S.S.R., as well as by most of the other United Nations, contains the following statement on property rights: [34]

'Accordingly the Governments making this Declaration and the French National Committee reserve all their rights to declare invalid any transfers of, or dealings with, property, rights and interests of any description whatsoever, which are, or have been, situated in the territories which have come under the occupation or control, direct or indirect of the Governments with which they are at war or which belong or have belonged, to persons, including juridicial persons resident in such territories. This warning applies whether such transfers or dealings have taken the form of open looting or plunder, or of transactions apparently legal in form, even when they purport to be voluntarily effected. The Governments making this declaration and the French National Committee record their solidarity in this matter.'

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[33] For complete text, see *Conference of Berlin (Potsdam)*, vol. II, p. 1499.
[34] For complete text, see *Foreign Relations*, 1943, vol. I, p. 443.

d. The Agreement on Four-Power Occupation Plans for Austria between Britain, the United States, the USSR and France of August 1945 sets down the following duties and rights for the Allied Commission in Austria:[36]

'The primary tasks of the Allied Commission for Austria will be:
To achieve the separation of Austria from Germany;
To secure the establishment, as soon as possible, of a central Austrian Administrative machine;
To prepare the way for the establishment of a freely elected Austrian government;
Meanwhile, to provide for the administration of Austria to be carried on satisfactorily.'

2. *Determination of German Assets Appropriate for Reparation.* It is the U.S. view that the extent and character of German reparations from Austria should be compatible with the agreed Allied aim to reestablish a free and independent Austria and to assure its political and economic security; that the word 'appropriate,' used in the Potsdam Protocol, Paras. IV, 1 and 3, should be defined in reference to this aim; and that the disposal of German assets in Austria should be so carried out as not to violate, in fact, the agreement at Potsdam that reparations should not be exacted from Austria.

a. In the case of removals from Germany which, in contrast to Austria, is judged an enemy liable for reparations, removals are related explicitly to a peacetime economy capable of supporting the German population without external assistance. It is evident that removals from Austria, a liberated area, must be related to a higher standard of post-war welfare than Germany. It is suggested by the US that the transfer of German assets from Austria and the conditions surrounding the substitution of Allied for German property interests within Austria should leave capacity, and conditions for its operation, capable under full utilization of yielding in the immediate post-war years a standard of living at least equal to the Austrian standard of 1938. To achieve this aim it is evident that removals must be limited in amount and selective in character.

b. It is the U.S. view that the Forced Transfer clause (see 3, below) should be applied to transfers from Austrian, Allied and Neutral ownership to German ownership after 15 March 1938.

c. It is the U.S. view that the determination of the amount and character of removals from Austria should be the function of the Occupying Authorities, jointly, in view of their joint aim and responsibilities with respect to the future of the Austrian economy.

3. *No Acknowledgment of Forced Transfers of Property from Allied or Austrian to German Ownership.* The determination of German ownership of assets in Austria must be based on the Moscow Declaration, which regards the annexation imposed on Austria on 15 March 1938 as null and void, and which states that the signatory powers are in no way bound by any changes effected in Austria since that date. In accordance with this declaration, the United Nations Declaration on Forced Transfer of Property in Enemy-Controlled Territory is applicable to transfers of property from Allied or Austrian ownership to German ownership after 15 March 1938. Accord-

[36] Reference is to article 8 of the Agreement on Control Machinery in Austria, signed July 4, 1945. See *Conference of Berlin (Potsdam)*, vol. I, p. 353.

ingly, any transfer of property in Austria owned by nationals of the United Nations or Austria to German interests, by unilateral action of the German government, on request or at the instigation of the German government, including 'transactions apparently legal in form, even when they purport to be voluntarily effected,' can be declared invalid by the governments concerned, if the element of duress can be proved to the satisfaction of the Commission, established in Para. 6, below. Such property would then revert to Allied or Austrian ownership and not be subject to reparation claims by the occupying authority; however, compensation received from the Germans must be returned to a fund, which like other such assets discussed in 5 *b*, below, would be available, for the most part, in settlement of Austrian claims against Germany.

4. *Separation of Allied, Neutral and Austrian Property Interests from German Foreign Assets.* Taking into account 3 above, Allied, Neutral and Austrian property interest should be defined so as to include movable and immovable properties owned by Allied or Austrian governments or by Allied Neutral or Austrian nationals, individually or through participation in partnerships and other unincorporated associations, and assets of corporations in which Allied Neutral or Austrian nationals have shares or other rights of ownership, directly or through intermediate corporations, including German corporations. Similarly, taking into account 3 above, German foreign assets under Paragraph IV 8–9, of the Potsdam Protocol should be defined so as to include movable and immovable properties owned by the German government or by German nationals, individually or through participation in partnerships and other unincorporated associations, and assets of corporations in which German nationals have shares or other rights of ownership, directly or through intermediate corporations.

5. *Allocation of German Assets in Austria by Physical Location.*

a. The USSR reparation claim in Austria should be limited to German assets, as determined in accordance with 2 and 3 above, physically located within the Russian zone of Occupation in Eastern Austria, including the Russian zone of Vienna, and should not include liens on, claims to, shares in, or any kind of title to any German assets, the physical location of which is outside the area of Russian occupation. Similarly, the fact that entitling legal documents representing German liens on, claims to, shares in, or any kind of title to physical property situated in the Russian zone are located in the US (French, or British) zone of occupation does not entitle any power other than the USSR to claim such physical assets for its reparation share. Subject to the qualifications of 2 and 3 above, the extent of German interest in any physical property located in the Russian zone is to be determined by the extent to which Germans or the German government owned the stocks or held an equity interest in the company which holds that physical property. Thus, if a company in which Germans have a fifty percent interest owns a plant in the U.S. zone and other plants in the U.S.S.R. zone of Austria, the western powers as a whole would be entitled to claim a half interest in the plant in the American zone, and the U.S.S.R. would be entitled to claim a half interest in plants in the Russian zone.

b. Because the allocation of reparations to claimants is determined by the physical location of German assets in the various zones of

Occupation (see 5*a*, above), German-owned banks, insurance companies and similar financial institutions cannot be treated on a zonal basis. Acquisition of German-owned stock of such enterprises would carry with it ownership interests in various zones, and would violate the principle set forth in 5*a*, above. A large part of the assets held by such enterprises constitute security against deposits and other liabilities held by nationals of Austria and of Allied and Neutral nations. Such assets are, therefore, not available for reparations (see 3 above). Procedures for the transfer of shares and management of enterprises from German ownership to a new control and the disposition of German claims against such enterprises (or that of German claims against any Austrian company, other Austrian assets or individuals) should be settled by the Board described in 6, below.

It is the U.S. view that German claims and non-physical assets of this type be transferred to the Austrian Government, to be applied towards Austrian claims against the German Government or German companies or individuals. The period of German occupation of Austria was marked by extraordinary financial penetration of its economy. The operation of the Potsdam reparations agreement with respect to German assets in Austria should not be such as to effect a substitution of Allied for German penetration.

6. *Board for Establishing German Foreign Assets in Austria Appropriate for Reparations.* The U.S. Government proposes that a Board shall be established within the Allied Commission, Austria, representing the Four Occupying Powers with the Austrian Government participating as observer, to make the following determinations, in the light of Paras. 2, 3, 4, and 5*a*, above:

a. Census of physical property located in Austria, by zones, wholly owned by German nationals, German government, or its agencies;

b. Census of physical property located in Austria, by zones, owned wholly or in part by companies domiciled in Austria and/or Germany which are in turn owned in whole or in part by German nationals or the German government or any subsidiary or agency thereof; and determination of the extent of such German ownership of each of these companies and the physical properties owned by such company;

c. Census of physical property located in Austria in which nationals or corporations of the United Nations have an ownership interest as defined in paragraph 3 and 4 above.

d. The appropriateness for reparation purposes under Para. 2 above, of such assets as are deemed to be German;

e. Decision on the disposition of German property and claims not subject to reparation under 5*b*, above.

7. *Disposition of Reparations from Austria.* In accordance with the determinations as defined under 6 above, the following types of disposition of appropriate reparation assets may be chosen:

a. Removal of the physical property if completely German owned. Compensation for Austrian Allied or neutral claims against such property must be granted in accordance with 6*d* above.

b. Retention of the property in Austria with the claimant power assuming for itself or its nationals the German interest in such property. In cases where mixed German and Allied (Austrian or neutral) ownership interests exist, it is evident that the substitution for German ownership will involve adjustments in the terms of property ownership, management, and production. It is the U.S. position that,

in cases where the Allied (Austrian or neutral) interest is 'substantial,' as defined below, removal might, if permitted under 6*d*, above, take place only with the approval of the Allied (Austrian or neutral) owners. Lacking such approval the interest of the reparation claimant should be exercised through agreed compensation or through exercise of continuing minority interest.

Where German interest is 'substantial', and if permitted under 6*d*, above, removal by the reparation claimant might be effected, if so desired, and in such cases the Allied (Austrian or neutral) interest would be exercised through agreed compensation or by continuing minority interest, as is agreed in each case.

In cases where compensation is agreed in the course of settlement, such compensation must be paid by the interest which acquires full control.

In all cases where foreign-owned property is physically restored, such property would remain part of Austria's economic resources. Thus, if the property produces goods for export, the export proceeds should go into the Austrian foreign exchange pool which, in turn, should be used for such purposes as the Allied Council approves. If the property yields profits, the transfer of the share in such profits to which the occupying power (or its nationals) may be entitled shall be subject to the same foreign exchange restrictions as apply to the transfer of the profits or proceeds of any other property owned in whole or in part by foreigners or foreign interests.

c. Purchase by the Austrian government or nationals of German assets in Austria, by agreement with the claimant power.

In general, a 'substantial interest' shall be defined as ownership of 50 percent or more of the ownership equity, individually or through business enterprises, subject to modification in specific cases, as may be jointly agreed. An interest other than 'a substantial interest' shall include not only minority ownership of equity, but also legitimate claims in the form of mortgages, loans or other liens on the assets of the affected property."

BYRNES

863.6363/12–445 : Telegram

The Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, December 4, 1945—6 p. m.

330. British here report Austrian Government will shortly protest Allied Commission concerning USSR Control ex-German oil companies, and the refining program laid down by USSR authorities. Please advise Dept details of refining program.

McCreery instructed to support view that entire output oil industry not be used for Soviet purposes; that surplus above Soviet requirements as defined in detail and in advance be available for other Occupying forces and for Austrian domestic use, and for export.

In accordance with our 212 of Oct 25 [37] and 217 of Oct 26 attempt to get some Austrian oil freed for Austrian use and exports for payment of imports, in *ad hoc* negotiations pending broader negotiations possibly arising from our recent note [38] on over-all interpretation Potsdam re German assets in Austria.

BYRNES

863.00/11-2945 : Telegram

The Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, December 4, 1945—6 p. m.

329. Both results and conduct of Austrian elections are regarded as important steps in European reconstruction, particularly in view of your reports on freedom of balloting and orderly elections (reurtels 494, Nov. 27; 497, Nov. 28; 498, Nov. 27; 500, Nov. 28; 501, Nov. 28 and 507, Nov. 29).[39] Little info is available here about Figl. Dept would appreciate your evaluation and any info on his career and political outlook.

Probable reorganization of govt by Volkspartei may raise questions re future of Austria. If Volkspartei control is assured and new govt formed under Figl, Dept recommends that you, with the approval of General Clark, suggest, in your discretion, to party leaders that coalition govt should be maintained, at least until end of military occupation and Communist representation should be retained in cabinet in order to facilitate good relationships among four powers and to avoid impression that Volkspartei victory automatically means anti-Soviet or anti-Communist policy. Abolition of system of under secretaries in each ministry (urtel 477, Nov. 24 [40]) is desirable from point of view of administrative efficiency provided three parties continue to be represented in cabinet.

Dept does not consider that reorganization of govt should follow usual practice of party victory or that Social Democrats should refuse to collaborate with Volkspartei. In best interests of Austrian independence, reorganization of govt should be based on unique international position of Austria and desirability of maintaining four power interest in Austrian independence. Similarly, it is hoped if Volkspartei reorganizes govt that Renner will be made President, unless he is given some other responsible post, in order to provide continuity with Provisional Govt, although it is hoped that his new office will not decrease his influence in public affairs.

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[37] Not printed, but see footnote 74, p. 640.
[38] See telegram 10380, November 29, to London, p. 668.
[39] Telegrams 494, 497, 500, 501, and 507 not printed.
[40] Not printed.

On basis of many reports, Dept supports suggestion of Figl that Ernst Fischer be retained in cabinet and regards elections as excellent opportunity for ending Communist control in Ministry of Interior. Do you consider that police force can be reorganized to support recommendations for reduction of occupation forces contained in Deptel 299, Nov. 26?

Details reported in urtel 445, Nov. 12, concerning composition of ministries also raise question involving future Austrian policy and creation of conditions under which US can propose or agree to major changes in four power controls. Dept considers that traditional Volkspartei policy with regard to relationships with USSR and attitude toward question of "Austro-Fascism" may complicate modification of four power controls by bringing change in Soviet policy towards Austria. Since objective of reduction of number of occupation troops and ultimate liquidation of Allied controls involves four-power agreement, Dept hopes that reorganization of govt and its future policy will facilitate four-power cooperation.

BYRNES

863.5018/12–845 : Telegram

The United States Military Commissioner in Austria (Clark) to the Joint Chiefs of Staff [41]

SALZBURG, December 8, 1945.

P 7627. At meeting Executive Committee 4 December discussion on reply to Renner's appeal of 5 November for economic assistance [42] developed clearly national positions on food supply. US position as outlined War 8589 [43] of 292237Z. British position generally in agreement with United States.

2. French stated they had agreed to supply their area in Vienna on 1550 basis but not in their zone outside Vienna where calory scale is now about 1200, of which two thirds is supplied by French, remainder from indigenous resources. Soviets stated their understanding that four powers had accepted responsibility for supplying Vienna on basis of 1550 but that there was no agreed responsibility to provide

[41] This telegram was also sent for information to the Secretary of State.

[42] A copy of Dr. Renner's appeal was forwarded to the Department under cover of despatch 455, November 10, from the Political Adviser in Vienna, neither printed.

[43] This telegram from the War Department to General Clark, November 29, 1945, stated that both the War Department and State Department strongly supported the view that the ration scale in the U.S. zone of Austria should not be lowered to supply foodstuffs for the Russian zone. The U.S. should not import additional supplies into Austria for the Russian zone, and U.S. authorities should insist that the Soviets must maintain the agreed ration scale in their zone. Since the Council of Foreign Ministers had agreed to a ration scale of 1550 calories, the State Department felt that discussion of the question for the present should be limited to the Allied Commission level. (Vienna Legation Files, 1945–TOD Secret File)

food for zones outside of Vienna and that deficiencies in zones must be supplied by Austria from her own resources.

3. All agreed aid from UNRRA essential on emergency basis and at earliest possible moment and directed cable be prepared to UNRRA setting forth situation and urgency and asking emergency assistance with food to start before 1 February if possible. On US insistence agreed if UNRRA came in it would have free access to areas where it distributed supplies.

4. On broad question food supplies Soviet submitted draft resolution critical of Austrian Government's exploitation and distribution of indigenous resources and directing implementation of food program. This resolution also included statement that Allied Council considers Austrian population can and must be fed out of its own resources until 1 March 1946. Britain and US refused to accept resolution and it was sent to Economic Directorate for reconsideration and redrafting.

5. Obvious from this meeting and subcommittee discussion that future French food imports except for Vienna unlikely and that Russians will not supply in future except for Vienna.

6. Prompt assistance from UNRRA appears best solution to previous serious shortage lower Austria.

863.00/12–1045

Memorandum of Conversation Between General Mark W. Clark and Ing. Leopold Figl[44]

[VIENNA,] December 8, 1945.

Ing. Figl, who had been entrusted by the Political Cabinet with the formation of a new Austrian Government following the national elections of November 25, 1945, presented himself at General Clark's office without previous announcement and was immediately received by the General. He handed the General a signed copy of a letter dated December 8, 1945, which he had sent to the Allied Council giving the names of the members of the new Cabinet together with a brief covering letter of the same date addressed to General Clark. (Translations of these communications are attached.)[45]

Mr. Figl started in by saying that he hoped the Allied Commission, at its meeting on December 10, would approve the Cabinet so that it could get to work. He stressed the point that he hoped that the Nationalrat and the Bundesrat could be called together by December 17, and proceed with the election of a President so that the Government could be officially installed and operating by Christmas. He asked for

[44] Sent to the Department as enclosure to despatch 565, December 10, from Vienna; received December 19.

[45] Neither printed.

General Clark's support to this end, and the General said that he would do everything that he could to help. General Clark pointed out, however, that the Allied Council itself would only have authority to give its approval to the Cabinet and make a recommendation to the Governments of the occupying powers that recognition be extended to the new government.

In response to a question, Mr. Figl stated that it had been agreed that Dr. Renner would be elected President, and he had no doubts that he would accept.

General Clark said that he could give no assurances, of course, as to what action the Council would take because there was the definite possibility that the Soviets might object to one or more names on the list. The General added that the Soviets were surprised and disappointed at the result of the elections and they would probably scan carefully the list of the new Cabinet. He furthermore stated that a few days ago he had visited Marshal Koniev at Baden where the matter of the new government had been discussed and at that time he had assured Marshal Koniev that if there were any Nazis or Fascists proposed as members of the new government he would certainly support action looking toward their removal. Mr. Figl said that there were no such people in the new Cabinet and that nearly all of them had long concentration camp records.

General Clark said that he wanted to speak quite frankly with Mr. Figl about certain matters, and one of them was that it must be clearly understood that the Allied Council would remain the supreme authority in Austria. Mr. Figl agreed, but he pointed out that the Government must have power in administrative and economic matters throughout Austria so that it could go ahead with its work. To this General Clark replied that he was in accord and furthermore said his position was that the Government should be given more and more authority as it showed that it was capable of efficient functioning. In this connection, General Clark pointed out that he was quite certain that there would be a change in Soviet policy as follows: During the life of the Renner Government the Soviets had constantly supported the idea of giving the Government more authority and the Allied Council less, whereas now he felt that the Soviets would want to give the Government less authority and the Allied Council more.

General Clark told Mr. Figl that he was doing everything he could in the way of working out an agreement for the reduction of Allied troops. This pleased Mr. Figl very much. Mr. Figl estimated that there were between 700,000 and 800,000 Soviet troops in the country and said that it would be so much better for Austria if the total number of troops of all powers were reduced to 100,000. Mr. Figl made it quite clear that he did not expect the reduction to take the form of each power having the same number of troops in Austria. The most that

he hoped for was a percentage reduction which would bring the total number down without equalization.

There followed a discussion of the food situation in Austria and Mr. Figl described the situation in Lower Austria as catastrophic. General Clark said that he fully realized this and that he had sent a personal message to Governor Lehman [46] and was working constantly to the end of getting an adequate UNRRA program started in Austria. The General said that in the British, French, and American zones conditions were better than in Lower Austria but even in the three western zones the people had a very low standard of living, barely sufficient to get them through the winter. He said it was no solution to the problem to pull food out of the west and give it to Lower Austria as this would only have the effect of pulling everybody down to extremely low living standards. The General frankly stated that he would not lower the standards in the American zone in order to provide food for Lower Austria because the United States felt a responsibility for its zone and he was going to meet this responsibility.

General Clark said confidentially to Mr. Figl that if at times he might appear to be critical of the Soviets it was only because he was trying to be helpful and that to get anywhere he had to employ different strategies on different occasions. He said that it was his practice to talk just as frankly with Marshal Koniev as he talked with Mr. Figl and he said that this had resulted in the development of the very best of relations between him and the Marshal. General Clark emphasized that one must bear in mind at all times that four-power cooperation and unity were absolutely essential in the interests of Austria, and he told Mr. Figl that the Austrian Government on its part should do everything to make such cooperation easier and not harder. Mr. Figl indicated 100% understanding of this viewpoint, and said that such would be the policy of the Government.

The conversation closed on an extremely cordial note by General Clark's saying that his door was always open to Mr. Figl and that he wanted Mr. Figl to come and see him any time and tell him about the Government's problems. The General said that he would always be disposed to help in any way that was in his power. Mr. Figl expressed deep appreciation and made some extremely complimentary remarks to General Clark about the latter's great prestige in Austria and the feeling of high respect and admiration possessed by all Austrians for the General's outstanding work and accomplishments.

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[46] Herbert H. Lehman, Director General of the United Nations Relief and Rehabilitation Administration.

740.00119 Control (Austria)/12–645 : Telegram

The Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, December 9, 1945—9 p. m.

347. Reurtel 536.[47] Until political groups can be carefully examined with reference to their objectives and composition Department recommends that no action be taken. Following consultation with War Department, instructions will be sent.

BYRNES

740.00119 Control (Austria)/12–1245 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, December 12, 1945—10 a. m.

[Received 11 : 30 a. m.]

558. Reference my 359 [*539*], December 7,[48] see General Clark's P–7673, December 9 for JCS [49] (Joint Chiefs of Staff) to be repeated to Secretary of State, second section, referring to Topic D of Wagx 86274.[49] My supplemental suggestions are as follows:

Re paragraph (3) of reference section of P–7673, it is my opinion that highest US representative in Allied Commission should be military as long as Soviets have a military man in that position or have any considerable number of troops in Austria. One important reason for this is General Clark's strong personal relationship with Marshal Koniev, who we believe will continue to be highest Soviet representative.

Subpara (*b*) of same paragraph states that the matters referred to as appropriate for control or supervision by Allied Commission should be dealt with by latter on basis of unanimity. In some cases Allied Commission would take affirmative action, but in others it would exercise power of veto over proposed acts of Austrian Government. In latter cases there would be two alternatives for the application of principles of unanimity. The first is that when a proposed act of Austrian Government was submitted for approval, it would be allowed

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[47] In this telegram of December 6, not printed, the Political Adviser reported that for administrative reasons the Allied Council was considering waiving the requirement that minor political parties submit their program to the Allied Council before engaging in any political activity. All parties that conformed to basic democratic principles would henceforth be free to operate without the necessity of getting Allied Council approval. (740.00119 Control (Austria)/-12–645)

[48] Not printed; this telegram informed the Department that comments and suggestions on Department's telegram 299, November 26, had been prepared and were being coordinated with the military (740.00119 Control (Austria)/12–745).

[49] Not found in Department files.

to go into effect automatically, unless unanimous agreement was reached in Allied Commission to veto it. This alternative would permit Austrian Government to carry out most of its decisions without Allied obstruction and would encourage development of Austrian self-government. The second alternative is that when a proposed act of the Austrian Government was submitted for AC approval, it would be disapproved unless all four members agreed to approve it. In other words, each representative in AC would alone be able to veto the government's proposed act. Although this alternative would substantially curtail Austrian independence, it would assure to each occupying power that no action falling within the control or supervision category could be taken if contrary to its policies or interests in Austria.

It seems likely that if Austrian Communist Party had not been so badly defeated in recent elections, Soviets would favor the first alternative. However, it now seems plain they will instead insist upon the second. On other hand, it is possible that, partly on account of election results, British policy might now lean toward the first alternative.

ERHARDT

462.00R/12–1245 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State [50]

VIENNA, December 12, 1945—noon.
[Received 3 : 45 p. m.]

560. Statement of US views on interpretation of Potsdam provisions regarding German assets in Austria (Dept's 316, Nov 29 [51]) has been transmitted to Renner pursuant to Dept's instructions.

US representatives here have for several months been pressing for Allied Commission discussion of meaning of Potsdam provisions regarding German assets in Austria but Soviet representatives have from start taken categorical stand against any such discussion. Their position is that question of German external assets in Austria has already been settled by Potsdam Agreement (in a manner giving USSR all "German" assets in eastern Austria) and that any interpretation of Potsdam provisions is a matter for direct discussion between the govts that signed Potsdam Agreement.

Dept will understand that consequently it may be futile to try to open discussion of this subject in Allied Council until the govts have

[50] Repeated to Moscow as telegram 2523, December 14, for Secretary Byrnes, who was en route to Moscow to attend a conference with the Foreign Ministers of Great Britain and the Soviet Union, December 16–26. For documentation regarding this Conference, see vol. II, pp. 560 ff.

[51] See footnote 32, p. 668.

themselves reached agreement and instructed their representatives in Austria.

Practical importance of Potsdam provisions regarding German assets in Austria can hardly be overestimated. Rough unofficial estimates have placed ostensibly German owned assets in Austria as high as seventy or eighty percent of country's industry largely in "eastern Austria". Present attitude of Soviet representatives on this question effectively blocks comprehensive reconstruction of Austrian economy on unified basis.

ERHARDT

840.50 UNRRA/12–1245 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, December 12, 1945—5 p. m.
[Received 6:20 p. m.]

561. RefDepts 315 of Nov 29. Schaaf has discussed Austrian UNRRA program with us and with Economic Directorate of Allied Commission. Since regular UNRRA program cannot be put in operation before March 1 at earliest, the most urgent problem at present is to secure emergency aid starting before then, if possible January 1, in largest possible amounts. There appears to be no chance of such emergency aid in amounts large enough to raise Austrian nutritional standards to levels set at UNRRA council meeting in London. Best that can be hoped for is that Soviet and French zones can be brought up to level of 1550 calories for normal consumers which obtains in Vienna and in US and UK zones at present.

Following is text of telegram approved Monday by Allied Council and sent to UNRRA yesterday:

"1. With reference to resolution 74 of UNRRA council and since UNRRA has complied with request for a delegation of technicians to be sent to Austria the AC officially invites UNRRA to provide urgent assistance for Austria, which faces serious situation in view of shortage of food and vital necessities.

2. The importance and urgency of the assistance requested from UNRRA will be set forth in another telegram.

3. In view of General Clark's statement concerning a telegram received from the Director General of UNRRA the Allied Council expresses appreciation to UNRRA for the efforts already begun to secure as soon as possible an effective food supply for Austria."

Any assistance which Dept can bring to bear to expedite emergency UNRRA aid will be appreciated.

Following are comments on indicated paragraphs of Dept's 315:

(1) Standards referred to here are understood to be 2650 calories for normal consumers. Please advise if this is incorrect.

(2) US and UK representatives in Allied Commission have made every effort to secure quadripartite agreement on this principle but without success. Soviets insist they are under no obligation as result of Foreign Minister's discussions in London, to import food for establishment of 1550 calories level in their zone Austria. (They recognize a definite obligation, assumed in Allied Council, to provide that level in their districits of Vienna and are in general fulfilling it but they are believed to be taking some food supplies from lower Austria for this purpose.) They argue that food conditions in Russia are extremely bad and that charity begins at home. They also argue that there are no food surpluses in Hungary or Rumania. French representatives recognize moral obligation to try to provide 1550 calories in their zone but warn that they will probably not be successful.

(2) Use of term "occupation period" in this paragraph seems inappropriate since it is hoped that UNRRA can assume all or major part of supply burden many months before the Allied military forces are withdrawn from Austria.

(3) No comment.

(4) We concur fully in this paragraph but suggest adding a phrase to indicate that barter deals should be replaced by normal trade as soon as possible.

(5) Strongly recommend modification of payment procedure outlined in this paragraph. Exportable surpluses in Austria are negligible now and those produced in near future will be needed for barter deals contemplated in paragraph 4. Moreover most exports must go to countries in central and southeastern Europe which are unable to pay in convertible currencies acceptable to US and other occupying powers. Although all efforts will be made to acquire foreign exchange it will be many months before there is enough to equal cumulative cost of relief imports. Making this cost a first charge on foreign exchange pool would amount to confiscation of all convertible foreign exchange. Instead it is suggested that no payment for relief imports be required for the present and that after a suitable period, say after January, 1947, a scheme of payment be worked out which would be compatible with Austria's financial recovery. Such a scheme might assign percentages of (*a*) Austria's convertible foreign exchange and (*b*) its total foreign exchange, to payment for relief imports. Requirements for debt service on any foreign credits would also be taken into account.

(6) Indigenous supplies of some types are probably being purchased or requisitioned for use of some of the occupying forces. No food or other essential supplies are being purchased or requisitioned in US zone or, to best of our knowledge, in UK zone. It is believed that some purchasing and requisitioning of food and other essential supplies is taking place in French zone. Soviets assert definitely that no Austrian food or essential supplies are being requisitioned or purchased for use of their forces. We understand that Soviet formations are now under explicit orders not to requisition local food supplies. The best available intelligence reports indicate that at pres-

ent the larger units are not requisitioning but that any small units are requisitioning freely. Regarding seizure of ex-German property on reparations account Dept is aware that Soviet interpretation of Potsdam Agreements is different from our own.

RefDepts 333, Dec. 6.[52]

This tentative proposed UNRRA program for Austria is being discussed with UNRRA technical mission by appropriate divisions of Allied Commission.

General Clark concurs in this message and asks that a copy be sent to War Dept.[53]

ERHARDT

740.00119 Control (Austria)/12–1345 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, December 13, 1945—2 p. m.
[Received December 15—10 : 58 a. m.]

564. Upon receipt Dept's 347 of December 9, 9 p. m. US element had activity of political parties removed from Executive Committee agenda for December 14.

However, it is hoped Dept will approve restitution to EC agenda for December 17 meeting in time for Allied Council meeting December 20 for following reasons:

Only change proposed is that Council not be required formally to approve or disapprove applications for political parties to carry on activity as required by paragraph 3 of September 11 proclamation of Allied Council.[54] Parties would still be authorized to carry on political activity provided they were within policy stipulated in paragraph 1 thereof, i.e., Democratic, anti-Nazi, do not disturb public order or carry on activities against any occupying power or its troops, and are pledged to strengthening and maintenance of a free and independent Austria.

Present paragraph 3 of September 11 proclamation requires parties other than Communist, Socialist and Peoples Parties to obtain final Council approval before they can exist or carry on activities throughout Austria even if they do conform to those principles.

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[52] Not printed; it gave a detailed statistical summary of the program for Austria proposed by UNRRA authorities in Washington (840.50 UNRRA/-12–645).

[53] In telegram 367, December 17, to Vienna, the Department advised that it was considering Mr. Erhardt's observations, and that it would support the Allied Council's request for emergency relief supplies from UNRRA (840.50 UNRRA/-12–1745).

[54] The proclamation is printed in the *Gazette of the Allied Commission for Austria*, No. 1 (December 1945–January 1946), p. 26.

The 14 or more applications that have been received have been examined already and found for the most part to represent unknown and unimportant small groups. It would be undesirable for the Council formally to approve them thus giving advertisement that Allied Council endorses them, and equally undesirable for Council formally to disapprove them and thus lay itself open to charge that it was [,] contrary to basic JCS directive [,] suppressing free political activity by Democratic parties which do conform to all principles mentioned above. Some delegations have already interpreted Council's proclamation as "establishing dictatorship of the three authorized parties". In view of present majority of Volkspartei and its vulnerability to attack as associated with former Austro-Fascist regime, the Council's present position of forbidding nationwide activity by other parties than this one plus the Socialist and Communist Parties would be susceptible of undesirable comment.

As a matter of practical administration it has proven and will probably continue to prove impossible for the Allied Council to take formal action on any or at least most applications before it for reasons stated, with undesirable consequent suppression of unobjectionable though inconsequential movements contrary to provisions of JCS directive on revival of political life.

Quadripartite Political Division had, therefore, unanimously agreed a [*on?*] recommendation to the Executive Committee that paragraph 3 of September 11 proclamation be cancelled and replaced by simple requirement that new parties file programs and data with Council for its information, thus relieving Council of necessity of either approving or suppressing applications made in good faith although often by inconsequential groups.

British are pressing for immediate action by Executive Committee and Council because they find present position untenable and intolerable.

Does Dept approve restoration of this recommendation to Executive Committee agenda for December 17?

ERHARDT

740.00119 Council/12–1445 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, December 14, 1945—8 p. m.

2526. Personal to Secretary from Acheson. Erhardt's 560 of Dec 12 to Dept repeated to you at Moscow as Dept's 2523 of 14th emphasizes necessity for strong representation of US view to USSR at present conference if at all possible. US view incorporated in

Deptel 2420 of Nov 29 to Moscow [55] to which no reply has been received. Background and urgency of this issue is known to Cohen.[56] Unless minimum of agreement at government level is reached now, a delay of some months may result either from cumbersome exchange of cables among four governments or from delay until opportunity to raise issue at next meeting of Secretaries.

It is judgment of Dept on both political and economic sides that such delay may result in USSR *fait accompli* with respect to control of basic Austrian resources and that US policy for independent Austria will be compromised with serious repercussions for policy Southeast and Central Europe as a whole.

Sent to Moscow as 2526, repeated to Vienna as 361.

ACHESON

740.00119 Control (Austria)/12–1445

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

No. 588 VIENNA, December 14, 1945.
[Received January 2, 1946.]

SIR: I have the honor to enclose a copy of a letter dated November 29, 1945,[57] from the Provisional Austrian Government to the Allied Council requesting a reduction in the number of occupation troops as a primary condition of the reconstruction of Austrian economic life and for the stabilization of its currency.

This letter was discussed by the Allied Council at its meeting of November 30, 1945, and a reply, a copy of which is enclosed,[57] was ordered transmitted to Chancellor Renner to the effect that the question of the strength of the forces of occupation was one within the exclusive competence of the occupying powers and that Austria could not, by its own action, divest itself of the obligation to meet the cost of occupation fixed by the Allies.[58]

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[55] See footnote 32, p. 668.

[56] Benjamin V. Cohen, Counselor of the Department who was detailed to the Conference of Foreign Ministers in Moscow.

[57] Not printed.

[58] The Allied Council's reply to Chancellor Renner said in part: "The Allied Council rejects the allegation that the size of the occupation forces in Austria is based on considerations of military equilibrium, and considers the raising of this question as an attempt to make difficulties between the Allies. Such an attempt is all the more regrettable coming from the Government of a country which was liberated by the Allies, and to which they have, from the outset, lent their common assistance.

"The Allied Council declares that the question of the strength of the forces of occupation is one which falls within the exclusive competence of the Governments of the Occupying Powers.

"The Allied Council emphasizes that Austria, having taken part in the war on the side of Germany, cannot, by its own action, divest itself of the obligation to meet the costs of occupation fixed by the Allies."

It will be noted from Item 7 of the unofficial U.S. minutes of the Allied Council meeting of November 30, transmitted with my despatch no. 539 of December 1, 1945,[59] that the Soviet representative took exception to the language of the Provisional Austrian Government's letter interpreting it as a political effort to divide the Allies, a point of view which was shared by the other representatives on the Council.[60]

It is requested that copies of these letters be made available to the War and Treasury Departments with reference to Item 7 of the unofficial U.S. minutes of the 10th meeting of the Allied Council held November 30, 1945.

Respectfully yours, JOHN G. ERHARDT

740.00119 Control (Austria)/12–1445

The French Embassy to the Department of State

[Translation] [61]

AIDE-MÉMOIRE

No. 991 WASHINGTON, December 14, 1945.

The reorganization of Allied control in Austria following the extension to the entire Austrian territory of the powers of the Vienna Government has attracted, in particular, the attention of the French Government.

The French Government believes that the representatives of the Allied Governments on the Control Council should be guided in the decisions they are going to take by a desire to grant the Austrian Government as much power and responsibility as possible, while making the reservations that are essential to the security of the occupation forces, maintenance of order in the country, and defense of the political and economic interests of the Allied Powers.

The measures to be adopted should, in the opinion of the French Government, be based on the following considerations:

The size of the occupation forces would be considerably reduced, while local police and security forces would be established progressively. Allied personnel, both civilian and military, would be reduced to a minimum.

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[59] Neither printed.

[60] Chancellor Renner, in his letter to the Allied Council, had written: "The number of occupation troops has been evidently not been settled according to the security requirements of Austria but rather according to reasons of military balance of the Allied Powers. The Austrian state territory is a threshold of European strategic areas and military reasons demand therefore a greater number of occupying troops. . . . It is obvious that peaceful and liberated Austria in comparison to the number of its population is occupied by far greater military forces than an average area in Germany. Austria cannot be held responsible for the cost of this occupation . . . an occupation which cannot be considered as justified by the demand for security within this state."

[61] Supplied by the editors.

The lines of demarcation between the zones would be abolished from the administrative standpoint and would cease to be anything more than the limits of the stationing of the occupation forces. Except for the duties of the commanding officers of military districts, the Allied military authorities would limit themselves to exercising, with respect to local administration, whatever control powers are delegated to them by the Allied Council.

Only important decisions would be submitted by the Austrian Government to the Allied Control Council for prior approval. Such decisions, which should include, in particular, all agreements with foreign countries, would be enumerated in a restrictive manner. The other laws and regulations adopted by the Austrian Government would be reported to the Control Council, which would reserve the right to veto them within a period to be determined. The Control Council would keep the initiative in certain cases. It could, especially with respect to denazification, demilitarization, restitutions, protection of Allied property, and decisions regarding displaced persons, give directives to the Vienna Government and supervise implementation of such directives at all levels.

The French Government considers that after the Control Council has adopted the provisions contemplated, they should enter into force in all zones simultaneously, and that application thereof would be suspended if not ensured by one of the four occupying powers.

740.00119 Control (Germany)/12–1845

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

No. 621 VIENNA, December 18, 1945.
[Received January 5, 1946.]

SIR: I have the honor to enclose a document [62] prepared by Lt. Col. Edwin M. J. Kretzmann, G–2 of USFA, describing in detail events between December 11 and 14, 1945, during which time Chancellor-Designate Figl agreed to replace three out of the four members of his proposed government to whom the Russians had indicated objections.[63]

The memorandum speaks for itself but particular attention is invited to the initiative taken by General Mark W. Clark in persuading Chancellor-Designate Figl to make changes in the govern-

[62] Not printed.

[63] The Russian element in the Allied Council objected to the inclusion of Ferdinand Graf, Andreas Korp, Vinzenz Schumy, and Julius Raab in Chancellor-Designate Figl's proposed government. After discussions between General Clark, Mr. Figl, and the Russian element, Korp, Schumy, and Raab were replaced and the revised Cabinet was approved by the Executive Committee of the Allied Council on December 14.

ment in order that four-power approval might be issued when the matter came before the Allied Council. In our opinion, General Clark's handling of the behind-the-scenes negotiations is largely responsible for obtaining prompt recognition of the reorganized government. On the other hand, "Allied" insistence on the replacement, particularly of Raab, Figl's personal friend and one of the founders of the People's Party, caused much dissatisfaction in People's Party circles. This resentment, however, was almost exclusively directed toward the Russians. In criticizing "Allied" dictation, party leaders stressed two points: (1) Such interference is incompatible with Austria's status as a liberated country; (2) it is a violation of democratic principles to deny places in the government to persons enjoying the confidence of the electorate as certified by their election to the Nationalrat. Incensed by the "Allied" attitude, some of the more recalcitrant elements of the People's Party favored refusing to form a government, but the dissidents were persuaded by majority opinion within the party leadership, which pointed out that such a refusal could logically lead only to the establishment of a wholly military government. This resentment, which was fairly lively in the course of the negotiations appears now to be dissipating.

Respectfully yours, For the Political Adviser:

CECIL W. GRAY
Counselor of Mission

863.01/12–2045 : Telegram

The Acting Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, December 20, 1945—7 p. m.

380. President Truman has received General Clark's telegram [64] and has approved recognition of Austrian Govt. You are requested to consult with General Clark on proper means of transmitting notification to Austrian Govt and to concert with other representatives on Allied Council in order to obtain simultaneous action by four powers on announcement of recognition. Please inform Dept.

ACHESON

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[64] Presumably a reference to telegram P–8320, December 18, from General Clark in Vienna to the Joint Chiefs of Staff to be passed for action to the Department of State. This telegram listed the members of the new Austrian Cabinet, and reported that at an extraordinary session on December 18, the Allied Council had approved the composition of the new Austrian Government. The Allied Council members further agreed to submit recommendations to their Governments that the Austrian Government now be recognized. General Clark urged prompt action by the United States Government. (Vienna Legation Files, 1945; Part 23. 800.2) The official confirmation of the composition of the new Austrian Government by the Allied Council, December 18, together with a list of the approved Cabinet members, is printed in *The Gazette of the Allied Commission for Austria*, No. 1 (December 1945–January 1946), pp. 34–35.

863.00/12–2145 : Telegram

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

VIENNA, December 21, 1945—8 p. m.
[Received December 22—11 a. m.]

609. In speech today before Nationalrat in presence of Bundespraesident Renner [65] and representatives four Allied commanders Chancellor Figl elaborated his Govt's program which had previously been submitted Allied Council and three political parties. Speech marked by diplomatic references Allied aid and cooperation in reestablishing Austrian freedom and independence. Figl repeatedly and forcefully appealed Allies solve Austria's two urgentest problems: compartmentalization Austria into four zones occupation with rigid demarcation lines halting flow of food and general problem reconstruction especially need for supplies food and coal over coming winter. Govt's position on importantest issues may be summarized:

(1) "Concentration" govt: Figl convinced on basis own experience under Nazi terror every group voters has right govt representation in proportion numbers and be correspondingly responsible. Figl also believes Allies approve this viewpoint.

(2) Austrian Unification. Uniform administration and legislation must be restored. Indispensable prerequisite therefor is abolition demarcation lines.

(3) Denazification. Nazis must be removed from all positions in govt and administration but we won't make martyrs of little Nazis. Will concentrate on war criminals, party functionaries and those persons supporting Nazi party even though not nominally members.

(4) Reorganization Police. Police must be removed from field politics becoming servant state to guard democratic development Austria.

(5) Reeducation Youth. Government will dedicate itself reeducate youth in traditions European democratic culture attempting eradicate all traces Nazi indoctrination.

(6) Food Supply. Austria will make every effort exploit own resources for benefit entire country but Austria unable solve problem alone and grateful Allies for their UNRRA appeal.

(7) Fuel Problem. Austrian Govt will make every effort provide fuel for coming winter with Allied aid. Special children's aid program including evacuation, extra rations and appeals for foreign aid instituted immediately after Christmas.

(8) Social Legislation. Govt will attempt restore model social legislation which made Austria world famous setting goals of social justice, adequate wages, sanitary working conditions, old age pensions and security. Attempt will be made compensate for social welfare organizations destroyed by Nazis.

[65] The Nationalrat and Bundesrat met for the first time on December 19. The following day, the two houses met together and elected Dr. Renner President of the Republic.

(9) Economic Planning. Govt will attempt reintegrate Austrian economy offering overall plan for rehabilitation traditional pre-Nazi Austrian industries and handicrafts.

(10) Currency Conversion. New schilling law only first step on road currency stabilization. Further measures will regulate currency so rich and poor equally treated.

(11) Land Reform. Govt will return land which Nazis expropriated for military purposes to agriculture and will greatly endeavor increase agricultural production.

(12) Reconstruction. Special efforts projected rehabilitate Austria's luxury trade in fashions, leather goods, artistic handiwork, glassware, ceramics and other native arts.

(13) Nationalization Industry. Govt interprets peoples mandate to favor retention private initiative, private property and just recompense. It will nationalize certain key industries if public interest so warrants.

(14) Housing. Govt will attempt institute housing program soonest feasible. In meantime those whose dwellings undamaged must share with less fortunate.

(15) Return War Prisioners. Govt gratefully acknowledges distinction Allies drawn between Germans and Austrians in Wehrmacht and will make special efforts rehabilitate return war prisoners removing stigma having fought for Nazis and provide adequate help for them and victims concentration camps.

(16) Foreign Relations. Govt recognizes Austria traditionally oriented westward but also forms gateway to east. Austria will endeavor maintain good relations with all peaceful nations especially Four Allied Powers and integrate herself closely with Czechoslovakia, Hungary and Yugoslavia. Austria will request United Nations membership near future.

(17) Return of Territories. Govt will support popular demand for reincorporation South Tyrol and resist any attempt change present and plebiscite endorsed boundaries Carinthia.

Chancellor unpromised Austrian people anything for near future except cares, worries and hard work but expressed hope next Christmas might see them on road recovery.

ERHARDT

863.001/12–2245 : Telegram

The Acting Secretary of State to the United States Political Adviser for Austrian Affairs (Erhardt)

WASHINGTON, December 22, 1945—3 p. m.

389. Please convey the following message from the President to Dr. Renner.[66]

[66] A draft press release incorporating this message and announcing the recognition by the United States of the Austrian Government was approved by President Truman on December 22. The message to Dr. Renner and the U.S. announcement were released to the press on January 7, 1946; see Department of State *Bulletin*, January 20, 1946, p. 81.

"I wish to extend to you my sincere congratulations on your election as President of the Austrian Republic and my best wishes in your task of completing the liberation of Austria and the revival of an independent and democratic state. I can assure you that the people of the United States will wish to assist Austria in this endeavor."

ACHESON

740.00119 Control (Austria)/12–2845

The Secretary of War (Patterson) to the Secretary of State

WASHINGTON, December 28, 1945.

MY DEAR MR. SECRETARY: Please refer to your letter of 24 November 1945 (file 740.00119 Control, Austria) and my interim reply of 4 December 1945,[67] which agreed in principle to your proposals for the reduction of occupation forces in Austria.

Current strengths of the national occupation contingents in Austria are approximately as follows:

U.S.:	47,000,	including two divisions
France:	40,000,	including one division
U.K.:	65,000,	including two divisions
U.S.S.R.:	200,000,	including 17 divisions

Conditions in each of the national occupation zones, as for example, the amount of frontier responsibility, vary so that occupation force requirements in each zone are not now, and will not be in the near future, equal. United States proposals to equalize the forces in each national zone may be countered by this argument. I therefore recommend that agreement be sought among the four powers to reduce progressively the forces of occupation to the following maximum figures on the dates indicated:

a. In Vienna:

	1 Feb 46	*1 Jul 46*	*1 Nov 46*
Each Power	9,000	8,000	5,000

b. Outside Vienna:

	1 Feb 46	*1 Jul 46*	*1 Nov 46*
U.S.	31,000	16,000	12,500
France	28,000	16,000	12,500
U.K.	50,000	30,000	20,000
U.S.S.R.	60,000	40,000	28,000

Should you deem the principle of establishing equalized occupation force figures important, I recommend that the figures shown for U.S.S.R. be used. In either instance, the proviso must be made that the figures are maximum figures and that each power may, if it desires, maintain garrisons of lesser strength. In every case, the

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[67] Latter not printed.

specified strengths should include the personnel of all ranks of ground, air, and sea forces.[68]

Sincerely yours, ROBERT P. PATTERSON

863.51/1-946

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

No. 681 VIENNA, January 9, 1946.
[Received January 23.]

SIR: I have the honor to transmit herewith four copies of the translation of the debate in the Cabinet on November 23 [69] over the law to convert currency circulating in Austria.[70] This debate not only reflects the Austrian point of view at the time with respect to the conversion problem but also indicates in a striking manner some of the continuing problems with which the Austrian Government is concerned. At the conclusion of this debate the Cabinet voted to reject the Currency Law. They subsequently requested the right to appear before the Allied authorities and presented a statement to the quadripartite Finance Committee.[71] After discussions between the Allies and the leading Austrian authorities, the matter was brought before the Cabinet again on November 30 with a request from the Allies that a decision be reached immediately. After another heated and long discussion, the Law was approved and came into force December 1.[72]

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[68] In a letter of January 4, 1946, the Secretary of State replied to this letter by noting that in its original proposal the State Department had suggested that the question be taken up by addressing notes to each of the Governments concerned. "Since that time, however, considerable publicity has been given to this question in the press of the United States and Great Britain. In view of this public discussion and the delays which would necessarily follow any intergovernmental action, I recommend that the plan proposed in your letter be transmitted to General Clark for introduction into the Allied Council as a United States proposal. I consider that this proposal should be made as soon as possible after any action by the Allied Council or by the four powers in recognizing the new Austrian Government. (740.00119 Control (Austria)/12–2845)

[69] Not printed.

[70] Agreement was finally reached by the Allied Council on a program for the conversion of reichsmarks and Allied Military schillings into Austrian National schillings on November 16. The text of the Allied Council's Conversion Decree is printed in the *Gazette of the Allied Commission for Austria*, No. 1, December 1945–January 1946, p. 31. The plan adopted was then given to the Austrian authorities with the request that it be drafted into law. The Austrian draft law was approved by the Allied Council on November 18, and was then debated by the Austrian Cabinet on November 23.

[71] In its comments to the Allied Council, the Austrian Government urged that it was not in a position to exercise the normal functions of a government and the fiscal control which was required of it by the Allied Council unless some limit was placed on military expenditures.

[72] The Austrian currency conversion law of November 30, the so-called Schillinggesetz, is in *Staatsgesetzblatt für die Republik Oesterreich*, Jahrgang 1945, Ausgegeben am 1, Dezember 1945, 59. Stück, Nr. 231, p. 419.

The translation of the debate enclosed shows clearly the Austrian fear of inflation, their astonishment over the size of the amounts to be assigned to the Allied occupying authorities, and the fear on the part of many that the size of Allied expenditures may make fiscal control impossible. This translation of the debate should be considered in connection with the financial reports which have described other phases of this problem and which give the schedule of events leading up to final acceptance of the Conversion Law.

Respectfully yours, For the Political Adviser:
CECIL W. GRAY
Counselor of Mission

Vienna Legation Files, 1946, volume 59, 801–Austria

The United States Political Adviser for Austrian Affairs (Erhardt) to the Secretary of State

No. 678 VIENNA, January 9, 1946.

SIR: I have the honor to furnish herewith for the record the chronology of events relating to the recognition of the Austrian Government by the occupying powers, as announced simultaneously at twelve noon Vienna time, January 7, 1946, in Washington, London, Moscow, Paris and Vienna.[73]

The Department's telegram Number 380 of December 20, 1945, stating that President Truman had approved the recognition of the Austrian Government, was received here on the afternoon of December 21. This telegram contained further instructions to consult with General Mark W. Clark, Commanding General USFA, on the proper method of notifying the Austrian Government; furthermore, an endeavor was to be made to reach agreement with the other representatives of the occupying powers so that a simultaneous announcement of recognition might be made. We got in touch at once with the other Political Advisers in Vienna, especially the Soviets and the British, to the end that the Allied Council could reach agreement on the matter of joint notification to the Austrian Government. Neither the British nor the Soviets had received instructions from their Governments, but an understanding was reached that they were to notify us as soon as such instructions were received.

On December 24 the British circulated to all the Political Advisers their draft formula of recognition, which is appended hereto as Enclosure No. 1.[74] In a covering letter the British Political Adviser sug-

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[73] See telegram 389, December 22, to Vienna, and footnote 66, p. 690.

[74] Not printed. The British proposed a joint declaration in which the four powers: (1) recognized Austria as a state with the same frontiers as in 1937, pending a final definition of the frontiers, (2) recognized Dr. Renner as head of the Austrian State, and the present government as the *de jure* government, and

(Footnote continued on p. 694)

gested that the Soviet Chairman, Mr. Kiselev, should call a meeting of the Political Advisers on December 26 or 27 to discuss this draft. On December 24, we telephoned Mr. Kiselev, who said that he had received the British draft but that he had no instructions from his Government. He said that he was going to Moscow himself for the holidays and while there would endeavor to expedite the matter. He also said that during his absence Mr. Koptelov, Chief of the Soviet Political Division, would be in charge and would immediately notify the other Political Advisers when he had any word from Moscow.

The status of the matter as of December 24 was telegraphed to the Department by Mr. Erhardt on that date.[75]

During the next few days, we checked with the other elements of the Allied Commission from time to time, but there were no actual developments inasmuch as nothing could be done until the Soviets had received their instructions. Just before General Clark left for Italy on December 31 to accompany the body of General Brann to Florence, he left instructions that General Ralph H. Tate, who was in charge during his absence, should see General Zheltov, Deputy to Marshal Koniev, in order to impress upon the Soviets the extreme desirability of the occupying powers proceeding jointly in the matter of recognition and not separately. Accordingly, General Tate and Mr. Erhardt went to see General Zheltov on December 31 and delivered General Clark's message. General Zheltov said that he personally thought it was not necessary for the Soviets to make any new statement on recognition because in his opinion the recognition accorded to the Austrian Provisional Government under Dr. Renner on October 20, 1945 would automatically extend to the new Figl Government.[76] General Tate and Mr. Erhardt strongly stressed the desirability of action on a quadripartite basis and General Zheltov said that he would take the question up with Marshal Koniev and would advise General Tate after conferring with the Marshal.

It was learned on December 31, 1945, that Marshal Koniev had sent for Chancellor Figl to come to see him that day at twelve noon, and an

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(Footnote continued from p. 693)

(3) state explicitly that their declaration did not affect the control of the Allied Council over Austria and the Austrian Government.

A draft of this declaration had also been submitted to the Department by the British Embassy in Washington and was approved on December 29. In telegram 402, December 29, not printed, the Acting Secretary of State informed the Political Adviser in Vienna as follows: "Department will release to press same time as announcement to be promulgated by Allied Council statement on Four Power recognition as drafted and suggested by British . . . Message contained in Department's 389, dated December 22 should then be delivered." (Vienna Legation Files, 1945, part 24, 801)

[75] Telegram 614, December 24, from Vienna, not printed.

[76] In telegram 17, January 2, 1946, the Ambassador in Moscow reported that the Soviet Government had replied to the British Ambassador in the same sense on December 31 (863.01/1–246).

officer of USFA was instructed to find out what was discussed at this meeting. This officer reported as follows:

"The New Year's visit at Koniev's headquarters at Baden had been extremely cordial and friendly. Chancellor Figl informed the Marshal that he had received assurances of recognition of his government from the other three powers and was awaiting word from the Russians before releasing the announcement to the public. The Marshal's first reaction was that both *de facto* and *de jure* recognition had been extended to the Renner Government in October by Russia, and he saw no need to repeat such recognition. Upon Mr. Figl's insistence, however, that it would be politic for all four governments to recognize the new government in Austria, especially in view of the fact that they had announced that they would recommend such recognition in a public communiqué, Marshal Koniev promised Mr. Figl that he would get in touch with his government and would accomplish the necessary steps within two or three days."

During the next two days, there were no developments as the Soviets still said that they had no instructions. On the morning of January 4, we called Mr. Koptelov, who reiterated that he had no word from his Government and that he would let us know just as soon as anything was received. At about 8:15 that night, Mr. Koptelov phoned and said that he wished to see me urgently. I told him that I would be glad to see him and he came to my house about 9 p.m. He told me that on this day Marshal Koniev had informed Chancellor Figl orally and in writing that: (1) the Soviet Government had approved the Allied Council endorsement of December 18 of the Figl Cabinet, (2) the Soviet recognition of the Renner Provisional Government conveyed in Marshal Koniev's letter to Dr. Renner of October 20, 1945, extended to the Figl Government *de facto* and *de jure*, and (3) the authority of the Allied Council remained supreme. (It later developed that Point (3) was conveyed orally and not in writing.)

There is attached hereto as Enclosure No. 2 a translation of Marshal Koniev's letter to Dr. Renner of October 20.[77]

I expressed the keenest disappointment to Mr. Koptelov that the Soviet Government had unilaterally gone ahead with its notification to Chancellor Figl without telling anybody in advance that it proposed to do so. I reminded him that for the past fifteen days we had been constantly checking and conferring with each other to the end that joint and not unilateral action might be taken in the matter of recognition. I said that the United States could have gone ahead alone fifteen days ago but that in the interest of taking joint action we had waited in the hope that we might recognize the Government through the medium of a joint communication from the Allied Council. Mr. Koptelov rather lamely replied that Chancellor Figl had told Marshal Koniev on New Year's Day that he already had oral

[77] Not printed.

assurance of recognition from the other three powers. The implication was that this alleged statement of Chancellor Figl had given the Soviets a free hand to go ahead on their own.

I immediately notified General Clark of what Mr. Koptelov had told me. The General then summoned General Tate, myself, and other officers to his home and letters (dated January 4, 1946) addressed to Dr. Renner and to Chancellor Figl were written as follows:

"I take pleasure in informing you that my Government has authorized me to advise you that it recognizes the present Austrian Government formed as a result of the national elections of November 25, 1945, subject to the supreme authority of the Allied Council."

(signed) General Mark W. Clark

An officer was dispatched to deliver the letters, which was done between one and two o'clock in the morning of January 5, 1946.

The text of the Soviet, British and French communications to the Austrian Government on recognition is attached hereto as Enclosure No. 3.[78]

General Clark dispatched three priority telegrams to the Joint Chiefs of Staff and the State Department—Nos. P 0234, P 0244 and P 0271 on January 5 and a message—P 0312—on January 6,[79] with reference to the foregoing developments. He was able to coordinate the release date in the four capitals of the occupying powers and in Vienna as twelve noon, January 7, 1946, and announcement was made in the local press here at that time.

The French "Wiener Montag", in its hurry to put out a special edition ahead of the other papers, actually issued it an hour before the agreed time of release. As a result the editor is being relieved of his position and sent back to France by the French Commander.

Respectfully yours,

For the Political Adviser:
CECIL W. GRAY
Counselor of Mission

[78] Not printed.
[79] None found in Department files.

GERMANY

TRIPARTITE WARNING TO GERMANY REGARDING RESPONSIBILITY FOR THE SAFETY AND WELFARE OF ALLIED PRISONERS OF WAR, INTERNEES, AND DEPORTED CITIZENS

740.00116 E.W./12–2244

The Joint Chiefs of Staff to the Secretary of State

WASHINGTON, 22 December 1944.

MY DEAR MR. SECRETARY: Reference is made to your memorandum addressed to the Joint Chiefs of Staff, dated October 24, 1944, with which you enclosed a copy of a note from the British Embassy and the text of a proposed warning to Germany [1] designed to safeguard United Nations prisoners of war from mistreatment or murder in a chaotic or desperate Germany.

It is noted that the Department of State, though doubting the efficacy of such a statement, interposes no objection to its issuance.

You will recall that in the winter of 1943–44, in connection with a reported German threat of reprisals against captive British and American airmen, the President approved statements intended for issuance at the appropriate time by the United States and British Governments. In the view of the Joint Chiefs of Staff, the appropriate time for such issuance would be only after it has been determined on the governmental level that there is concrete evidence of the Germans' purpose to take action. However, now would be the appropriate occasion for communicating the above statements, appropriately adapted to the situation envisaged by the British, to the British Government. In view of the fact that the British have also referred this matter to the Soviet Government, it is considered that these statements should also be referred to that Government.

These statements have accordingly been adapted as indicated above, and are enclosed herewith. It is recommended that you secure the approval of the President to their communication through diplomatic channels to the British and Soviet Governments at this time.

Upon receipt of notification that the enclosed statements have been communicated to the British and Soviet Governments, it is proposed

[1] Memorandum of October 24, 1944, not printed; for text of the British note of October 19, 1944, enclosing text of proposed warning, see *Foreign Relations*, 1944, vol. I, p. 1258.

to reply to the Representatives of the British Chiefs of Staff along the lines of the enclosed memorandum.[2]

Sincerely yours, For the Joint Chiefs of Staff:
WILLIAM D. LEAHY
Fleet Admiral, U.S. Navy
Chief of Staff to the
Commander in Chief of the Army and Navy

[Enclosure 1]

PROPOSED WARNING
(First)

"The Governments of Great Britain, the U.S.S.R., and the United States have taken notice of . . . . .* against Allied prisoners of war captured by the German forces. Notice is hereby served on the German political and military leaders and the civil population generally, that in the event of any treatment of Allied prisoners not in strict accord with the recognized laws of warfare, the Governments of Great Britain, the U.S.S.R., and the United States will immediately adopt the most drastic retaliatory measures."

[Enclosure 2]

PROPOSED WARNING
(Second)

"The Governments of Great Britain, the U.S.S.R. and the United States, having learned of the . . . . .,† issued on . . . . . a solemn warning to the German people, as well as to their military and civil officials, that in the event of any treatment of Allied prisoners not in strict accord with the recognized laws of warfare, the Governments of Great Britain, the U.S.S.R., and the United States would immediately adopt the most drastic retaliatory measures.

"This warning has been disregarded and the Governments of Great Britain, the U.S.S.R. and the United States now notify the German Government and the people of Germany that for each Allied prisoner murdered by the Germans, 1,000 German prisoners or other German males who will later be selected and taken into custody, will be detained subsequently to the imposition of peace terms, for such substantial period as these Allied Governments deem proper. Should the

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[2] Not printed.

*Insert here the reference to the threats or acts of the German Government or authorities which are the occasion for the issuance of this warning. [Footnote in the original.]

†Insert here the reference to the threats or acts of the German Government or authorities. [Footnote in the original.]

German Government commit additional crimes against Allied prisoners of war, the period of detention and/or the number of German males will be increased accordingly.

"These prisoners will be employed anywhere in the world that the interests of the various Allied nations dictate. Moreover, upon the conclusion of hostilities every person found responsible for these crimes, including the Judges, will be pursued, arraigned before Allied courts and punished accordingly."

740.00116 E.W./12-2244

Memorandum by the Chief of the Division of Eastern European Affairs (Durbrow)[3]

WASHINGTON, January 18, 1945.

While it is felt that it would be advisable to make plans ahead of time in order to prevent the Germans from causing any harm to American prisoners of war, it is felt that the suggestions contained in the second proposed warning of the Joint Chiefs of Staff should be given very careful consideration before it is adopted.

I do not know whether we have decided, in general, whether we wish to acquiesce in the indicated Soviet policy of using large numbers of German citizens to reconstruct devastated areas in the Soviet Union and, if so, whether we might feel it would be advisable to agree upon the method of selection of these German citizens, etc.

It is felt, therefore, that until we have clarified our own policy on this matter, we should give careful consideration to the various implications which would arise from a public statement on our part that we shall retain one thousand German prisoners for each Allied prisoner murdered; for instance, we must give consideration to the possibility that the Soviet Government might, if it felt in its interest to do so, use this method to retain social democrats, members of the non-communist left, or any other democratic groups which it considered to be anti-Soviet.

Moreover, from an internal American point of view, consideration should be given to the reaction of labor groups to the use of "slave labor" which might be considered as competing with American labor.

For these reasons, I feel that it might be advisable to work out a statement along the lines of the British suggestion rather than the Joint Chiefs of Staff.[4]

E[LBRIDGE] D[URBROW]

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[3] Addressed to the Special Assistant to the Secretary of State for White House Liaison (Bohlen) and to the Assistant Secretary of State (Dunn).

[4] Both Mr. Bohlen and Mr. Dunn indicated their agreement.

[In a memorandum for the President of January 23, 1945, Acting Secretary of State Grew described the warning proposed by the United Kingdom and the two statements proposed as an alternative by the Joint Chiefs of Staff. Mr. Grew attached copies of the documents and commented that although there were certain merits to the proposal of the Joint Chiefs of Staff, it was felt "that the threat to retain a thousand German prisoners to be employed in the interest of the Allied nations for each American prisoner murdered carries with it definite political implications which it would be best to avoid." Mr. Grew requested the President's instructions (740.00114 E.W./1–2345).

President Roosevelt apparently took no action in the matter at that time, but it was discussed in a meeting of Secretary of State Stettinius and Foreign Secretary Eden and their advisers on board H.M.S. *Sirius* in Grand Harbor, Malta, on February 1, 1945. The Agreed Minutes of this meeting includes the following:

"15. Anglo-American Warning to Germany about Allied Prisoners of War.

"Mr Matthews said that the State Department were disposed to agree with the text proposed by the Foreign Office but that the United States War Department had some views on the subject.

"It was agreed that the timing of any statement would be important and that the proper time would be when the German collapse seemed imminent or when some German outrage was threatened."

For the full text of the Agreed Minutes, and for other details of the meeting, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, pp. 498–507.

An undated note attached to the President's copy of Mr. Grew's memorandum states that the memorandum was taken to the conference at Yalta but that Mr. Bohlen had said that it was "Not Used" there (762.00114/1–2345).]

711.62114A/3–1445

The Secretary of War (Stimson) and the Secretary of the Navy (Forrestal) to the Secretary of State

WASHINGTON, 14 March 1945.

DEAR MR. SECRETARY: Reports of a number of incidents in which brutal atrocities have recently been committed against American prisoners of war captured by the Germans have caused great concern to the Joint Chiefs of Staff and the War and Navy Departments. We believe that there is urgent need for vigorous action on the part of this

Government, in association with the British and Soviet Governments if they so desire, to protect our prisoners of war from further atrocities.

We recommend the following courses of action on behalf of this Government:

1. That a warning be issued to the Commander-in-Chief of the German Armed Forces, military commanders and officers of the High Command that they will be held accountable for atrocities committed against prisoners of war in areas under their command, whether or not the abuses are perpetrated by or under the direction of political officials, political police or special military units operating under political control. A draft of such a warning on a tripartite basis is attached hereto as an Appendix.
2. That atrocities committed by the Germans against prisoners of war, and the names of individuals and units involved, be published to the German people and to the German Wehrmacht, with detailed statements as to any punishment meted out to such of them as are captured.
3. That full information along similar lines be given to American units down to and including the individual soldier.
4. That vigorous protests be made to the Protecting Power on all such atrocities and that full publicity be given to such protests and to answers received thereto.

Since the proposed warning, with the exception of one paragraph, is the same as a proposed tripartite warning which the British Government has heretofore submitted to the United States and Soviet Governments, we recommend that it be presented to the British and Soviet Governments for their agreement.

In this connection, we have been advised informally by the State Department that the French Government may desire to participate in addressing such a warning to the German Government. We see no objection, from the military viewpoint, to French participation in issuing the proposed warning, providing no undue delay will result therefrom. However, we understand that the French desire to include the treatment of deportees, as well as prisoners of war, in the terms of the warning. This would pose major difficulties, particularly as the responsibility of German military commanders would seem to be quite different as regards these two categories of personnel. We are therefore of the opinion that the present action should be confined to prisoners of war, and that the matter of civilian deportees should be considered a separate subject.

Since the purpose of all of the actions proposed above is the same, we recommend that when the other interested governments are ap-

proached with regard to the issuance of the warning, they also be informed of the other courses of action proposed above.[5]

If the proposed warning is to be issued, we assume that the first and last suggestions made above should be carried out by the Department of State and that the second and third suggestions should be carried out by the War and Navy Departments in conjunction with the Office of War Information.

The views expressed above have the concurrence of the Joint Chiefs of Staff.

Sincerely yours,

FORRESTAL
Secretary of the Navy

HENRY L. STIMSON
Secretary of War

Appendix

TEXT OF THE PROPOSED WARNING

"The Governments of the United Kingdom, United States and U.S.S.R. hereby issue a solemn warning to the Commander-in-Chief of the German Armed Forces, to all commandants and guards in charge of Allied prisoners of war in Germany and German-occupied territory and to members of the Gestapo and all other persons of whatsoever service or rank in whose charge Allied prisoners of war have been placed, whether in battle zones, on lines of communication or in rear areas. They declare that they will hold all such persons, no less than the German High Command and competent German military, naval and air authorities, individually responsible for the safety and welfare of all Allied prisoners of war in their charge.

"They regard the treatment of Allied prisoners of war as the particular responsibility of the High Command of the German Army, Navy and Air Forces. They give notice that the officers of the High Command and the military commanders in any area where such abuses occur will be relentlessly prosecuted and brought to punishment. Accountability of these officers is in no way changed by the

[5] The substance of these recommendations and the text of the proposed warning were sent on March 17 by the Acting Secretary of State (Acheson) to the American Embassies at Moscow and London as telegrams 638 and 2101, respectively, with instructions "to take up this proposal with the Government to which you are accredited and ascertain whether it is willing to be associated with the other two Governments referred to in the proposal in the courses of action recommended". (711.62114A/3–1745)

Ambassador Winant replied in telegram 3408 of April 4, 6 p.m., from London, that Mr. Churchill had meanwhile raised the question directly with President Roosevelt, that the latter had agreed to the proposed warning subject to concurrence by Marshal Stalin, and that this concurrence was now awaited. Mr. Winant also reported on some detailed comments by the British Foreign Office. (77.62114A/4–445)

fact that the actual abuses may be perpetrated by or under the direction of political officials, political police, or special military units operating under political control.

"Any person guilty of maltreating or allowing any Allied prisoner of war to be maltreated, whether in battle zone, or lines of communication, in a stockade, camp, hospital, prison or elsewhere, will be brought to punishment.

"They regard this responsibility as binding in all circumstances and one which cannot be transferred to any other authorities or individuals whatsoever."

762.00114/4–1745 : Telegram

The British Prime Minister (Churchill) to President Roosevelt

[LONDON, March 21 (?), 1945.]

[Paraphrase]

920. My message No. 921.[6] I have seen your recent exchange of messages with Marshal Stalin on prisoners of war matters.[7] As regards the general question of Allied prisoners in German hands, I entirely agree with you that we ought to arrange matters now, so that we are in a position to do something quickly at the right time.

We have long foreseen danger to these prisoners, arising either in consequence of chaotic conditions resulting from a German collapse or, alternatively, out of a deliberate threat by Hitler and his associates to murder some, or all, of the prisoners. The object of this manoeuvre might be either to avoid unconditional surrender, or to save the lives of the more important Nazi gangsters and war criminals, using this threat as a bargaining counter, or to cause dissension among the Allies in the final stages of the war. With this in mind we put to the United States and Soviet Governments last October, through our diplomatic representatives in Washington and Moscow, a proposal for an Anglo-American-Russian warning to the Germans (for text please see my message No. 921) but have so far received no reply.

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[6] Mr. Churchill's message No. 921, not printed, merely repeated (with minor variations) the warning proposed in the Note of the British Ambassador (Halifax) to the Secretary of State, October 19, 1944, *Foreign Relations*, 1944, vol. I, p. 1258.

[7] See section entitled "Arrangements relative to the treatment and reciprocal repatriation of American and Soviet prisoners of war and interned civilians liberated by Allied Forces," vol. V, pp. 1067 ff.

On March 2nd last the British Minister in Berne was informed by the head of the Swiss Political Department that he had received reports from Berlin which he could not confirm, that the Germans intended to liquidate, i.e. massacre such prisoners of war as were held in camps in danger of being overrun by the advancing Allied forces, rather than try to remove the prisoners or allow them to fall into Allied hands. In addition, we have in recent months received various indications that the Nazis might, in the last resort, either murder Allied prisoners in their hands, or hold them as hostages.

Various proposals of a practical nature for bringing immediate military aid and protection to prisoners of war camps in Germany have been under consideration by British and United States military authorities. I believe the issue, at the appropriate moment, of a joint warning on the lines we have proposed would be a powerful aid to such practical measures as it may be possible to take. An S.S. General is now in charge of prisoners of war matters in the German Ministry of Defence and S.S. and Gestapo are believed to be taking over the control of camps. On such people a warning will have only limited effect, though, at the worst it can do no harm. On the other hand, it is by no means certain that S.S. have completely taken over from regular army officers and on the latter the warning might have real effect. We should be sure to miss no opportunity of exploiting any duality of control.

I would therefore earnestly invite you and Marshal Stalin, to whom I am repeating this message, to give this proposal your personal attention and I very much hope you will agree to go forward with us in issuing it at the appropriate moment.[8]

762.00114/4–1745

Memorandum by the Secretary of State to President Truman

WASHINGTON, April 17, 1945.

I have just received a letter from Mr. Eden[9] referring to the text of messages number 920 and 921 from the Prime Minister to President Roosevelt concerning a joint proposed Anglo-American Soviet warning to the effect that individual prisoner of war camp commandants and guards no less than the German authorities will be held individually responsible for the safety of prisoners of war in their charge.

[8] President Roosevelt replied in telegram 725, March 22, 1945, as follows: "Your 920 and 921. If Marshal Stalin agrees, I will go forward with you in our issuing the joint warning contained in your 921." (Franklin D. Roosevelt Library, Hyde Park, New York)

[9] Not printed.

In his message number 725 [10] President Roosevelt informed the Prime Minister that if Marshal Stalin agreed he would go forward with Mr. Churchill in issuing the warning contained in the Prime Minister's message number 921.

Marshal Stalin has now sent a message to Mr. Churchill, a copy of which I enclose, in which he agrees it is necessary to issue a joint warning in the name of the three governments and that he has no objection to the proposed text submitted by Mr. Churchill. Marshal Stalin also expresses the view that the warning should be signed by the three heads of government. Mr. Churchill has replied in a message, a copy of which is also enclosed, in which he expresses his agreement that the warning should be signed by the three heads and properly timed. Mr. Churchill also states that he is asking Mr. Eden to discuss the details with me and Mr. Molotov.

May I have your permission to discuss this matter with Mr. Eden and Mr. Molotov with a view to having everything in readiness for the publication of the warning at a moment to be determined? [11]

E. R. Stettinius, Jr.

[Enclosure 1]

Extract of Message From Marshal Stalin to the Prime Minister, of April 14th

I also agree that it is necessary to issue a joint warning in the name of the three governments about safety of prisoners in the hands of Hitlerite Government. I have no objection to text of warning which I have received from you. Would you be good enough to let me know whether or not signatures are necessary under warning. Please also let me know about day and hour of publication.

[Enclosure 2]

Extract of Message From the Prime Minister to Marshal Stalin, of April 16th

With regard to warning, it should surely be signed by us three and also be properly timed and I am telling Mr. Eden to clear the matter with Mr. Stettinius and I hope Mr. Molotov in Washington.

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[10] See footnote 8, p. 704.

[11] Marginal note: "Approved 4/18/45 Harry Truman."

762.00114/4–2045

The British Ambassador (Halifax) to the Secretary of State

WASHINGTON, April 20, 1945.

MY DEAR ED: In Anthony's absence I write with reference to your letter of April 18th[12] stating that President Truman had agreed to your discussing with Anthony and Mr. Molotov the question of the joint warning on prisoners of war in Germany.

We have just heard that the Prime Minister thinks that the warning should be issued without delay and he mentions in this connection recent current reports that "prominent" British and American prisoners have been removed by the Germans to some secret place.

We had, a few days ago, informed Mr. Gufler of your Special War Problems Division, that we favoured leaving it to Eisenhower and Alexander to suggest the right time to issue this warning.[13] This view is now overtaken and the purpose of this letter is to let you know that Anthony will propose to you and Mr. Molotov when you all three meet, that the message be issued immediately.

We are assuming that you three will not have any difficulties with the actual text, which I sent you with my letter of April 7th,[14] since both the late President and Marshal Stalin agreed to it.

Yours ever, HALIFAX

762.00114/4–2045

Memorandum by the Combined Chiefs of Staff to the Secretary of State and the British Embassy

WASHINGTON, 20 April 1945.

The Combined Chiefs of Staff have been informed that the following text of a proposed warning to the Germans has been agreed by the heads of the American, British, and Soviet Governments:

"The Governments of the United Kingdom, United States of America and U.S.S.R., on behalf of all the United Nations at war with

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[12] Letter from the Secretary of State to the British Secretary of State for Foreign Affairs, Anthony Eden, who was in Washington in connection with the forthcoming meeting of the United Nations at San Francisco; not printed.

[13] In a letter of April 18, 1945, Mr. G. R. Ranken of the British Embassy informed Mr. Bernard Gufler that British authorities had proposed that the Supreme Commander, Allied Expeditionary Force (Eisenhower), and the Supreme Allied Commander, Mediterranean Area (Alexander), be instructed to advise the Combined Chiefs of Staff when either of them thought the time was ripe for issue of the warning. Mr. Ranken also asked for a signature of President Truman to be sent to London as soon as possible for facsimile use on the proposed warning leaflets to be dropped in German territory. (762.00114/4–1845) Mr. Gufler on April 20 sent Mr. Ranken two cards with the President's signature but pointed out that the exact language and timing of the warning were still under discussion (762.00114/4–1845).

[14] Not printed; regarding text of the proposed warning, see footnote 6, p. 703.

Germany, hereby issue a solemn warning to all commandants and guards in charge of Allied prisoners of war in Germany and German occupied territory and to members of the Gestapo and all other persons of whatsoever service or rank in whose charge Allied prisoners of war have been placed, whether in battle zones, on lines of communication or in rear areas. They declare that they will hold all such persons, no less than the German High Command and competent German military, naval and air authorities, individually responsible for the safety and welfare of all Allied prisoners of war in their charge.

"Any person guilty of maltreating or allowing any Allied prisoners of war to be maltreated, whether in battle zone, on lines of communication, in a camp, hospital, prison or elsewhere, will be ruthlessly pursued and brought to punishment.

"They give notice that they will regard this responsibility as binding in all circumstances and one which cannot be transferred to any other authorities or individuals whatsoever."

The Combined Chiefs of Staff believe that in view of the existing situation in Germany this warning should be issued immediately.

For the Combined Chiefs of Staff:

A. T. CORNWALL-JONES
Brigadier

A. J. MCFARLAND,
Brigadier General, U.S.A.,
Combined Secretariat

762.00114/4–2045

The Secretary of State to the British Ambassador (Halifax)

WASHINGTON, April 21, 1945.

DEAR LORD HALIFAX: I have your letter of April 20th on the warning to the Germans about prisoners of war. As I am telling Anthony today,[15] the text and publication have been cleared through the Combined Chiefs of Staff. The message may be issued immediately as far as the United States is concerned.

The French Embassy yesterday afternoon advised the State Department that the French Government would like to be associated with the three signers of the warning. There is no objection to this on our part, provided Marshal Stalin is consulted and agrees. I have advised the French Embassy that they should pursue the matter in

[15] No memorandum of this meeting has been found in Department files, but in his personal Record the Secretary of State wrote as follows: "At my meeting with Eden and Cadogan on Saturday the twenty-first, in preparation for our conversations with Molotov, we reviewed the question of releasing the warning on German treatment of war prisoners. Mr. Dunn said that France had asked to participate. We were willing to agree to this request if the French could obtain British and Russian permission without delay.—We discussed also the timing of the withdrawal of British and United States forces into our own occupation zones: reparations; war criminals; and the status of the French request for part of the American zone of occupation." (Lot 60 D 224, Box 17951)

London and that it is up to them to try to make arrangements with your Government and the Russian Government without delaying the matter.

With best wishes always,

Sincerely yours, E. R. STETTINIUS, JR.

[Mr. Molotov arrived at Washington airport a little before 6 p. m. on April 22. He was met by Secretary of State Stettinius and other officials, and was received by the President at the White House. Later that evening Mr. Eden joined Messrs. Stettinius and Molotov at the Department of State for a discussion regarding Poland. The minutes of this meeting (volume V, page 237) include no reference to the tripartite warning to Germany concerning Allied prisoners of war, but final agreement to its issuance on the following day seems to have been reached at about this time.]

762.00114/4–2545

The British Secretary of State for Foreign Affairs (Eden) to the Secretary of State

WASHINGTON, April 23, 1945.

MY DEAR ED: The Prime Minister has now suggested the addition of the following words to the warning about United Nations prisoners of war in Germany to be issued over the names of the President, the Prime Minister and Marshal Stalin:

"On the other hand those who help to preserve the lives of prisoners of war, deported citizens and internees of the United Nations at risk to themselves may be sure that their services will be taken into full consideration by the Allied Powers."

I think such an addition would be valuable and I should be grateful if you would have your people let the Embassy here know as soon as possible whether it is agreeable to the United States Government.[16] We are putting the same proposal to the Soviet Government through our Embassy in Moscow.

I should make clear that owing to printing arrangements it will not in any case be possible to get this addition into the first and second

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[16] In a reply overtaken by events, the Acting Secretary of State (Grew) wrote to the British Minister (Balfour) on April 28, 1945, as follows: "The Secretaries of War and the Navy have advised me that they and the Joint Chiefs of Staff approve the addition which the British Government wishes to make to the warning addressed to the Germans as to treatment of prisoners of war. They feel that it would be preferable to omit the words 'at risk to themselves'." (762.00114/4—2745)

editions of the leaflets being prepared in London for issue tonight and a third printing would be required.[17]

I enclose a fair text of the warning as it would read including the Soviet amendments and the Prime Minister's addition.[18]

ANTHONY EDEN

Press Release Issued by the White House, April 23, 1945 [19]

There follows the text of a warning, in leaflet form, which Allied airplanes began distributing at 6 p. m., E.W.T., on April 23, 1945, over those portions of German territory still in German control:

"The Governments of the United Kingdom, United States of America, and the U.S.S.R., on behalf of all the United Nations at war with Germany, hereby issue a solemn warning to all commandants and guards in charge of Allied prisoners of war, internees or deported citizens of the United Nations in Germany and German occupied territory and to members of the Gestapo and all other persons of whatsoever service or rank in whose charge Allied prisoners of war, internees or deported citizens have been placed, whether in battle zones, on lines of communication or in rear areas. They declare that they will hold all such persons, no less than the German High Command and competent German military, naval and air authorities, individually responsible for the safety and welfare of all Allied prisoners of war, internees or deported citizens in their charge.

"Any person guilty of maltreating or allowing any Allied prisoners of war, internees or deported citizens to be maltreated, whether in battle zone, on lines of communication, in a camp, hospital, prison or elsewhere, will be ruthlessly pursued and brought to punishment.

"They give notice that they will regard this responsibility as binding in all circumstances and one which cannot be transferred to any other authorities or individuals whatsoever."

The leaflets bore the facsimile signatures of the President of the United States, Prime Minister Winston Churchill of Great Britain, and Marshal Stalin of the Union of Soviet Socialist Republics.

762.00114/4–2645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 26, 1945.

[Received April 26—4 : 30 p.m.]

4266. This afternoon Prime Minister stated in House of Commons that Allied warning to Germany about care of prisoners was not in

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[17] In a letter of April 26, Mr. D. D. Maclean of the British Embassy confirmed to Mr. Gufler that, according to a telegram just received from the Foreign Office, "the Prime Minister doubts whether, in view of the time which must now elapse before it will be possible to clear the matter with Moscow, Washington and Paris, it is still practicable to issue a further edition of the leaflet including General de Gaulle's name and the additional sentence". (762.00114/4–2645)

[18] Not printed. Except for the proposed additional paragraph, this text was substantially the same as the one actually used, printed *infra*.

[19] Reprinted from Department of State *Bulletin*, April 29, 1945, p. 811.

principle limited to Allied prisoners and deportees of United Nations but extended to all prisoners including stateless Jews and political prisoners. Prime Minister added that British "Government in common with the other Governments of the United Nations have repeatedly declared their intention to hold the enemy responsible for the maltreatment of persons who have been imprisoned on grounds of race or religion".

WINANT

[In telegram 1807, May 15, to Bern, Acting Secretary of State Grew instructed the Minister in Switzerland to express to the Swiss Government the "grateful appreciation" of the United States Government for "the extraordinary services rendered by Swiss representatives" in going forward "under conditions of great personal hardship and danger" to the camps at which were held American prisoners of war and civilian internees, and also for the part that the Swiss representatives played "in bringing about the safe delivery of American and other Allied nationals to the liberating forces." (762.00114/4–3045)]

ACCEPTANCE OF GERMAN PROPOSAL THAT PRISONERS OF WAR BE LEFT IN CAMPS AS ALLIES ADVANCED, PROVIDED ALLIES AGREED NOT TO RETURN PRISONERS TO ACTIVE DUTY

711.62114A/4–1145 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, April 11, 1945.
[Received 5 : 46 p. m.]

2132. Foreign Office official just telephones that according to telegram from Swiss Legation Berlin representative that Legation is informed verbally by German Minister Albrecht [1] that German Government would be disposed to leave in camps all POWs [2] as Allies advance provided Allied Governments would obligate themselves not to return to active duty against Germany such POWs. Foreign Office promises written *aide-mémoire* confirming foregoing.

Repeated to London for Murphy [3] to Paris for WIDEWING B [4] to Spaatz [5] for McDonald [6] attention Bradford and SHAEF for General Barker [7] and to Caserta.

HARRISON

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[1] Erich Albrecht, Head of Legal Department of Foreign Ministry.
[2] Prisoners of War.
[3] Robert D. Murphy, United States Political Adviser for Germany.
[4] Military code designation for Supreme Headquarters, Allied Expeditionary Force.
[5] Gen. Carl Spaatz, Commander of U.S. Strategic Air Forces in Europe.
[6] Brig. Gen. George C. McDonald, Director of Intelligence, United States Strategic Tactical Air Force, Europe.
[7] Maj. Gen. Ray W. Barker, Chief of Division of Personnel at Supreme Headquarters, Allied Expeditionary Force, Europe.

711.62114A/4–1345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 13, 1945—noon.
[Received April 13—9:05 a. m.]

3772. Last night the War Cabinet decided to accept the proposal received by the British Government similar to the one set forth in Bern's number 2132 to the Department. Immediately thereafter Foreign Office instructed British Embassy at Washington to approach Department in following sense:

a. War Cabinet considers that United States and British Governments should have no hesitation in accepting proposal. *b.* The proposal is similar to the one which Chiefs of Staff forwarded concerning prisoners of war in eastern Germany which proposal was however rejected by Soviets. United States and British Governments should inform Soviet Government simultaneously of German proposal and of United States and British acceptance making it plain that the two Governments assume Soviet agreement. *c.* Meanwhile in order to ensure that the German proposal is being kept open British Government is informing Swiss that it has approached the United States Government. *d.* Should the Soviet reply be unfavorable, British Government believes that it and the United States Government should nevertheless accept the proposal, informing the Soviets that the two Governments do so on the grounds that the western front is their responsibility. *e.* When the Swiss have been informed of acceptance of the proposal, the French should be advised thereof and asked to join. *f.* The proposal received orally by the British asked for an undertaking that prisoners of war "would not further participate in the war". While nothing is said about the war against Japan, the British assume that such an undertaking would only be in connection with the war against Germany.

WINANT

711.62114A/4–1345 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, April 13, 1945—11 a. m.
[Received April 13—9:53 a. m.]

2168. Foreign Office *aide-mémoire* April 11 confirms information contained Legation's 2132 April 11 except that Allied Governments obligate themselves not to return such POWs to active duty rather than as indicated Legation's 2132 "active duty against Germany".

Swiss official states orally although Germans obviously referred only to German front, if they should be questioned this point, they would doubtless feel obliged to reply referred to all fronts.

Repeated to London for Murphy referring 1081; Paris for WIDEWING B to Spaatz for McDonald attention Bradford and SHAEF for General Barker, referring 323, and Caserta referring 93.

HARRISON

711.62114A/4–1145 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, April 14, 1945—noon.

1486. Bern's 2132, April 11, to Dep't repeated to Paris for WIDEWING B. Message communicated to this Government through Swiss states that German Government would be disposed to leave all Allied prisoners of war in the camps as Allies advance, provided Allied Governments obligate themselves not to return Prisoners of War so liberated to active duty against Germany.

Please communicate this proposal to the French authorities and inform them that this Government assumes that similar conditions are offered to the French Government and wishes to be informed whether the French Government intends to make favorable response as regards its participation.

In approaching French authorities you should impress upon them the great importance this Government attaches to the matter. In view of the rapidly deteriorating conditions in the camps and the extreme hardships to which all Allied prisoners of war are now subjected, the United States authorities consider that the offer of the German Government should be accepted. The Government of the United States hopes that the French Government will proceed likewise. It is considered that a maximum of three days should be allowed the French authorities for consideration and reply following your presentation of this matter to them.

The Department leaves to your discretion the manner of presentation of the foregoing. In the event of either an unfavorable reply or absence of reply within the three day period, you should inform Department urgently and at the same time the French Government should be left in no doubt that this Government is proceeding with the acceptance of the German proposal insofar as it concerns American prisoners of war.

It is understood that the British Ambassador[8] is to be instructed to approach the French Government in a similar sense.

For your information the Soviet Government is also being informed of this proposal and the contemplated action of this Government.

STETTINIUS

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[8] Alfred Duff Cooper.

711.62114A/4–1345 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, April 16, 1945—3 p. m.

1501. According to further information received (see Bern's 2168, April 13 repeated to Paris for WIDEWING B) last two words "against Germany" in first paragraph of Department's 1486 April 14, should be deleted. Inform French authorities of this correction and proceed in accordance with previous instructions without extending time of three day period allowed for reply.

STETTINIUS

711.62114A/4–1645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 16, 1945—6 p. m.
[Received 7 : 35 p. m.]

1900. The substance of the Department's telegram 1486, April 14 was embodied in a note which was delivered to Chauvel [9] today. The great importance of an early favorable French reply was stressed.

Chauvel stated that the French Government had received a similar message from the Germans through the Swiss about 3 days ago and that it is being studied by the War Ministry and the Ministry of Prisoners and Deportees. He said that the Quai d'Orsay favors an immediate acceptance of the German proposal but that he is not certain of the exact views of the other interested Ministries. He promised to follow up this matter and expressed the opinion that he would be able to give us a reply within the next 2 days.

CAFFERY

711.62114A/4–1845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 18, 1945—11 a. m.
[Received April 18—10 : 10 a. m.]

1930. The substance of Department's 1501 April 16 was conveyed to the Foreign Ministry and it was stressed that the deletion of the words "against Germany" did not change the position of our Government in regard to this matter.

The pertinent Foreign Ministry official has just told us informally that while the French Government has not taken a final decision it appears practically certain that the War Ministry will not agree to the German proposal insofar as French POWs are concerned. He said that in contrast with the comparatively small number of Amer-

[9] Jean Chauvel, Secretary General of French Ministry for Foreign Affairs.

ican POWs, France has hundreds of thousands in Germany. The French are trying to rebuild a strong national army and will need every available man of experience who is physically capable of serving in the armed forces. Furthermore, it appears the war in the Far East may go on for a considerable time and France hopes to make an important contribution to the Allied war effort in the Pacific theater. Therefore the Ministry of War does not find it possible to accept the German proposal which would effectively prevent French POWs from serving on active duty in the armed forces until war in the Far East is over. He observed that had the German proposal been made several months ago it might have been interesting but that now it has not the same value since the Allied advance will liberate the great majority of Allied prisoners and those that remain in German hands in the so-called "redoubt" in central Germany will not profit from any such agreement.

CAFFERY

711.62114A/4–1845 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, April 18, 1945—8 p. m.
[Received April 18—1:05 p. m.]

1244. We have received no reply to the Ambassador's letter to Molotov dated April 15, which was sent in compliance with Department's 864 April 14, noon.[10]

Under the circumstances I am informing Foreign Office that we are proceeding with the acceptance of the German proposal insofar as it relates to American prisoners of war.

[KENNAN]

762.51114/4–1845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 18, 1945—5 p. m.
[Received April 18—2:34 p. m.]

1939. I have just received a verbal message from the Foreign Ministry that the French Government has decided to refuse the German proposal regarding French POWs in German custody. According to the official who conveyed this message the decision was taken only after the French Government had studied all aspects of the question. He said that acceptance of the German proposal would tie the hands of the French Government and for the reasons outlined in my 1930 April 18 it is not possible to accept the proposal. He mentioned the fact that despite the decision the French Government is somewhat apprehensive and fears that the Germans may take reprisals against

[10] Telegram 864 not printed, but see telegram 1486, April 14, to Paris, p. 712.

the French POWs. This, he said, was unfortunately a risk which the French Government is obliged to take.

CAFFERY

762.51114/4–1845 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, April 20, 1945—3 p. m.

1584. Reurtel 1930 and 1939, April 18. Inform French authorities that the Government of the United States considered it necessary for reasons set forth in Department's 1486 of April 15[*14*], to accept for its part the German proposal. While the position of the French Government in this matter is appreciated, we are concerned lest its failure to take parallel action may provide the German Government with grounds for withdrawing the offer or delaying action.

You are requested therefore to again approach the French on an urgent basis placing emphasis on the fact that the British, Soviet and United States Governments for their part have accepted the German proposal.

It is noted that the primary reason for the French decision appears to be their reluctance to agree not to use prisoners recovered under this arrangement in active duty. In this connection you should convey discreetly the following observations to the appropriate French authorities: The United States authorities have consistently interpreted active military service as used in Article 74 of the Convention to mean service in combat duty. This interpretation is being applied with respect to the present German proposal and does not prevent the use of prisoners so recovered in other military duty, nor require their separation from military service. French authorities may wish to consider a similar interpretation and to give further thought to the German proposal in this light. Furthermore, since the German proposal made no mention of the Far East, the United States Government in accepting the offer did not raise the question.

STETTINIUS

762.51114/4–2145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 21, 1945—5 p. m.

[Received 11 p. m.]

2027. The United States position as set forth in Department's 1584 April 20 was brought to the attention of the appropriate official of the Foreign Ministry and our desire to have the French authorities give further consideration to the German proposal in the light of these additional considerations was stressed.

In reply the official stated that while the Foreign Ministry will present our views to de Gaulle [11] he does not believe that the French decision will be altered. He said that it was de Gaulle personally who had taken the decision and that in addition to the considerations set forth in my 1930 of April 18 de Gaulle seems convinced that this German offer will ultimately be linked in some way with a German proposal looking to the exchange of French political hostages and French POWs within the so-called German redoubt against guarantees of immunity for leading Nazis (he indicated that German feelers have already been put out). The French, he said, have no intention of bargaining with the Germans for immunity for Nazis. Furthermore the French feel that the German proposal is not a real bona fide offer since they are only offering to leave the prisoners in the camps because they lack the facilities to move any large number of them elsewhere.

CAFFERY

762.51114/4–2445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 24, 1945—6 p. m.
[Received 9 : 32 p. m.]

2077. I have just received from a Foreign Ministry official a copy of the following memorandum from General de Gaulle's office which was prepared after the meeting of the Council of Ministers this morning:

"1. The German Government has proposed to the French Government through the intermediary of the Swiss Federal Government to leave in their present location (*sur place*) the prisoners of war who are in the proximity of the front provided the French obligate themselves not to employ these prisoners in active service.

2. The French Government has made it known that it would accept this proposal on the following conditions: (1) That it concerns prisoners actually held at the moment of liberation. (2) That the obligation not to use them applies only to operations directed against German force."

The official stated that this decision had been taken after very considerable discussion in the Cabinet meetings. He went on to say that the above message would be conveyed to the Swiss Government through the intermediary of the French Embassy at Bern for transmission to the German Government.

In connection with the second condition in the memorandum, we observed that if this condition were formally communicated to the Germans, the latter might well reply that the prohibition against the use of these prisoners applied to all the terms of military operations including the Pacific. With this in mind, it was suggested that since the German offer had not specified any particular theater, it would

[11] Charles de Gaulle, Head of the French Provisional Government.

appear that the French Government would be in a position to place its own interpretation on the extent of the agreement. Therefore, if the French did not wish to risk the possibility of receiving a negative reply from the Germans on this point, it would appear in their interest not to raise the question. The official with whom we discussed this matter stated that he was in agreement and would endeavor to have the French Embassy in Bern given discretion to omit the second condition from the normal reply but could not assure us that his recommendation would be followed.

I have communicated with the British Embassy which is also receiving a copy of the above memorandum, and I am told that they are taking a similar line with the French.

Repeated Bern as 176.

CAFFERY

711.62114A/4–2545 : Telegram

The Minister in Switzerland (Harrison) to the Secretary of State

BERN, April 25, 1945.
[Received April 25—5 p. m.]

2438. Your 1507, April 19th.[12] Foreign Office note April 24 states message telegraphed Swiss Legation Berlin. Additionally, in accordance desire of Department, Foreign Office transmitted *aide-mémoire* containing terms of German proposal and acceptance thereof by United States to German Legation Bern. This *aide-mémoire* dated April 21 delivered same day German Legation.

HARRISON

NEGOTIATIONS LEADING TO THE SURRENDER OF GERMANY; TERMINATION OF HOSTILITIES IN EUROPE[13]

740.0011 EW/1–1445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 14, 1945—4 p. m.
[Received 6:10 p. m.]

482. From Murphy.[13a] Your 9183, November 3, noon to London.[14] In a paper dated January 6 addressed to the Chief of Staff SHAEF[15]

[12] Not printed; it instructed the Minister to inform the German Government that it should leave in camp all prisoners of war as Allies advanced (711.62114A/4–1145).

[13] For previous related documentation, see *Foreign Relations*, 1944, vol. I, pp. 100 ff.; see also *ante*, pp. 160 ff.

Additional material on the German surrender is contained in Forrest C. Pogue, *The Supreme Command*, in the official Army history *United States Army in World War II: The European Theater of Operations* (Washington, Government Printing Office, 1954), pp. 475 ff.

[13a] Robert D. Murphy, United States Political Adviser for Germany.

[14] *Foreign Relations*, 1944, vol. I, p. 562.

[15] Supreme Headquarters, Allied Expeditionary Force.

the Psychological Warfare Division took the position that the policy of unconditional surrender does not apply to the German people as individuals but only to any German Government, party or movement. PWD [16] argued that the policy of unconditional surrender was always meant to apply only to the German Government and High Command and to the NSDAP [17] but not to the German people as human beings and that even if this was not the intention at the outset it has since become the intention. PWD asserted that the American and British Governments have entered into certain definite commitments with respect to the German people regarded as individuals as a result of (*a*) adherence to the Geneva Convention [18] (*b*) the issuance of a series of proclamations by G–5 [19] SHAEF, stating the principles and procedures of military government and including announcements on wage policy, education policy, attitude to trade unions, judicial procedure, et cetera, and (*c*) in the statements by the spokesman of military government. PWD also maintained that political commitments were first made "in very general terms" by the President, the Prime Minister and Marshal Stalin not to destroy the German people as such. PWD contended that these general statements of intentions were reiterated more specifically on behalf of the American and British Governments in the proclamations of military government and in the statements by the spokesman of military government.[20]

The foregoing arose out of an objection which I made recently to a proposed broadcast to German railroad workmen which included three distinct promises to German workmen generally, namely (1) the opportunity of employment (2) employment at prevailing rates of wages and (3) the right of collective bargaining. I stated the opinion that our present policy is against making any general promises or commitments to the German people. I suggested the substitution of factual statements in the broadcast describing what actually happens to German workmen in the zone we are now occupying.

PWD took the view that my position was untenable for the reasons outlined above, and asked for a ruling by the Chief of Staff. The matter was considered at a meeting of representatives of various staff sections at SHAEF on January 10 presided by Lt. Gen. Sir F. E. Morgan, Deputy Chief of Staff. The consensus of the meeting on the immediate issues involved was that the position I had taken and which I took at the meeting was correct. Thus it was agreed that the

[16] Psychological Warfare Division.
[17] Nationalsozialistische Deutsche Arbeiter Partei (the Nazi Party).
[18] The international convention relative to the treatment of Prisoners of War, signed at Geneva July 27, 1929. For text, see *Foreign Relations*, 1929, vol. I, p. 336.
[19] Headquarters general staff division dealing with civil affairs.
[20] For further details on the program of the Psychological Warfare Division, see Forrest C. Pogue, *The Supreme Command*, pp. 343–46.

proclamations by the Supreme Commander to the population of German occupied territory, and the broadcasts explaining them, do not constitute commitments, but are merely expressions of intentions. They are to be regarded as orders which may be changed in the discretion of the Supreme Commander at any time and the Germans of the occupied territory have no rights in the matter. Still less it was further agreed does the expression by the Supreme Commander as an intention vis-à-vis the population of German territory already occupied constitute a promise to the population of German territory not yet occupied that they will be treated in the same way in the future.

The consensus was accordingly that even if the Supreme Commander has expressed his intention to treat in certain ways the civilian population of German territory already occupied the Psychological Warfare Division may not, without special authorization, in each case, promise that civilians in German territory still behind the enemy lines will be treated in the same way.

In the course of the discussions it was further brought out that the War Department has recently asked that propaganda "taper off" on statements promising to release German prisoners as soon as possible after hostilities as provided by article 75 of the Geneva Convention.

While the meeting sustained my views on the immediate issues involved with PWD there was no agreement among those present on the larger question whether in general the policy of unconditional surrender applies only to any German Government, party or movement or whether it also applies to the German people as individuals. It has been my understanding ever since attending the Casablanca meeting [21] when the policy was announced that it certainly does apply to all enemy Germans individually and collectively. No distinction such as that now put forward by PWD was made or even considered at Casablanca. I referred at the meeting to the Secretary's recent statement on unconditional surrender [22] but General Morgan felt that the President's message to Congress [23] by implication restricted the policy to the "German armed forces".

Obviously the task of PWD and ours is to facilitate the work of our combat troops, but I feel that the longer term considerations are of such moment that any and every attempt to compromise the policy of unconditional surrender, and build up a record which unquestionably

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[21] Documentation on the Casablanca Conference, January 14–24, 1943, is scheduled for publication in a subsequent volume of *Foreign Relations*.

[22] For text of the Secretary's statement of January 5, see Department of State *Bulletin*, January 7, 1945, p. 43.

[23] For text of the President's message to Congress on January 6, 1945, see House Document No. 1, 79th Cong., 1st sess.

the Germans would attempt later to use to embarrass us should be firmly resisted at this stage.

I should be most grateful for any advice or instructions the Department may consider appropriate. [Murphy.]

WINANT

740.0011 E.W./1–1445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 16, 1945—10 p. m.

371. For Murphy. We wholeheartedly support you in your position as set forth in your 482, January 14, 4 p. m., and agree with you that every effort must be exerted to prevent compromising the policy of unconditional surrender.

GREW

740.00119 European War/3–345 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State [24]

STOCKHOLM, March 3, 1945—7 p. m.
[Received 9 : 09 p. m.]

844. Acting Secretary General of Foreign Office, Assarsson, has informed me that on Friday Gunnar Carlsson, Chairman Swedish Shipping Association was invited to call at German Legation in Stockholm and was received by Geheimrat von Hesse, a German official who was Counselor of German Embassy in London just prior to outbreak of war and now said to be closely associated with Ribbentrop.[25] Von Hesse told Carlsson that he had been instructed by Ribbentrop to ask him to convey following peace proposals to the Allies [26] (*a*) Germany to have its 1939 frontiers, and (*b*) British and Americans to join Germany against Russia.

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[24] The text of this telegram was transmitted by the Department to London in telegram 1694, March 5, midnight, not printed. Telegram 2347, March 7, 7 p. m., from London, reported that the substance of the telegram under reference had been communicated to the Foreign Office (740.00119 EW/3–745).

[25] Joachim von Ribbentrop, German Foreign Minister.

[26] Foreign Minister Ribbentrop had at this time put out on his own initiative a number of informal peace feelers; see the testimony of his secretary, Fräulein Margerete Blank, in *Trial of the Major War Criminals Before the International Military Tribunals* (Nuremberg, 1948), vol. x, pp. 193–194. For Hesse's explanation of the origins of these feelers and an account of his own mission to Stockholm, see Fritz Hesse, *Das Spiel um Deutschland* (Munich, 1953), pp. 386–419.

Carlsson is reported to have refused to convey any such proposals, explaining that they were on their face absurd. He asked von Hesse what Germans proposed to do with Hitler, Himmler [27] and others and von Hesse replied that they would be obliged to keep these people for some time after the war as otherwise there would be complete chaos in Germany. They would, however, subsequently be got rid of.

JOHNSON

740.00119 EW/3–845 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, March 8, 1945—midnight.
[Received March 9—1 a. m.]

681. Information contained in Department's 511 March 5, midnight,[28] can hardly be characterized as a peace feeler in the sense contemplated at the Moscow Conference [29] and I believe that our treating it as such would be offensive to the Soviets and be misinterpreted. I propose, therefore, to take no action unless I receive further instructions.[30]

HARRIMAN

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[27] Heinrich Himmler, Reichsführer SS, Chief of the German Police, Reich Minister of the Interior, Reichsleiter, and Chief of the Replacement Army.

[28] Not printed; this telegram informed Mr. Harriman of the German proposals *supra* and instructed him to communicate them to the Soviet Government (740.00119 EW/3–545).

[29] In the Declaration of Four Nations on General Security, October 30, 1943, the Governments of the United States, United Kingdom, Soviet Union, and China declared their intention to act together in all measures relating to the surrender and disarmament of a common enemy. For text and related correspondence on the Tripartite Conference in Moscow, October 18–November 1, 1943, see *Foreign Relations*, 1943, vol. I, pp. 513 ff.

[30] Telegram 544, March 9, 9 p. m., to Moscow, not printed, instructed Mr. Harriman: "Dept considers that the report referred to in your 681, March 8, midnight, should be brought to the attention of the Soviet Government in whatever informal manner you consider best in order that there may be no misunderstanding should the Soviet Government itself receive a different version of the report." (740.00119 EW/3–845)

In telegram 812, March 19, 6 p. m., from Moscow, Mr. Harriman reported that on March 13 he had told Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union, that "the Department had heard a story about a conversation of a Dr. Hesse in Stockholm. I told him that we could not dignify this story as a peace feeler but that it might be a matter of general interest. I then gave him the information contained in the Department's 511, March 5, midnight, without going into the details of the terms mentioned". (740.00119 EW/3–1945)

740.00119 EW/3-945 : Telegram

Mr. Alexander C. Kirk, Political Adviser on the Staff of the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State [31]

CASERTA, March 9, 1945—6 p. m.
[Received March 9—12:28 p. m.]

893. We have received information from American and British sources that General Karl Wolf,[32] a high SS officer stationed in north Italy, has arrived at Lugano accompanied by an OKW [33] member of Kesselring's [34] staff together with Messrs. Simmer [35] and Dollmann.[36] Report stated that these men are ready to discuss definite surrender. If this should indeed be the case, SAC [37] may consider sending a member of his staff into Switzerland in civilian clothes under secret cover. We have received previous reports in past ten days with regard to desire of Germans in north Italy to negotiate conclusion of hostilities [38] but have not heretofore reported to Department because we did not feel there was sufficient reason to take them too seriously. Inasmuch as this latest report would appear to be reliable, we are informing Department on it. If there should be discussions held in Switzerland, conversations, of course, would be conducted only on basis of unconditional surrender.

KIRK

[31] A copy of this telegram was transmitted to the President under cover of a memorandum from the Acting Secretary, Joseph C. Grew, on March 10; not printed.

[32] Obergruppenführer and General der Waffen SS Karl Wolff.

[33] Oberkommando der Wehrmacht.

[34] Field Marshal Albert Kesselring, German Commander in Chief West.

[35] SS Lt. Zimmer, a German counter-espionage officer in Milan.

[36] SS-Sturmbannführer Eugen Dollmann, head of the Gestapo in Italy and SS representative to the headquarters of Benito Mussolini, former head of the Italian Government, and present head of the Italian Social Republic.

[37] The Supreme Allied Commander, Mediterranean Theater, Field Marshal Sir Harold R. L. G. Alexander.

[38] Conversations between German military and diplomatic officers in Italy and Switzerland had been going on for several weeks with the aim of arranging for the surrender of German forces in northern Italy. The Office of Strategic Services' representative in Bern had been in contact with these German officials, and the Department had been kept informed of the progress of the discussions via reports from the O.S.S. in Washington; none printed. For an account of the negotiations based on O.S.S. reports, see Forrest Davis, "The Secret History of a Surrender," *Saturday Evening Post*, September 22, 1945, and September 29, 1945; for an account by one of the Germans involved, see Eugenio Dollmann, *Roma Nazista* (Milan, 1949), pp. 454–467. For an authoritative account by the head of the O.S.S. in Switzerland, see Allen W. Dulles, *The Secret Surrender* (New York, Harper and Rowe, 1966).

740.00119 EW/3–945 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, March 11, 1945—6 p. m.

564. Please communicate immediately to the Soviet Government the substance of the following paraphrase of message received from Allied Force Headquarters Caserta by the Combined Chiefs of Staff: [39]

"1. On March 8 through the OSS in this theatre word was received that General Karl Wolff, ranking SS officer in Italy, accompanied by Dollmann and Simmer and a representative of the OKW presumed to be from General Kesselring's staff, were expected to arrive at Lugano, Switzerland, in order to discuss the surrender of the German forces in Italy. The arrival of General Wolff and his willingness to attempt the development of a program to take the Germans in North Italy out of the war has been confirmed by information received on March 9.[40]

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[39] A paraphrase of the message quoted below was received by the Department on March 11 as an enclosure to a letter from the Secretary of War and the Secretary of the Navy to the Secretary of State, not printed. In the letter the Secretary of State was informed:

"The Combined Chiefs of Staff have agreed to Field Marshal Alexander's proposals with the proviso that his representatives are not to be dispatched to Berne until the Russians have been informed through the Department of State and the Foreign Office.

"The Joint Chiefs of Staff therefore recommend, and we concur, that the substance of the attached paraphrase be telegraphed to Moscow and communicated to the Russians at once and that the Joint Chiefs of Staff be informed at the earliest possible moment when this has been done.

"The British Chiefs of Staff are making a similar recommendation to the Foreign Office." (740.00119 EW/3–1145)

For information on the consideration of Field Marshal Alexander's proposals by the Combined Chiefs of Staff, see: William D. Leahy, *I Was There* (New York, Whittlesey House, 1950), p. 330.

[40] Under cover of a letter from General William J. Donovan, Director of the Office of Strategic Services, to the Secretary of State, March 10, not printed, the Department received a memorandum which gave further details of the discussions in Bern. This memorandum, based on reports from the agent in Bern, said in part:

"Wolff is a distinctive personality, and evidence indicates that he represents the more moderate element in Waffen SS combined with a measure of romanticism. He is probably the most dynamic personality in North Italy and, next to Kesselring, the most powerful.

"Wolff stated that the time had come when some German with power to act should lead Germany out of the war in order to end useless human and material destruction. He says he is willing to act and feels he can persuade Kesselring to cooperate, and that the two control the situation in North Italy. As far as the SS is concerned, Wolff states that he also controls Western Austria, since his authority includes the Vorarlberg, Tyrol, and the Brenner Pass with both its northern and southern approaches. Wolff declares that joint action by Kesselring and himself would leave Hitler and Himmler powerless to take effective counter-measures like the ones they employed in the 20 July crisis. Also Wolff feels that joint action by Kesselring and himself would have a vital repercussion on the German Army, particularly on the Western Front, since many Generals are only waiting for someone to take the lead. Wolff made no request concerning his personal safety or privileged treatment from the war criminal viewpoint." (740.0011EW/3–1045)

2. It is Wolff's opinion that mere military surrender would be difficult and he prefers, therefore, that the German leaders in Italy should make a statement to the German people prior to capitulation that there is no further hope and that a continuation of the struggle is needlessly causing the shedding of German blood. He considers Kesselring's adherence essential to the plan, but states that he has not yet been won over. Rahn, however, who is German Ambassador to the Fascist Italian Government, he says is in agreement with him. According to Wolff, Himmler knows nothing of his activities. Wolff will endeavor immediately to inform Kesselring of the plan and will maintain contact with the representatives of the OSS.

3. As evidence of their good faith and ability to act, Dollmann had promised prior to meeting in Switzerland to produce Parri, the recently captured CLNAI leader.[41] Information has been received that on March 9 Parri was in fact delivered in Switzerland unconditionally and is in good health. In view of further discussions now being held with Wolff by OSS, it is suggested that representatives of my headquarters be prepared to go to Switzerland in order to handle the situation if it develops favorably.

4. In the event that further negotiations reveal that the German representatives seem genuine and have definite proposals to make, I propose to act on the following lines:

(*a*) The representatives of the Germans must have written evidence from Kesselring that they are authorized to treat, and must come to Bern.

(*b*) A meeting place to be arranged by OSS either at the British or the American Legations at night, or at another place if the Legations are too difficult.

(*c*) General Lemnitzer, my American Deputy Chief of Staff, and General Airey, my British Chief Intelligence Officer, to be sent to Bern.

(*d*) Their instructions will be to tell the German representatives:

(1) That only a method of surrender on a purely military basis will be dealt with in the discussion and not on a governmental or political basis.

(2) That for detailed military discussions they must come to AFHQ.[42]

(3) That a method of communication with Kesselring must be arranged by them.

5. Although it is wise to be prepared, the fact that two of the leaders are Himmler and SS men makes me suspicious."

The Combined Chiefs of Staff have agreed to the proposals of Field Marshal Alexander with the condition that none of his representatives are to be sent to Bern until the Soviet Government has been informed

[41] Ferruccio Parri, chief of the unified command of the Committee of National Liberation for North Italy.

[42] Allied Force Headquarters.

through the Department of State and through the Foreign Office.

Please telegraph urgently any Soviet comment.[43]

GREW

740.00119 EW/3–1245 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Acting Secretary of State

Moscow, March 12, 1945—5 p. m.
[Received 7 : 40 p. m.]

723. I have received a reply this evening from Mr. Molotov to my letter transmitting contents of your 564, March 11, 6 p. m. Mr. Molotov states that the Soviet Government has considered this communication very important and that it does not object to the proposed conversations of the Anglo-American officers with General Wolff. Molotov continues that the Soviet Government on its part would like to have officers representing the Soviet Military Command take part in these conversations. For this purpose, the Soviet Military Command designates General Susloparov, Chief of the Soviet Military Mission in France, General Dragun, head of the Soviet Mission on War Prisoners also in France and in addition one officer whose name will be communicated at a later date. Molotov adds that the Soviet Government hopes the United States Government will facilitate the travel of these officers to Bern since the Soviet Government has no diplomatic relations with Switzerland. Molotov informs me further that a letter in the same sense has been transmitted to the British Ambassador in Moscow.

HARRIMAN

740.00119 EW/3–1345 : Telegram

Mr. Alexander C. Kirk, Political Adviser on the Staff of the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, March 13, 1945—5 p. m.
[Received March 13—3 : 23 p. m.]

957. Please see Fan 506 March 12 [44] (re my 925 March 11, 9 p. m.[45]) from Combined Chiefs of Staff to SAC with regard to this matter.

KIRK

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[43] In telegram 716, March 12, 11 a. m., from Moscow, Ambassador Harriman reported: "I have delivered this morning a letter addressed to Mr. Molotov containing the information referred to in Department's 564, March 11, 6 p. m. regarding the proposals of Field Marshal Alexander." (740.00119 EW/3–1245) Mr. Harriman's report was then transmitted to Fleet Admiral William D. Leahy, Chief of Staff to the President, in a memorandum by Charles E. Bohlen, Assistant to the Secretary of State for White House Liaison, March 12, not printed.

[44] This telegram from the Combined Chiefs of Staff to Field Marshal Alexander ordered that the Allied officers suggested by the Field Marshal be sent to Bern, but they should not contact the German emissaries until further instructions were issued. The telegram also informed Alexander that the Russians were being consulted. (Files of the U.S. Political Adviser, Caserta—711.9 German Armistice)

[45] Not printed; this telegram called the Department's attention to an earlier

Memorandum by Mr. Charles E. Bohlen, Assistant to the Secretary of State, to the Secretary of State

[WASHINGTON,] March 13, 1945.

The following are the latest developments in the matter that came up on Sunday [46] in regard to certain German proposals involving their Italian forces.

As you recall, at 6:00 p. m., March 11, we sent out the message requested by the Joint Chiefs of Staff [47] which was delivered to the Soviet Government before 7:00 a. m., Washington time, March 12, and the Secretary of the Joint Chiefs of Staff and Admiral Leahy were informed immediately upon receipt about 9:45 a. m. Last night a telegram was received from Ambassador Harriman stating that the Russians consider this offer very important and have no opposition to what Field Marshal Alexander proposed and added that they would like to have Soviet officers participate in the discussions.[48] I immediately called Colonel Wise [49] who came down and obtained the substance of the message for General Hull of the Joint Chiefs of Staff. Early this morning a second message was received from Ambassador Harriman [50] in which General Deane concurred expressing the opinion that there was no justification for the Soviet request for participation since it was a matter of purely military surrender in an Anglo-American theater. That message was made available at 8:00 a. m. to Colonel Wise.

This morning after talking with Mr. Matthews [51] and Mr. Dunn I told Colonel Wise that we felt that while nothing should be allowed to delay even for one hour the possibility of surrender, we nevertheless, felt it would be a mistake to give a flat refusal to the Russian request because of possible consequences on other matters affecting German surrender [52] and suggested that the Russians be allowed to

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(Footnote continued from p. 725.)

military telegram, the contents of which are paraphrased in telegram 564, March 11, 6 p. m., to Moscow, p. 723.

[46] March 11, 1945.

[47] Telegram 564, March 11, 6 p. m., to Moscow, p. 723.

[48] Telegram 723, March 12, 5 p. m., from Moscow, p. 725.

[49] Col. John S. Wise, USA, Staff Officer, Theater (Operations) Group, Operations Division, War Department General Staff.

[50] Telegram 728, March 13, 1 p. m., from Moscow, not printed.

[51] H. Freeman Matthews, Director of the Office of European Affairs.

[52] In another memorandum, of March 13, approved by Assistant Secretary of State Dunn, Mr. Bohlen expressed the fear that a flat refusal of the Russian request would "obviously open up the possibility of a 'surrender race' in regard to Germany. It is of vital importance that the principle of Allied as against individual positions vis-à-vis Germany is maintained." (740.00119 EW/3-1345)

come as observers but with the clear understanding that the decision on any surrender on the purely military level would be made by the Commander-in-Chief of the theater. Furthermore, in order that there should be no delay the Russian observers should come in on the second phase, namely, when the Germans had come to AFHQ, but that the contact in Bern should be made without their participation. I later talked with Admiral Leahy on this and he expressed general agreement and emphasized the importance of no delay. He later talked to the President who seemed to be dubious as to the effect of the presence of Soviet officers on the willingness of the Germans to surrender. I repeated to Admiral Leahy that the State Department did not wish to make any suggestion which would mean the slightest delay in this matter but that if it were possible to avoid any delay and at the same time not give the Russians precedent for independent action, that would be desirable.

Colonel Wise called me from the War Department and said that the thinking over there in the Staff was very much along our lines but that no one yet knew the opinion of Secretary Stimson who was on his way to see the President.

We will be kept fully informed on any development and the reply when agreed upon by the military and the President will come to us for concurrence and dispatch through Harriman or possibly General Deane to the Soviet military authorities in order to keep it on the military level.

CHARLES E. BOHLEN

740.00119 EW/3–1345

Memorandum by the United States Chiefs of Staff to the Combined Chiefs of Staff [53]

C.C.S. 797 [WASHINGTON,] 13 March 1945.

1. After considering the communications connected with proposed negotiations with Kesselring, including the Soviet participation proposed by the Russians, the United States Chiefs of Staff are convinced that the procedure and line of action proposed by the British Chiefs of Staff should not be undertaken.

2. It is clear that General Alexander's proposal is that he attempt to arrange a military surrender which would not involve political aspects. His proposed procedure is to undertake all negotiations at his headquarters and that the Berne meeting be a contact where his

[53] This memorandum was sent to the Secretary of State under cover of a letter from the Secretary of War (Stimson) and the Secretary of the Navy (Forrestal), March 13; not printed.

representatives will have no authority to negotiate but will merely attempt to arrange for accredited representatives of the German commander to go to Allied Force Headquarters.

3. The United States Chiefs of Staff are informed that the American Ambassador to the U.S.S.R. considers that the Soviet proposal for their officers to participate in discussions at Berne has no justification since the German proposal is for the surrender of a military force on a U.S.-British front. This is not a parallel to the capitulation of a Government and the American Ambassador feels that under similar circumstances the Soviet Government would not allow our officers to participate. He further considers that our agreement to the Russians going to Berne would be considered by the Soviet as a sign of weakness and would lead to more untenable demands from the Russians. General Deane concurs in the American Ambassador's estimate. The United States Chiefs of Staff agree with the estimate of Mr. Harriman and General Deane and further point out that the Russian proposal which the British Chiefs of Staff propose to accept would result in only one representative from each of the U.S. and British military forces meeting the German representatives in Berne, whereas there would be two Russian representatives present.

4. It is now apparent that the procedure of handling this matter through the Foreign Office and the State Department is so cumbersome and involved that the very system is likely to eliminate any possibility of useful results. Furthermore, it introduces into what is almost entirely a military matter an unavoidable political element which may well tie Marshal Alexander's hands to such an extent that he will be unable to reap benefits from the present situation which otherwise would accrue.

5. It is the view of the United States Chiefs of Staff that the political interests of the governments will be adequately guarded by the military keeping their respective political offices completely informed concerning developments.

6. In the light of the foregoing, the United States Chiefs of Staff consider that:

a. The State Department and Foreign Office should be asked to transmit to the Soviets a communication substantially as that attached.

b. Marshal Alexander should be instructed by the British Chiefs of Staff for the Combined Chiefs of Staff, to proceed at once with the contact in Berne and to handle Russian participation by communications through the British and U.S. Missions in Moscow on the military level.

7. The State Department concurs in the foregoing.

[Annex]

DRAFT OF A MESSAGE TO BE DISPATCHED BY STATE DEPARTMENT AND FOREIGN OFFICE TO MOSCOW

You should inform Soviet Government substantially as follows: The Russian representatives are welcome. The Combined Chiefs of Staff are instructing Field Marshal Alexander to make arrangements for the Soviet representatives to be present at his headquarters where SACMED [53a] will conduct all conversations which may take place with the representatives of the German commander in Italy. All matters concerning surrender will be discussed at Field Marshal Alexander's headquarters. The Berne meeting is only for the purpose of establishing contact with a view to getting German representatives to his headquarters. Field Marshal Alexander's representatives are already secretly in Berne and, in view of the time element, are being instructed to give to the representatives of the German commander the instructions which have already been communicated to the Soviets. Field Marshal Alexander is being instructed to communicate to the Soviets through Admiral Archer [54] and General Deane the results of any contact in Berne and to use this channel for any subsequent arrangements connected with the presence of Soviet representatives at his headquarters and with information concerning conversations at that headquarters.

740.00119 EW/3–1545

Memorandum by the Representatives of the British Chiefs of Staff to the Combined Chiefs of Staff [55]

C.C.S. 797/1 [WASHINGTON,] 15 March 1945.

1. The British Chiefs of Staff have now considered the views of the United States Chiefs of Staff as set out in C.C.S. 797.

2. The British Chiefs of Staff agree that Field Marshal Alexander should be instructed to establish contact forthwith with the Germans at Berne for the purpose of arranging for accredited representatives of the German Commander to go to A.F.H.Q. They agree that the Russians should not be represented at Berne.

3. The British Chiefs of Staff also agree that all matters concerning the surrender of the German Army in Italy should be discussed

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[53a] Supreme Allied Commander, Mediterranean Theater.

[54] Rear Adm. Ernest Russell Archer, R.N., Head of the British Military Mission to the Soviet Union.

[55] This memorandum was sent to the Secretary of State under cover of a letter from the Secretary of War and the Secretary of the Navy, March 15, not printed. The letter concurred in the recommendation of the Joint Chiefs of Staff that the message sent in telegram 596, March 15, 1 p. m., to Moscow, *infra*, be dispatched by the Department.

at A.F.H.Q. and that the Russians should be invited to attend. The Russians have, in fact, asked to "take part in proposed talks" and the only point at issue is what status the Russian representatives will have at the discussions at Field Marshal Alexander's headquarters.

4. The British Chiefs of Staff consider that Field Marshal Alexander, as Supreme Allied Commander in this Anglo-American theatre, should alone be responsible for conducting negotiations and reaching decisions. The position of the Russians will thus be virtually that of "observers." The Foreign Office are anxious to avoid the word "observers" as they consider that this would antagonise the Soviet Government. Moreover, they point out that whatever we do now will undoubtedly set up a precedent for the treatment which we may expect at Russian hands in the event of a similar situation arising on the Eastern Front.

5. For these reasons the British Chiefs of Staff feel that the reply which is sent to the Russians should clarify this question of the status of their representatives.

6. To sum up the British Chiefs of Staff recommend that the Combined Chiefs of Staff should:

a. ask the State Department and the Foreign Office to despatch the revised draft message at Enclosure "A".[56] It will be seen that this revised draft embodies the points put forward by the United States Chiefs of Staff and clarifies the status of the Russian Representatives.

b. in order to save time, despatch from Washington the message at Enclosure "B" [57] to Field Marshal Alexander, incorporating the text of the instructions sent to Moscow and asking him to proceed at once with the contact at Berne.

7. The Prime Minister and the Foreign Secretary concur in the foregoing.

740.00119 EW/3–1345 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, March 15, 1945—1 p. m.

596. You are instructed immediately to communicate to Molotov the following reply, approved by the Joint Chiefs of Staff and cleared with the Combined Chiefs, to the Soviet request contained in your 716, March 12.[58] These instructions were drafted after careful consideration by the Department and the Joint Chiefs of the recommendations

[56] Not printed. The draft message was identical with the one sent in telegram 596, March 15, 1 p. m., to Moscow, *infra*.

[57] Not printed.

[58] Not printed, but see footnote 43 p. 725.

in your 728, March 12 [*13*] [58a] and General Deane's message to General Marshall.

"1. You should inform Soviet Government substantially as follows:

2. The Berne meeting is only for the purpose of establishing contact with a view to getting German representatives to Field Marshal Alexander's headquarters where all matters concerning surrender will be discussed. Field Marshal Alexander's representatives are already secretly in Berne and, in view of the time element, they are being instructed to give to the representatives of the German Commander the instructions which have already been communicated to the Soviet Government.

3. Field Marshal Alexander is being instructed to make all necessary arrangements for the presence of Soviet Representatives at any discussions which may take place at A.F.H.Q.: but, as the German proposal is for the surrender of a military force on a U.S./British front, Field Marshal Alexander, as Supreme Commander in this theatre, would alone be responsible for conducting negotiations and reaching decisions.

4. Field Marshal Alexander is being instructed to communicate to the Soviets through Admiral Archer and General Deane the results of any contact in Berne and to use this channel for any subsequent arrangements connected with the presence of Soviet representatives at his headquarters."

STETTINIUS

740.00119 EW/3–1745

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, March 16, 1945.

M 23247.[59] Request following be urgently delivered to Secretary of State.

I have received the following letter from Molotov tonight in reply to my letter delivered 24 hours ago regarding Soviet participation in the proposed talks in Bern:

"In connection with your letter received by me March 16th concerning negotiations in Bern, I communicate to you the following:

On March 12th you informed me that on March 9th in Bern there arrived the German General Karl Wolff and his companions Dollmann and Zimmer, for discussion with representatives of the Armies of the United States and Great Britain of the question of the capitulation of the German Armed Forces in Northern Italy. You further communicated that Field Marshal Alexander had been directed to detail his officers to Bern for a meeting with these persons and you inquired the point of view of the Soviet Government on this question.

On that same day, the 12th of March, I informed you that the Soviet Government did not object to negotiations with General Wolff in

[58a] Not printed.

[59] This telegram was sent to Washington via Army channels and carries an Army signal number.

Bern as long as officers representing the Soviet Military Command would take part in these negotiations. In giving this answer the Soviet Government did not doubt that the Government of the United States would take an affirmative attitude to its proposal for the participation of Soviet officers in negotiations with the German General Wolff in Bern, and it named its representatives then and there.

Today, the 16th of March, I received from you a letter from which it appears that the Government of the United States refuses to the Soviet Representatives the right to participate in the negotiations in Bern. The refusal of the Government of the United States to admit the participation of the Soviet Representatives in the negotiations in Bern was for the Soviet Government utterly unexpected and incomprehensible from the point of view of Allied relations between our countries. In view of this the Soviet Government considers it impossible to give its agreement to negotiations of American and British Representatives with representatives of the German Commander in Bern and insists that the negotiations already begun in Bern be broken off.

The Soviet Government, furthermore, insists that also from now on all possibility of the conduct of separate negotiations by one or two of the Allied Powers with German Representatives without the participation of the third Allied Power be ruled out."

Clark Kerr [60] has received an identical letter. I will comment in a subsequent message.

740.00119 EW/3–1745 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, March 17, 1945.

M 23249.[61] Molotov's letter contained in my last Army cable M 23247 regarding the Berne meeting confirms the growing impression that General Deane and I have received, particularly since the Crimea Conference, that the Soviet leaders have come to believe that they can force their will on us on any issue.

They have, arbitrarily, and in disregard of the facts, placed their own interpretation on the Yalta agreements regarding Poland, liberated areas as applied to Rumania, and liberated prisoners of war.[62]

In the present case, Molotov again bases his position on a distortion of the facts. In a letter of March 12 he stated that the Soviet Government had no objections to the Berne meeting and expressed the wish that the Soviet Government might be represented. Now he contends that the Soviet Government acquiesced to the meeting on the

[60] Sir Archibald Clark Kerr, British Ambassador in the Soviet Union.

[61] This telegram was sent to Washington via Army channels and carries an Army signal number.

[62] For these agreements, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, pp. 980, 977, and 985, respectively.

condition that Soviet representatives would participate. The arrogant language of Molotov's letter, I believe, brings out in the open a domineering attitude toward the United States which we have before only suspected.

It has been my feeling that sooner or later this attitude would create a situation which would be intolerable to us.

I, therefore, recommend that we face the issue now by adhering to the reasonable and generous position that we have taken and by advising the Soviet Government in firm, but friendly, terms to that effect.

740.00119 EW/3–1745 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, March 17, 1945—noon.
[Received 1 : 55 p. m.]

790. While the reasons motivating the Soviets to take such a strong position insisting on their participation in the Bern meeting are not clear, I thought it might be of some interest to you to have our speculations from Moscow.

It is possible that (1) they are suspicious of us, (2) they have some undisclosed motives or plans in connection with Germany, or (3) it is a matter of general prestige. It is entirely possible that they do not believe us when we say the Bern negotiations are for the sole purpose of attempting to bring Kesselring's authorized representatives to Caserta. They may think that the real negotiations will be at Bern with the Caserta meeting as a rubber stamp. This is a procedure, which we have experienced, they themselves are capable of following. On the other hand they may be fearful or have information that in addition to the armies in north Italy there may be other groups of Germans who are considering surrendering to us with a view of protecting themselves and their future whereas the Soviets may have been approached by similar groups with a view of surrendering to Russia for a similar purpose. We have been given no information on what the activities of their Freies Deutschland Committee [63] may be. I cannot take seriously the implication in the last sentence of Molotov's letter that the Soviets would refrain from having any conversations with Germans without our participation.

We have seen in their activities in Rumania, Bulgaria and Iran that they have appeared in the first instance to be frank and open with us whereas when their plans have unfolded it has been clear that they have been motivated from the beginning by objectives which

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[63] For documentation on the activities of the Soviet sponsored *Nationalkomitee Freies Deutschland*, see pp. 1033 and 1035.

were not disclosed to us and were contrary to our understanding. In these cases they have failed to advise us in advance of the action they contemplated taking, as in the case of declaring war on Bulgaria, did so an hour before acting.

From our previous experience and their reaction in this case it would seem that they intend to attempt to dominate all matters relating to Germany in ways not yet fully disclosed.

The question of prestige may also be involved. They have contended to their people and the world that Germany has been defeated almost entirely through the efforts of the Red Army. It may be that with the thaws their advance in the East may be bogged down for a couple of months and if there is a break in Italy leading to one in the West they wish to insure being full participants in any major surrender.

HARRIMAN

740.00119 EW/2–1745 : Telegram

Mr. Alexander C. Kirk, Political Adviser on the Staff of the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, March 17, 1945—12 p. m.
[Received March 18—1 : 30 p. m.]

1017. Re our 925, March 11 [64] and 957, March 13. We assume you are being kept fully informed by General Marshall on this matter. This office if [*is*] fully apprised of developments as they occur but on grounds of security we shall continue to refrain from reporting in detail to Department unless specifically directed to do so.[65] We have seen several telegrams exchanged in the last few days between his HQ and Combined Chiefs of Staff, the Naf-Fan series. We have also seen messages between Churchill and Alexander. If this matter should be concluded successfully does Department have any special instruction which it may care to issue at this time? If so they should be sent to Caserta urgently.

KIRK

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[64] Not printed, but see footnote 45, p. 725.

[65] Detailed reports of the Bern negotiations were never sent to the Department via Department channels. Frequent reports however, did reach the Department from the Office of Strategic Services, and in War Department telegrams passed to the Department for information.

Representatives of the Supreme Allied Commander met with General Wolff in Bern on March 19. It was arranged that General Wolff would leave the following day for discussions with Field Marshal Kesselring and other high ranking German officers in an effort to enlist their support. General Wolff was told that if successful in these discussions, he must arrange for the despatch to Allied Force Headquarters in Caserta of qualified officers armed with full powers to make plans for a surrender.

740.00119 EW/3–1945

Memorandum by Mr. Charles E. Bohlen, Assistant to the Secretary of State, to the Assistant Secretary of State (Dunn)

[WASHINGTON,] March 19, 1945.

MR. DUNN: I talked with Admiral Leahy with regard to the British suggestion for a reply to Molotov's letter of March 16 concerning the meeting in Switzerland. Admiral Leahy said (1) that the Joint Chiefs were against the President's sending a message to Stalin on this subject and that the reply should go through diplomatic channels, and (2) that he felt that the proposed British message was satisfactory as it was along the same lines as that proposed by the War Department but that the sentence in paragraph 2(*b*) expressing the hope that the Soviet Government "will not press their request for contact in Bern to be broken off" should be omitted since it would give the Soviet Government the impression that it was up to it to decide whether the matter should be pursued or not. I said that I was sure the Department of State would agree with this correction in particular in view of Ambassador Harriman's cables.

I saw Michael Wright [66] this afternoon and explained to him the Admiral's views. I also showed him the text of the proposed reply [67] which, when finally approved by the Joint Chiefs and the President, we proposed to send to Harriman for delivery to Molotov. Mr. Wright said that he agreed with the suggested deletion and was sure that the Foreign Office would accept it. He asked that he be notified as soon as our message had been approved and that he be given a copy in paraphrase.[68] This I promised to do.

CHARLES E. BOHLEN

740.00119 EW/3–2045 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, March 20, 1945—1 p. m.

652. Please convey to Molotov the following communication [69] which has been approved by the Joint Chiefs and the President in

[66] First Secretary of the British Embassy.

[67] See *infra*.

[68] A marginal notation by Mr. Dunn reads: "Message was approved by the President and sent March 20th, 1945. British Embassy informed. J. C. D."

[69] The message set forth below is identical with a draft transmitted to Assistant Secretary of State Dunn under cover of a memorandum from Maj. Gen. John E. Hull on March 17 (not printed). The memorandum read in part: "The attached represents the views of the War and Navy Departments and the Joint Chiefs of Staff on the question of the Soviet reply to Mr. Harriman's note of March 16. This has been gone over carefully by Mr. Stimson personally.

"The view of Admiral Leahy and, I believe, the other members of the Joint Chiefs of Staff (General Marshall being out of the city today) is that Mr.

(Footnote continued on p. 736)

reply to Molotov's letter quoted in your Army cable M 23247.[69a] You should concert delivery with the British Ambassador who is being instructed to reply along similar lines.

"1. The reply of the Soviet Government to Mr. Harriman's letter of March 16th concerning the contact at Bern is received and this Government is surprised at the tenor of this communication. There appears to be a misunderstanding on the part of the Soviet Government as to the purpose of a contact in Bern between the representatives of Field Marshal Alexander and German General Wolff. No negotiations whatever are to take place in Bern and the Bern meeting is solely for the purpose of establishing contact with a view to getting authorized representatives of the German Command to come to Field Marshal Alexander's headquarters where the details of the surrender will be discussed. The British and American officers attending this meeting are merely Staff officers of Field Marshal Alexander representing him for the sole purpose of obtaining this subsequent meeting. They were selected by him without consultation with this Government and the American officer thus selected, General Lemnitzer, has had no instructions whatever from the U.S. Government.

"2. Furthermore the discussions in the subsequent meeting to be conducted at Allied Forces Headquarters at Caserta, Italy, will be limited to the purpose of effecting an unconditional military surrender of the German forces in Northern Italy and these discussions will be conducted by Field Marshal Alexander. The suggested presence of your officers at the Caserta meeting conveyed to you through Mr. Harriman was for the purpose of assuring you that no other matters than the terms of such a military surrender were being discussed between us. It is our view that courtesy and good faith between the Soviet, British and American Allied Powers, would be best promoted by such presence.

"3. It goes without saying that whenever occasions may arise for the discussion between our three Powers of political as distinguished from purely military matters of surrender, each of the Three Powers should be fully represented and participate in the discussions.

"4. Assuming this fully explains to you the character of our proposal, we will proceed with the matter along the lines already indicated and hope your officers will be present at any meeting at Caserta."

GREW

740.00119 EW/3–2345 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, March 23, 1945—3 a. m.
[Received March 22—10 : 45 p. m.]

867. ReDepts 652, March 20, 1 p. m. I have tonight March 22 received a reply from Molotov to my communication to him concerning

(Footnote continued from p. 735)
Harriman should be supported. It is realized that this must be coordinated with the British and their views if contrary to the ones expressed in this paper must, of course, be considered. Admiral Leahy feels very strongly that it must be coordinated with the British prior to final action." (740.00119 EW/3–1745)

[69a] Dated March 16, p. 731.

the meeting at Bern [70] reading in paraphrase translation as follows:

Your letter of March 21 concerning the meeting between the officers of Field Marshal Alexander's Staff with General Wolff in Bern has been received. I must state that I see no basis for your statement to the effect that the Soviet Government has incorrectly understood the reasons for the contact between Wolff and Field Marshal Alexander's representatives in Bern since in the present case it is not a question of incorrect understanding of the objectives of this contact or of misunderstanding—it is something worse.

The German General Wolff and the persons accompanying him, according to your letter of March 12,[71] arrived in Bern in order to carry on conversations with representatives of the American and British Command concerning the surrender of German troops in the north of Italy. When the Soviet Government stated that representatives of the Soviet Military Command should participate in these conversations the Soviet Government received a refusal in this respect. During the last two weeks, therefore, in Bern, behind the back of the Soviet Government which has been carrying on the main burden of the war against Germany, representatives of the American and British Command on the one part and representatives of the German Military Command on the other are carrying on negotiations. The Government of the USSR considers that this is absolutely inadmissible and insists on the fulfillment of the statement of the Soviet Government contained in my letter of March 16.[72]

End of Molotov's letter.[73]

HARRIMAN

President Roosevelt to the Chairman of the Council of People's Commissars of the Soviet Union (Stalin) [74]

[WASHINGTON,] March 24, 1945.

212. I have received from Ambassador Harriman a letter addressed to him by Mr. Molotov regarding an investigation being made by Field Marshal Alexander into a reported possibility of obtaining the surrender of part or all of the German Army in Italy, in which letter Mr. Molotov demands that this investigation to be undertaken in

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[70] Telegram 852, March 21, 10 p. m., from Moscow, reported that the communication *supra* had been delivered "early this afternoon," and that a British note "along similar lines had been sent shortly thereafter." (740.00119 EW/-3-2145)

[71] See telegram 564, March 11, to Moscow, p. 723.

[72] See telegram M 23247, March 16, from Moscow, p. 731.

[73] In telegram 904, March 25, 10 a. m., from Moscow, Ambassador Harriman observed that this reply only confirmed views that he had already expressed in recent telegrams. "The only new light shed to explain the Soviet attitude is Molotov's contention appearing for the first time I believe in an official communication, that the Soviets have carried the main burden of the war against Germany. It would seem that he regards this as a justification for insistence that we should accept Soviet proposals and interpretations without question." (740.00119 EW/3-2545)

[74] Copy of telegram obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y.

Switzerland be stopped forthwith because of the non participation therein of Soviet officers.

I am sure that the facts of this matter, through misunderstanding, have not been correctly presented to you.

The facts are as follows: Some few days ago unconfirmed information was received in Switzerland that some German officers were considering the possibility of arranging for the surrender of German troops that are opposed to the British-American Armies in Italy commanded by Field Marshal Alexander.

When this information reached Washington, Field Marshal Alexander was authorized to send an officer, or officers, of his staff to Switzerland to ascertain the accuracy of the report, and if it appeared to be of sufficient promise, to arrange with any competent German officers for a conference with Field Marshal Alexander at his headquarters in Italy to discuss details of the surrender. Soviet representatives would, of course, be present if such a meeting could be arranged.

The Soviet Government was immediately informed of this investigation to be made in Switzerland and was later informed that it will be agreeable for Soviet officers to be present at Field Marshal Alexander's meeting with German officers when and if such a meeting is finally arranged in Berne to discuss details of a surrender at Caserta.

Attempts by our representatives to arrange a meeting with German officers have met with no success up to the present time, but there still appears to be a possibility of such a meeting.

You will, of course, understand that my government must give every assistance to all officers in the field in command of American Forces who believe there is a possibility of forcing the surrender of enemy troops in their area. It would be completely unreasonable for me to take any other attitude or to permit any delay which must cause additional and avoidable loss of life in the American Forces. You as a military man will understand the necessity for prompt action to avoid losing an opportunity. It is in the same category as would be the sending of a flag of truce to your general at Koenigsberg or Danzig.

In such a surrender of enemy forces in the field, there can be no political implications whatever and no violation of our agreed principle of unconditional surrender.

At any discussion of details of surrender by our commanders of American Forces in the field, I will be pleased to have the benefit of the experience and advice of any of your officers who can be present, but I cannot agree to suspend investigation of the possibility because of objection on the part of Mr. Molotov for some reason that is completely beyond my understanding.

I do not expect much from the reported possibility, but I hope you will, with the purpose of preventing misunderstanding between our

officers, point out to the Soviet officials concerned the desirability and necessity of our taking prompt and effective action without any delay to accomplish the surrender of any enemy military forces in the field that are opposed to American Forces.

I am sure that when a similar opportunity comes on the Soviet front you will have the same attitude and will take the same action.

ROOSEVELT

The Chairman of the Council of People's Commissars of the Soviet Union (Stalin) to President Roosevelt [75]

[Translation]

I gave consideration to the question you raised before me in the letter of March 25 [*24*], 1945, and have found that the Soviet Government could not have given a different answer after the Soviet representatives were refused participation in the discussions in Bern with the Germans regarding the possibility of capitulation of German troops and opening the front to Anglo-American troops in Northern Italy.

I am not against and, more than this, I am fully for using the opportunity of disintegration in the German armies and to hasten their capitulation in any section of the front, to encourage them in the opening of the front for the Allies.

But I agree to negotiations with the enemy on such matter only in the case when these negotiations will not make the situation of the enemy easier, if there will be excluded a possibility for the Germans to maneuvre and to use these negotiations for shifting of their troops to other sections of the front and, first of all, to the Soviet front.

Only with the purpose of creating such a guarantee was the participation of representatives of the Soviet Military Command in such negotiations with the enemy considered necessary by the Soviet Government, no matter where they would take place—in Bern or Caserta. I cannot understand why representatives of the Soviet Command were refused participation in these negotiations and in what way could they cause inconvenience to the representatives of the Allied Command.

For your information I have to tell you that the Germans have already made use of the negotiations with the Allied Command and during this period have succeeded in shifting three divisions from Northern Italy to the Soviet front.

The task of coordinated operations with a blow upon the Germans from the West, South and East, announced at the Crimea Conference [76]

[75] Copy of telegram obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y.

[76] Reference is to section I of the Report of the Crimea Conference, February 12, 1945, *Conferences at Malta and Yalta*, p. 969.

is to bind the troops of the enemy to the place of their location and not to give the enemy any possibility to maneuvre and shift troops in the necessary for him direction. This task is being carried out by the Soviet Command. This is being violated by Field-Marshal Alexander.

This circumstance is irritating the Soviet Command and creates ground for distrust.

"As a military man", you write me, "you will understand, that it is necessary to act quickly in order not to miss an opportunity. It would be the same if your general at Koenigsberg or Danzig would be approached by the enemy with a white flag". It is regretted that an analogy does not suit this case. German troops at Koenigsberg and Danzig are surrounded. If they surrender they will do it in order to avoid annihilation but they cannot open a front to the Soviet troops as the front has moved away from them far to the West, to the Oder. An entirely different situation is that of the German troops in Northern Italy. They are not surrounded and they do not face annihilation. If the Germans in Northern Italy, in spite of this seek negotiations in order to surrender and to open the front to Allied troops, this means that they have different, more serious aims relating to the fate of Germany.

I have to tell you, that if on the Eastern front, somewhere on the Oder, similar conditions of a possibility of capitulation of the Germans and opening the front to Soviet troops would arise, I would not hesitate to inform immediately the Anglo-American Military Command and to request it to send their representatives for participation in negotiations as in such cases the Allies should have no secrets from each other.

MARCH 29, 1945.

President Roosevelt to the Chairman of the Council of People's Commissars of the Soviet Union (Stalin) [77]

[WASHINGTON,] March 31, 1945.

217. It seems to me in the exchange of messages we have had on possible future negotiations with the Germans for surrender of their forces in Italy, that although both of us are in agreement on all the basic principles, the matter now stands in an atmosphere of regrettable apprehension and mistrust.

No negotiations for surrender have been entered into, and if there should be any negotiations they will be conducted at Caserta with

[77] Copy of telegram obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y.

your representatives present throughout. Although the attempt at Bern to arrange for the conduct of these negotiations has so far been fruitless, Marshal Alexander has been directed to keep you informed of his progress in this matter.

I must repeat that the meeting in Bern was for the single purpose of arranging contact with competent German military officers and not for negotiations of any kind.

There is no question of negotiating with the Germans in any way which would permit them to transfer elsewhere forces from the Italian front. Negotiations, if any are conducted, will be on the basis of unconditional surrender. With regard to the lack of Allied offensive operations in Italy, this condition has in no way resulted from any expectation of an agreement with the Germans. As a matter of fact, recent interruption of offensive operations in Italy has been due primarily to the recent transfer of Allied forces, British and Canadian divisions, from that front to France. Preparations are now made for an offensive on the Italian front about April 10th, but while we hope for success, the operation will be of limited power due to the lack of forces now available to Alexander. He has seventeen dependable divisions and is opposed by twenty-four German divisions. We intend to do everything within the capacity of our available resources to prevent any withdrawal of the German forces now in Italy.

I feel that your information about the time of the movements of German troops from Italy is in error. Our best information is that three German divisions have left Italy since the first of the year, two of which have gone to the Eastern front. The last division of the three started moving about February 25, more than two weeks before anybody heard of any possibility of a surrender. It is therefore clearly evident that the approach made by German agents in Bern occurring after the last movement of troops began could not possibly have had any effect on the movement.

This entire episode has arisen through the initiative of a German officer reputed to be close to Himmler and there, of course, is a strong possibility that his sole purpose is to create suspicion and distrust between the Allies. There is no reason why we should permit him to succeed in that aim. I trust that the above categorical statement of the present situation and of my intentions will allay the apprehensions which you express in your message of March 29.

ROOSEVELT

The Chairman of the Council of People's Commissars of the Soviet Union (Stalin) to President Roosevelt [78]

I have received your message on the question of negotiations in Bern. You are absolutely right that in connection with the affair regarding negotiation of the Anglo-American Command with the German Command somewhere in Bern or some other place "has developed an atmosphere of fear and distrust deserving regrets."

You insist that there have been no negotiations yet.

It may be assumed that you have not been fully informed. As regards my military colleagues, they, on the basis of data which they have on hand, do not have any doubts, that the negotiations have taken place and that they have ended in an agreement with the Germans, on the basis of which the German commander on the Western front—Marshal Kesselring, has agreed to open the front and permit the Anglo-American troops to advance to the East, and the Anglo-Americans have promised in return to ease for the Germans the peace terms.

I think that my colleagues are close to truth. Otherwise one could not have understood the fact that the Anglo-Americans have refused to admit to Bern representatives of the Soviet Command for participation in the negotiations with the Germans.

I also cannot understand the silence of the British who have allowed you to correspond with me on this unpleasant matter, and they themselves remain silent, although it is known that the initiative in this whole affair with the negotiations in Bern belongs to the British.

I understand that there are certain advantages for the Anglo-American troops as a result of these separate negotiations in Bern or in some other place since the Anglo-American troops get the possibility to advance into the heart of Germany almost without any resistance on the part of the Germans, but why was it necessary to conceal this from the Russians, and why your Allies—the Russians, were not notified?

As a result of this at the present moment the Germans on the Western front in fact have ceased the war against England and the United States. At the same time the Germans continue the war with Russia, the Ally of England and the United States. It is understandable that such a situation can in no way serve the cause of preservation of the strengthening of trust between our countries.

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[78] Copy of telegram obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y. A marginal notation indicates that this telegram was received from the Soviet Embassy in Washington April 4 at 3:05 a. m. Greenwich Mean Time, and dispatched to the President in Warm Springs, Ga., at 3:40 a. m. Greenwich Mean Time the same day.

I have already written to you in my previous message and consider it necessary to repeat it here that I personally and my colleagues would have never made such a risky step, being aware that a momentary advantage, no matter what it would be, is fading before the principle [*sic*] advantage on the preservation and strengthening of trust among the Allies.

APRIL 3, 1945.

740.00119 E.W./4–445

The British Embassy to the Department of State

AIDE-MÉMOIRE

In view of difficulties which have arisen with the Soviet Government in regard to negotiations looking to the surrender of German forces in North Italy, His Majesty's Government consider it urgent to agree to a procedure which could be followed in similar cases in the future.

2. As His Majesty's Government see it, German approaches may be of two kinds:

(*a*) for a total surrender, and (*b*) for a purely military surrender on a single front.

3. As regards (*a*) the position is clearly established under the secret protocol agreed in Moscow in 1943 [79] whereby the three governments are pledged to consult together with a view to concerting their action.

4. As regards (*b*) His Majesty's Government have carefully considered the view that in the preliminary stages it would be sufficient in the case of an Anglo-American theatre of operations if the Soviet Government were kept informed through military channels of what is going on.

5. His Majesty's Government feel, however, that matters of such vital political importance are involved that it is essential to clear any further approaches in the first instance through the diplomatic channel. They do not think this need necessarily entail any serious delay provided procedure to be followed in handling these approaches is agreed.

6. In laying down the procedure His Majesty's Government therefore consider it necessary in the first instance to distinguish between (1) offers of military surrender by German Commanders in Chief and (2) local surrenders in the field. The latter are of course purely a matter for military authorities on the spot. On the other hand an offer of military surrender by German Commander in Chief on the Eastern, Western or Italian fronts, whether or not it arises immedi-

[79] Reference is to item 13 of the Secret Protocol signed at Moscow, November 1, 1943, *Foreign Relations*, 1943, vol. I, p. 749.

ately out of military operations, clearly involves wider issues. Such an offer could be made either by direct contact at the front under a white flag or by preliminary contact on neutral territory. Through whichever channel such an offer may be received, His Majesty's Government would propose the following procedure—Information of any such approach from the German Commander in Chief in Italy or on the Western front should at once be communicated to the Combined Chiefs of Staff. If it is decided to follow up the offer, the British and United States Ambassadors in Moscow would be instructed urgently to inform the Russians of the approach and to say (*a*) that if the *bona fides* of the offer is established, arrangements will be made for fully accredited German representatives to proceed to whichever Allied Head Quarters is concerned in order to discuss the implementation of the offer of surrender; and (*b*) that if any such discussions materialize, and if time permits, the presence of Russian representatives should be welcomed at them in order that they may have first hand information of their progress. It would however be clearly understood between the three Governments that actual conduct of purely military matters connected with the surrender of the German army in question would rest with the Supreme Allied Commander on that front. In the event of any political questions arising, the issues would of course immediately have to be referred to the Governments.

7. As regards the establishment of the *bona fides* of an offer His Majesty's Government consider that it would be better in any future case to avoid sending military representatives of SACMED or SCAEF [81] to meet German representatives on neutral soil and that any contact which may be established should be maintained through suitable Allied organisations on the spot. (If for any reason the Supreme Allied Commander considers it desirable to employ military representatives for the purpose he should first refer to his Governments.) His Majesty's Government would further propose to limit strictly the role of such organisations to that of satisfying the Allied Commander in Chief of *bona fides* of (*a*) the German emissaries and (*b*) the German offer and, this done, of arranging for fully accredited representatives to proceed to the competent Allied Head Quarters where alone discussions of any offer would take place.[82]

WASHINGTON, April 4, 1945.

[81] Supreme Commander, Allied Expeditionary Force.

[82] A copy of this *aide-mémoire* was sent to Admiral Leahy under cover of a memorandum from the Assistant to the Secretary of State, Charles E. Bohlen, on April 6, not printed. Mr. Bohlen wrote: "The Secretary of State would appreciate very much your obtaining the views of the Joint Chiefs of Staff in regard to this British suggestion concerning agreed procedure for surrender of German forces in the future. The State Department's opinion is that in view of certain developments this is not the best moment to bring forth any such suggestion although the idea of agreed procedure for such matters is in itself most desirable politically." (740.00119 EW/4–645)

President Roosevelt to the Chairman of the Council of People's Commissars of the Soviet Union (Stalin)[83]

[WASHINGTON,] April 4, 1945.

222. I have received with astonishment your message of April 3 containing an allegation that arrangements which were made between Field Marshals Alexander and Kesselring at Bern, "permitted the Anglo-American troops to advance to the East and the Anglo-Americans promised in return to ease for the Germans the peace terms."

In my previous messages to you in regard to the attempts made in Bern to arrange a conference to discuss a surrender of the German Army in Italy, I have told you that,

(1) No negotiations were held in Bern;
(2) That the meeting had no political implications whatever;
(3) That in any surrender of the enemy army in Italy there could be no violation of our agreed principle of unconditional surrender;
(4) That Soviet officers would be welcomed at any meeting that might be arranged to discuss surrender.

For the advantage of our common war effort against Germany, which today gives excellent promise of an early success in a disintegration of the German armies, I must continue to assume that you have the same high confidence in my truthfulness and reliability that I have always had in yours.

I have also a full appreciation of the effect your gallant army has had in making possible a crossing of the Rhine by the forces under General Eisenhower[84] and the effect that your forces will have hereafter on the eventual collapse of the German resistance to our combined attacks.

I have complete confidence in General Eisenhower and know that he certainly would inform me before entering into any agreement with the Germans. He is instructed to demand and will demand unconditional surrender of enemy troops that may be defeated on his front. Our advances on the Western Front are due to military action. Their speed has been attributable mainly to the terrific impact of our air power resulting in destruction of German communications, and to the fact that Eisenhower was able to cripple the bulk of the German Forces on the Western front while they were still West of the Rhine.

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[83] Copy of telegram obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y. A marginal notation indicates that this telegram was dispatched from the White House Map Room in Washington on April 4 at 8:17 p. m. Greenwich Mean Time.

[84] General of the Army Dwight D. Eisenhower, Supreme Commander, Allied Expeditionary Force. The Rhine river was first crossed by Allied troops on March 7.

I am certain that there were no negotiations in Bern at any time, and I feel that your information to that effect must have come from German sources which have made persistent efforts to create dissension between us in order to escape in some measure for responsibility for their war crimes. If that was Wolff's purpose in Bern your message proves that he has had some success.

With a confidence in your belief in my personal reliability and in my determination to bring about together with you an unconditional surrender of the Nazis, it is astonishing that a belief seems to have reached the Soviet Government that I have entered into an agreement with the enemy without first obtaining your full agreement.

Finally I would say this, it would be one of the great tragedies of history if at the very moment of the victory, now within our grasp, such distrust, such lack of faith should prejudice the entire undertaking after the colossal losses of life, matériel and treasure involved.

Frankly I cannot avoid a feeling of bitter resentment toward your informers, whoever they are, for such vile misrepresentations of my actions or those of my trusted subordinates.

ROOSEVELT

The British Prime Minister (Churchill) to President Roosevelt[85]

LONDON, April 5, 1945.

934. Your No. 734.[86]

1. I am astounded that Stalin should have addressed to you a message so insulting to the honour of the United States and also of Great Britain. His Majesty's Government cordially associate themselves with your reply and the War Cabinet have instructed me to send to Stalin the message in my immediately following.[87]

2. There is very little doubt in my mind that the Soviet leaders, whoever they may be, are surprised and disconcerted at the rapid advance of the Allied armies in the west and the almost total defeat of the enemy on our front especially as they say they are themselves in no position to deliver a decisive attack before the middle of May. All this makes it the more important that we should join hands with

[85] Copy of telegram obtained from the Franklin D. Roosevelt Library, Hyde Park, N. Y.

[86] Not printed. This message of April 4 transmitted to the Prime Minister the message of April 3 from Marshal Stalin to President Roosevelt, p. 742, and President Roosevelt's reply of April 4, *supra*. (Copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y.)

[87] Not printed. Prime Minister Churchill's message to Marshal Stalin can be found in Winston S. Churchill, *The Second World War: Triumph and Tragedy* (Boston: Houghton Mifflin, 1953), pp. 449–451.

the Russian armies as far to the east as possible and if circumstances allow, enter Berlin.

3. I may remind you that we proposed and thought we had arranged six weeks ago provisional zones of occupation in Austria,[88] but since Yalta the Russians have sent no confirmation of these zones. Now that they are on the eve of taking Vienna [89] and very likely will occupy the whole of Austria, it may well be prudent for us to hold as much as possible in the north.

4. We must always be anxious lest the brutality of the Russian messages does not foreshadow some deep change of policy for which they are preparing. On the whole I incline to think it is no more than their natural expression when vexed or jealous. For that very reason I deem it of the highest importance that a firm and blunt stand should be made at this juncture by our two countries in order that the air may be cleared and they realize that there is a point beyond which we will not tolerate insult. I believe this is the best chance of saving the future. If they are ever convinced that we are afraid of them and can be bullied into submission, then indeed I should despair of our future relations with them and much else.

740.00119 EW/4–545 : Telegram

The Acting Secretary of State to Mr. Myron C. Taylor, Personal Representative of President Roosevelt to Pope Pius XII

WASHINGTON, April 6, 1945—3 p. m.

36. From the President for Ambassador Taylor only.

"While fully appreciating the high purpose which motivated the suggestion in your no. 73 of April 5,[90] I must disapprove any idea of your going to Paris for purpose indicated. In present circumstances I feel that you should refuse absolutely to accept or listen to any approaches. The danger of misinterpretation by the enemy of our position on unconditional surrender is too great, and I must, therefore, request you to abstain from any further discussions on this subject with the Vatican. With best personal regards."

ACHESON

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[88] For documentation on the negotiation in the European Advisory Commission of the agreement regarding zones of occupation in Austria, see pp. 1 ff.

[89] Russian troops entered Vienna on April 7.

[90] Not printed. In this telegram to President Roosevelt, Mr. Taylor inquired whether: "preparatory to possible approach of peace through His Holiness would it not be wise procedure in case actual proposal is made for me to secretly and at once to visit Eisenhower in person at Paris headquarters." (740.00119-EW/4-545)

740.00119 EW/4–545 : Telegram

Mr. Myron C. Taylor, Personal Representative of President Roosevelt to Pope Pius XII, to the Secretary of State

[ROME,] April 6, 1945—4 p. m.
[Received April 6—4:10 p. m.]

75. For the President only. My 73, April 5, 4 p. m.[91] Following is a translation of written proposal made through Cardinal Schuster [92] by the son of Mussolini [93] to His Holiness Pope Pius XII:

"In the event that developments in the war or in the political sphere compel the armies of Kesselring to withdraw within their proper confines, in that moment the Armed Forces of the Italian Social Republic of all branches will meet in previously agreed upon places thus to offer the most strenuous resistance to the enemy and the forces of disorder and to those of the Royal Government, conscious of the fact that anti-Fascist hatred does not allow them any other escape than that of fighting to the last man and to the last cartridge.

"However, in order to avoid additional sorrow to the population of northern Italy and to preserve from total destruction that which remains of the industrial and agricultural patrimony and to show that love for Italy takes precedence over any interest of party or of ideas the Government of the Social Italian Republic proposes that a preliminary agreement be signed with the Supreme Allied Command on the basis of which the two contracting parties would take upon themselves the following obligations:

"1. The Armed Forces of the Social Republic under command of Marshal Graziani and all the other armed units of the Republic will maintain order as far as possible in the cities and country districts until direct agreements are reached between the Allied Command and that of the Italian Social Republic. With Marshal Graziani there will function a commission of citizens of the Italian Social Republic that will do everything possible in order that the life of the nation may not be thrown into chaos or the most absolute anarchy and into civil war.

"2. Every uncontrolled or extremist activity of irregular or popular origin (Partisan Bands, Communists, public meetings, strikes et cetera) will be opposed by the Republican armed forces and by the Allied military authorities. Moreover, the Clergy will undertake the obligation to initiate immediately a decisive publicity campaign in favor of general pacification.

"3. The Allied Command pledges itself to see to it that the Partisan forces take no indiscriminate action of a terroristic or predatory nature and that their disarmament will be effected previous to that of the regular formations of the Italian Social Republic. Furthermore the Allied Command will provide in the most absolute manner that no units of the Bonomi [94] Army or of the Carabinieri will come into the Po Valley until order has been completely restored.

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[91] Not printed, but see footnote 90, *supra*.
[92] Ildefonso Cardinal Schuster, Archbishop of Milan.
[93] Presumably Vittorio Mussolini.
[94] Ivanoe Bonomi, Italian Prime Minister.

"4. An absolutely necessary condition for negotiations and signing of the agreement is this: That there will be an immediate cessation of arrests and trials and the abolition of every other form of persecution on the part of the Epuration Commission functioning at Rome against those who kept their faith in agreements freely made and who fought with honor against the enemy whether they be Fascists or soldiers who swore allegiance to the Italian Social Republic or civilians employed in the various Ministries or Government Agencies and their families. The Allied Commission may denounce to the regular courts only those who are guilty of notorious crimes not connected with war guilt or events relating to the war.

"Similarly it is desired that word be given as to the fate of the members of the government and of those who have held positions in the Grand Command of the Italian Social Republic (arrest, concentration camp, exile).

"The Fascist Republican Party will be dissolved. It will be understood that the citizens would have equality of rights and duties and it is to be hoped that in that moment there will be effected the formation of a government which will be representative of every political conviction and that a general election will be held at the earliest possible date."

The document of which this is a copy was consigned to Cardinal Schuster by the son of Mussolini on March 13, 1945.

The Secretariat of State has already given the following answer:

"That insofar as the Holy See is aware the authorities do not intend to enter into negotiations but insist upon unconditional surrender."

It is not necessary to telegraph at this moment certain other "indications" linking German authorities with this proposal. You will be promptly advised of any developments. I have pledged secrecy except as to yourself.

TAYLOR

The Chairman of the Council of People's Commissar of the Soviet Union (Stalin) to President Roosevelt [95]

I have received your message of April 5th [*4th*].

1. In my message of April 3 I spoke not about honesty and dependability. I never doubted your honesty and dependability, as well as the honesty and dependability of Mr. Churchill. I speak about the fact that in the course of this correspondence between us has been revealed a difference of opinions as to what can an Ally allow himself to do in respect to the other Ally and what he should not allow himself to do. We, Russians, believe that in the present situation at the

[95] Copy of telegram obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y.

fronts when the enemy is confronted by the inevitability of capitulation, at any meeting with the Germans on questions of capitulation by representatives of one of the Allies arrangements have to be made for the participation in this meeting of representatives of the other Ally. At any rate this is absolutely necessary if this Ally is seeking participation in such a meeting. Americans, however, and the Englishmen think differently, considering the Russian point of view wrong. Proceeding from this fact they rejected the Russians the right of participation in the meeting with the Germans in Switzerland. I have already written to you and consider it not unnecessary to repeat that the Russians in a similar situation under no circumstances would have refused the Americans and Englishmen the right for participation in such a meeting. I continue to consider the Russian point of view as the only right one as it excludes any possibility of mutual distrust and does not permit the enemy to sow distrust among us.

2. It is difficult to agree that lack of resistance on the part of the Germans on the Western front can be explained only that they are defeated. The Germans have on the Eastern front 147 divisions. They could without harm to their cause take from the Eastern front 15–20 divisions and shift them to the aid of their troops on the Western front. However, the Germans did not do it and are not doing it. They continue to fight savagely with the Russians for some unknown junction Zemlianitsa in Czechoslovakia which they need as much as a dead man needs poultices, but surrender without any resistance such important towns in Central Germany as Osnabrück, Mannheim, Kassel. Don't you agree that such a behavior of the Germans is more than strange and incomprehensible.

3. As regards my informers, I may assure you that they are very honest and modest people who carry out their duties accurately and have no intentions of insulting anyone. These people have been manyfold tested by us by their deeds. Judge for yourself. In February, 1945, General Marshall has given a number of important information to the General Staff of the Soviet troops, where he, on the basis of data he had on hand, warned the Russians that in March there will be two serious counter-attacks of the Germans on the Eastern front one of which will be directed from Pomerania on Torun and the other from the region of Moravska Ostrava on Lodz. In fact, however, it proved that the principal blow of the Germans was being prepared and was realized not in the above-mentioned regions but in an entirely different region, namely in the region of Lake Balaton, to the South-West of Budapest. As it is known the Germans have concentrated in this region up to 35 divisions, including 11 tank divisions. This was one of the most serious blows in the course of the war with such great concentration of tank forces. Marshal Tolbukhin succeeded

in avoiding a catastrophe and in complete defeat of the Germans later, because my informers have uncovered, true a little late, this plan of the main blow of the Germans and immediately informed Marshal Tolbukhin. Thus I had another occasion to convince myself in the accuracy and knowledge of Soviet informers.

For your orientation in this matter I am enclosing a letter of the Chief of the General Staff of the Red Army, Army General Antonov, addressed to Major-General Dean.[96]

APRIL 7, 1945.

740.00119 E.W./1–1445

The Secretary of State to the United States Political Adviser for Germany (Murphy)

No. 33 WASHINGTON, April 10, 1945.

The Secretary of State refers to Ambassador Murphy's telegram No. 482, January 14, 1945, and his despatch No. 66 of the same date,[97] and wishes to reiterate support of his maintenance of an unqualified policy of unconditional surrender, as transmitted in the Department's telegram No. 371 of January 15 [*16*], 1945.

The Department is deeply concerned that this policy of unconditional surrender not be compromised in any way whatsoever. It views the endeavors of the Psychological Warfare Division to modify this policy as unwarranted and finds that the argumentation of the Psychological Warfare Division does not correspond to the views of this Government regarding the meaning of unconditional surrender.

The policy of unconditional surrender was meant from the start to apply to the entire German nation, and not merely to the German Government, the High Command, or the Nazi Party. It is meant to apply to the German Government, the High Command, and the Nazi Party, in particular, insofar as these agencies of the German people, possessing public power and authority, might represent the German people in any formal act acknowledging unconditional surrender, such as the signing of an instrument to that effect. The unconditional surrender itself applies, without exception, to all Germans, individually and collectively, in all respects, including the sense in which the German people may be considered as individual human beings.

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[96] In this letter, Marshal Antonov requested that General Deane thank General Marshall for warning him in February of impending German counter-offensives on the eastern front. Marshal Antonov pointed out, however, that subsequent operations proved the information inaccurate. For text of the letter, see Ministry of Foreign Affairs, Commission for the Publication of Diplomatic Documents, *Stalin's Correspondence With Churchill, Attlee, Roosevelt and Truman, 1941–45* (New York, E. P. Dutton, Inc., 1958), vol. II, p. 210.

[97] Despatch not printed.

Great care was taken in the framing of the instrument of unconditional surrender of Germany agreed upon by the three major Powers to avoid therein the appearance of a contractual arrangement and to obtain the acknowledgement of the absolutely unlimited powers of the victors. There is now a growing possibility that the surrender instrument will not be signed and that military resistance will be brought to a close by a series of local capitulations. In this case where no formal acknowledgment of unconditional surrender may be obtained from German military and political authorities, it is particularly important that no statements be made by official or semi-official Allied sources to the German people as a whole or as individuals, which may be construed by them as promises or commitments on our part.

The policy of unconditional surrender has been steadfastly maintained by this Government since the Casablanca Conference, has never been altered nor modified in any way, and should not now be permitted to be compromised during the final stages of military operations against Germany.

STETTINIUS

The British Prime Minister (Churchill) to President Roosevelt [98]

LONDON, April 11, 1945.

940. Your No. 734 [99] about CROSSWORDS.[1] I send you a private message I have received from Stalin covering the official telegram which he has sent to you with copy to me.[2] I have a feeling that this is about the best we are going to get out of them, and certainly it is as near as they can get to an apology.

However, before considering any answer at all from His Majesty's Government, please tell me how you think the matter should be handled so that we may keep in line together.

The British Prime Minister (Churchill) to President Roosevelt [98]

LONDON, April 11, 1945.

941. Reference my immediate preceding telegram. Following is Marshal Stalin's message dated 7 April.

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[98] Copy of telegram obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y. A marginal notation indicated that this telegram was received in the White House Map Room at 12: 03 a. m., Greenwich Mean Time, April 11.

[99] Not printed, but see footnote 86, p. 746.

[1] "Sunrise-Crossword" was the code name for the meetings taking place in Bern.

[2] *Infra.*

Your message of 5th April [3] received. In my message of 7th April to the President, which I am sending to you also, I have already replied to all the fundamental points raised in your message regarding the negotiations in Switzerland. On the other questions raised in your message I consider it necessary to make the following remarks.

1. Neither I nor Molotov had any intention of "blackening" anyone. It is not a matter of wanting to "blacken" (anyone) but of our having developed differing points of view as regards the rights and obligations of any ally. You will see from my message to the President that the Russian point of view on this question is the correct one, as it guarantees each ally's rights and deprives the enemy of any possibility of sowing discord between us.

2. My messages are personal and strictly confidential. This makes it possible to speak one's mind clearly and frankly. This is the advantage of confidential communications.

If, however, you are going to regard every frank statement of mine as offensive, it will make this kind of communication very difficult. I can assure you that I had and have no intention of offending anyone.

740.0011 E.W./4–1145 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

[Extracts]

STOCKHOLM, April 11, 1945—6 p. m.
[Received April 12—7:27 a. m.]

1356. My 932 of March 9, midnight.[4] Olsen had a several hours conference with Kleist [5] yesterday afternoon on the same prearranged understanding as his discussion with Hesse; [5a] i.e., that the exchange of views would be exclusively on humanitarian subjects and would be entirely personal without political implication. As a matter of fact, Kleist indicated every possible inclination to restrict the discussion precisely to that basis. He spoke with the outward assurance of a person having extremely solid connections at the highest policy levels, expressed his views with the competence of a person intimately familiar with a subject matter from which he did not intend to be diverted, and in general Olsen found him considerably more difficult to penetrate than Hesse.

. . . . . .

Olsen suggested that he did not consider it inappropriate to express his inability to understand Germany's objective in continuing a war which all its top leaders including Kleist readily concede is

[3] See Churchill, *Triumph and Tragedy*, p. 449.
[4] Not printed.
[5] Bruno P. Kleist, Deputy Director in the Reich Ministry for Occupied Eastern Territories.
[5a] Fritz Hesse of the German Foreign Ministry, on special mission in Sweden.

hopelessly lost. It was added that the stubbornness of the German High Command not only was exacting a murderous toll of German civilians and property but soon would create a situation where the High Command would not have even the honor and dignity of surrender. Reference was made to General Eisenhower's recent statement that perhaps the Allies themselves would have to declare that a state of war no longer existed in Germany, and that the small groups of isolated resisters would simply be hunted by an international posse as we hunt and corner bandits in the United States. Kleist, his fingers tightening slightly on the arm of the chair, replied that surrender was simply out of the question—even among the civilians. He added that Allied propaganda had been "too frank" to afford the Germans any delusion of hope for the future. He said that the German civilian knows that he is eating today, perhaps not very well, but that he has no idea what he will get in exchange for surrender tomorrow. He then made specific reference to the Allies inability to feed even the friendly areas they had liberated. Olsen replied that, on the basis of a personal humanitarian point of view, he certainly couldn't see how a senseless prolongation of the war would improve the situation and that as a matter of fact Kleist had supplied the strongest possible support to General Eisenhower's recent advice to the Germans to resume planting of crops as quickly as possible. On the contrary, prolongation of the war was only destroying any possibilities of Germany being able to feed itself.

The discussion swung briefly to the occupation of Germany and Kleist described as the "purest nonsense" propaganda about Germany continuing underground resistance as "werewolves". He stated that in the first place if the Allies establish any intelligent type of administration and secure the cooperation of accepted German civilian groups the "werewolf" problem can be stamped out promptly—simply by putting a clamp on a city and insisting that these undesirable elements be apprehended and delivered say within 48 hours. In the second place he added, the German mentality is completely unsuited for underground activity—it must be more open and flamboyant to appeal to the German sense of dignity. He pointed out that the National Socialist Party has never had to function as a suppressed underground group such as political movements in certain other European countries and therefore has no background at all in this type of activity. He emphasized that the Allies would encounter no serious administrative problems at the outset, from underground elements, but that its real test would come a year or two after occupation. Any failure to provide order and workable living conditions would by then produce a resistance movement of proportions which

would present serious administrative problems. He mentioned particularly the problems of food supply adding that the German population had moved in large numbers into the western provinces, first in order to get away from the Russian military advance but more recently to get into areas which have been designated for British and American occupation. This would present a critical problem of congestion and food supply since the eastern areas vacated were the source of Germany's food products in normal times.

Kleist then mentioned his own experience with the administration of occupied countries. He said that in both Russia and Europe the Germans repeated the same fatal mistake—that of attempting to control an area by a government composed exclusively of German party members. He said that nowhere could the Germans maintain order by these methods and that it spawned underground resistance. Furthermore the Germans never were able to obtain "workers" only "slaves", which were a constant menace to internal order. He said that entirely different results would have been attained had the Germans searched out acceptable local elements and used them to enlist local cooperation. As a matter of fact he added it was precisely on that point that he had sharp clashes on administrative policies in the Baltic countries. He concluded that it is a very important lesson for the Allies to learn in the occupation of Germany.

Olsen feels that these discussions have progressed to the point where it is now possible to identify the following objectives of at least some high level groups in Germany:

1. They are obviously terrified of Russian occupation of Germany and are hoping that, by demonstrating certain humanitarian inclinations at this time, perhaps the British and Americans will endeavor to lighten the more severe and repressive measures proposed by the Russians in occupying Germany.

2. They are sending certain ace representatives out to establish contact with the Allies, more or less as a "putting best foot forward" proposition, with the hope that such persons will be able to demonstrate their usefulness in the occupation of Germany.

3. Certain groups are establishing for reserve a possible non-military channel of offering unconditional surrender. They would be inclined to consider such channels perhaps more desirable from the point of view of prestige and face saving.

4. The ever present hope of compromising the British and Americans with the Russians has become rather remotely considered. Kleist made virtually no reference to the Russians.

JOHNSON

President Roosevelt to the Chairman of the Council of People's Commissars of the Soviet Union (Stalin) [6]

[WASHINGTON,] April 12, 1945.

229. Thank you for your frank explanation of the Soviet point of view of the Bern incident which now appears to have faded into the past without having accomplished any useful purpose.

There must not, in any event, be mutual distrust and minor misunderstandings of this character should not arise in the future. I feel sure that when our armies make contact in Germany and join in a fully coordinated offensive the Nazi Armies will disintegrate.

ROOSEVELT

The Ambassador in the Soviet Union (Harriman) to President Roosevelt [7]

Moscow, 12 April 1945.
[Received April 12—11: 39 a.m.]

121031.[8] British Ambassador has this morning shown me a copy of a personal message from the Prime Minister to you Number 940 [9] in which he suggests concerting with you on the line to take in replying to Marshal Stalin's latest messages regarding the Bern incident. From the respective times of dispatch it would seem that your message to Marshal Stalin (White House Number 229) [10] Navy Number 120221) had been sent prior to the receipt of the Prime Minister's. Under these circumstances I am wondering whether you wish me to hold up delivery of your message to Marshal Stalin. Since the time of delivery does not appear to be of prime importance, I am holding your message until receipt of further instructions from you.

If you are prepared to reconsider the wording of your message may I respectively [*respectfully?*] suggest that the word "minor" as a qualification of "misunderstandings" be eliminated. I must confess that the misunderstanding appeared to me to be of a major character and the use of the word "minor" might well be misinterpreted here.

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[6] Copy of telegram obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y. President Roosevelt was in Warm Springs, Georgia, at this time, where his death occurred on April 12. A marginal notation indicates that this telegram was dispatched from the White House Map Room at 2: 21 a. m., Greenwich Mean Time, April 12.

[7] Copy obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y.

[8] Message sent through U.S. Navy channels and carries Navy signal identification.

[9] Dated April 11, p. 752.

[10] *Supra.*

President Roosevelt to the Ambassador in the Soviet Union (Harriman)[11]

[WASHINGTON,] April 12, 1945.

230. Personal for Ambassador Harriman. Replying to your message 121031 I have replied to Churchill's 940 by quoting my message to Stalin.[12] Churchill is therefore fully informed and there is no necessity of your delaying delivery of my message to Stalin.

Your second question. I do not wish to delete the word "minor" as it is my desire to consider the Berne misunderstanding a minor incident.

ROOSEVELT

740.00119 EW/4–1445

The British Embassy to the Department of State

AIDE-MÉMOIRE

It appears to His Majesty's Government clear from telegram Naf 916[13] from the Supreme Allied Commander in the Mediterranean that the German Commander in Chief in Italy has no intention of surrendering his forces at the present stage on terms acceptable to the United States Government and His Majesty's Government.

2. Under the circumstances His Majesty's Government feel that there is no object in any Allied representatives remaining in contact with German emissaries in Switzerland. Having regard to the effect which this matter has had upon the Soviet Government, His Majesty's Government therefore regard it as essential that all contact should at once be discontinued.

3. If the Department of State agree with this it is therefore suggested that the Combined Chiefs of Staff might be invited to send the necessary instructions to Field Marshal Alexander that all con-

[11] Copy of telegram obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y. A marginal notation indicates that this telegram was dispatched from the White House Map Room at 9:39 p. m. Greenwhich Mean Time, April 12.

[12] See Churchill, *Triumph and Tragedy*, p. 453.

[13] This telegram from Field Marshal Alexander, April 12, to the Combined Chiefs of Staff and the British Chiefs of Staff reported on developments in the surrender negotiations since he had recalled his representatives on April 4. In subsequent discussions between German officers and various intermediaries in Switzerland and Northern Italy, the Germans had asked to see a copy of the instrument of surrender they were to be expected to sign, and they had expressed anxiety over finding a form for the surrender which would adequately maintain the appearance of military honor. Field Marshal Alexander had informed them that the instrument of surrender could only be seen at appropriate Allied headquarters. (Microfilm copy obtained from Department of the Army files.)

tact with German emissaries from German Head Quarters should be broken off.[14]

WASHINGTON, April 14, 1945.

740.00119 E.W./4–445

The Department of State to the British Embassy[15]

AIDE-MÉMOIRE

1. The United States Government is in agreement with the views expressed in the first three paragraphs of the *aide-mémoire* from the British Embassy of 4 April 1945.

2. It is believed that the procedure proposed in the *aide-mémoire*, while probably desirable in a relatively static military situation, may be too time-consuming for rapidly moving operations on a local front. A less cumbersome procedure would appear to be suggested by existing circumstances and can be achieved without endangering desirable political safeguards.

3. It is proposed that a commander should be authorized to accept immediately the unconditional surrender of the forces under the opposing German commander, handling the matter on a military basis and keeping the governments informed through military channels. It is understood, of course, that the governments are in a position to interpolate at any time their wishes on what they consider may be political aspects. In the fluid situation which has now developed in Germany, a chaotic condition can readily develop in a matter of hours. The delay which our experience to date in handling other matters has indicated might well be prejudicial to the earliest termination of the fighting.

4. It is considered that Russian representation, if so desired by the Government of the Soviet Union to observe any surrenders to United States–United Kingdom forces should be assured by prior arrangements to be made immediately. In this connection, it should be made clear to the Russians that the actual conduct of an unconditional surrender would be a matter for the military commander of the United States–United Kingdom forces involved. The United States Chiefs

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[14] In a memorandum of telephone conversation, Washington, April 16, not printed, John Hickerson, Deputy Director of the Office of European Affairs reported a discussion of this *aide-mémoire* with Roger Makins, Counselor of the British Embassy. Mr. Makins said that "an approach in the same sense as the memorandum had been made to the United States military authorities by the British Chiefs of Staff and that we should also know that there had been a 'top level' approach in the same sense." (740.00119 EW/4–1645) Cf. Harry S. Truman, *Year of Decisions* (Garden City, N.Y., Doubleday, 1955), p. 200.

[15] This *aide-mémoire* was based on a memorandum, not printed, from the State-War-Navy Coordinating Committee containing the recommendations of the Joint Chiefs of Staff approved by the Secretary of War and the Secretary of the Navy (740.00119 EW/4–1945).

of Staff have already made this proposal to the Combined Chiefs of Staff, and it is believed the matter can be worked out on a military level in the same way as the representation of the Soviet authorities at the questioning of von Papen.[16]

5. It is agreed that in any future case it is preferable to avoid sending military representatives of our supreme commanders to meet German representatives on neutral soil, and that any contacts on neutral soil should be confined strictly to establishing *bona fides* and making arrangements for immediate transportation of German representatives to one of our headquarters. However, in case the situation requires sending representatives of one of our commanders to neutral soil, the political safeguards seem adequate without accepting the delay which our experience has shown occurs when these matters are passed through several levels and handled between governments. Again, such delay might well be injurious to the earliest termination of the fighting.

6. It appears the proper action is to approach the Government of the Soviet Union along the foregoing lines and if the British Government agrees, the United States Ambassador in Moscow will be instructed to do so in collaboration with his British colleague.[17]

WASHINGTON, April 23, 1945.

740.00119 EW/4–2545 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 25, 1945—3 a. m.
[Received 8 : 40 a. m.[18]]

1528. Foreign Minister Günther sent for the British Minister[19] and me at 11 o'clock this evening to meet with him, Mr. Boheman,[20] [and] Count Bernadotte[21] who has just returned from Germany.

[16] Franz von Papen; for documentation relating to the interrogation of war criminals, see pp. 1151 ff.

[17] No record of such action, nor of British agreement, can be found in Department files. However, for information that this matter was taken up with the Soviet Government through Combined Chiefs of Staff channels, and that representatives were designated, see Pogue, *The Supreme Command*, p. 476.

[18] This telegram was repeated to the Secretary of State, then attending the United Nations Conference in San Francisco, at 4 : 22 p. m. It does not appear to have been brought to President Truman's attention until after 2 p. m. See the transcript of his telephone conversation with Prime Minister Churchill, p. 762; and cf. Leahy, *I Was There*, p. 355, where it is stated that Acting Secretary Grew delivered the telegram to the President shortly after the conclusion of the telephone conversation with the Prime Minister.

[19] Sir Victor A. L. Mallet.

[20] Erik C. Boheman, Under Secretary in the Swedish Foreign Office.

[21] Count Folke Bernadotte, President of the Swedish Red Cross; for an account of his activities in Germany during 1945, see Count Folke Bernadotte, *The Curtain Falls*, translated by Count Eric Lewenhaupt (New York, Knopf, 1945).

Count Bernadotte was on April 23 at Flensburg near Danish border. Himmler who was at some point on German eastern front sent word that he wanted to see Count Bernadotte urgently and the latter said that he would meet him at Lübeck. This meeting took place at 1 o'clock in the morning April 24. Bernadotte reports that Himmler although tired and admitting that Germany was finished, was calm and coherent. Himmler told him that Hitler was so ill that he might be already dead or could not be expected to live more than 2 days longer (General Schellenberg,[22] Himmler's confidential staff officer, told Bernadotte that Hitler was suffering from brain hemorrhage). Himmler said that while Hitler was still active he would not have been able to take the step he now proposed to take but as Hitler was finished he, Himmler, is in a position of full authority to act. He asked Count Bernadotte to forward to the Swedish Government his request that the Swedish Government should intervene in order to arrange for him to meet General Eisenhower. The purpose of this meeting would be to capitulate on the whole western front (including the Netherlands). Bernadotte remarked that such a meeting was not necessary as Himmler could simply order his troops to capitulate and that he was not willing to forward this request to the Swedish Government if Norway and Denmark were not included in the capitulation. Because of special technical arrangements in regard to how and to whom Germany would capitulate in Denmark and Norway Bernadotte remarked that in his opinion there might be some point to a meeting between General Eisenhower and Himmler. Himmler said that he would order his troops in Norway and Denmark to surrender to American, British or Swedish troops. He hoped to be able to continue to fight on the eastern front at least for a time. Bernadotte said that this would be scarcely possible to put in practice and would not be acceptable to the Allies. Bernadotte had the impression that Himmler hopes the Allies would be the first to enter into northern and western Germany into Mecklenburg for instance, which district was mentioned by Himmler) rather than the Russians for the sake of the civilian population.

General Schellenberg is in Flensburg near the Danish border eagerly waiting to hear anything which Bernadotte can convey to him. He is in hourly contact with Himmler and could ensure immediate delivery to him of any message it may be desired to send.

Mr. Günther thought this information was of such importance that it should be communicated at once to the American and British Governments.

[22] Walter Schellenberg, Chief of Amt VI of the Reich Security Main Office.

Both Sir Victor Mallet and I remarked that Himmler's refusal actually to order surrender on the eastern front looked like a last attempt to sow discord between the western Allies and Russia because obviously the Nazis would have to surrender simultaneously to all the Allies. Mr. Günther and Mr. Boheman while admitting this motive could not be excluded pointed out that the fact that the Nazi chief would order capitulation of all troops on the whole Western Front and in Norway and Denmark must be of great advantage to all the Allies including Russia and would in fact lead to early total capitulation. In any case Mr. Günther thought that Count Bernadotte's information should be passed on to the British and American Governments who were, as far as the Swedish Government was concerned, at complete liberty to transmit it to the Soviet Government as Sweden would in no way be or thought to be an instrument in promoting any attempt to sow discord between the Allies. The only reason the Swedish Government could not convey this information directly to the Soviet Government was because Himmler had stipulated to Count Bernadotte that it was exclusively for the western Allies.

Count Bernadotte is of the opinion that if no reaction at all is forthcoming to this proposal of Himmler's it would probably result in a lot of unnecessary suffering and loss of human life.

JOHNSON

740.00119 EW/4–2645

The British Prime Minister (Churchill) to President Truman[23]

[LONDON,] April 25, 1945.

16. You will no doubt have received some hours ago the report from Stockholm by your Ambassador on Bernadotte–Himmler talks. I called the War Cabinet together at once and they approved immediately following message which we are sending to Marshal Stalin and repeating through usual channels to you. We hope that you will find it possible to telegraph to Marshal Stalin and to us in the same sense. As Himmler is evidently speaking for the German State, as much as anybody can, the reply that should be sent him through Swedish Government is in principle a matter for triple powers, since no one of us can enter into separate negotiations. This fact however in no

[23] Neither the time of dispatch nor the time of receipt is indicated on the file copy of this telegram. In his memoirs Prime Minister Churchill suggests that it was sent in the morning, London time (Churchill, *Triumph and Tragedy*, p. 536). The transcript of the telephone conversation between Mr. Churchill and President Truman, *infra*, indicates that this telegram had not been received in Washington by 2:10 p. m., Washington time (8:10 p. m. London time). The paraphrase here reproduced was transmitted to H. Freeman Matthews, Director of the Office of European Affairs, by Michael Wright, First Secretary of the British Embassy in Washington, on April 26.

way abrogates General Eisenhower's or Field Marshal Alexander's authority to accept the local surrenders as they occur.

740.00119 E.W./4–2545

Transcript of Trans-Atlantic Telephone Conversation Between President Truman and British Prime Minister Churchill[24]

CHURCHILL: Is that you, Mr. President?

TRUMAN: This is the President, Mr. Prime Minister.

CHURCHILL: How glad I am to hear your voice.

TRUMAN: Thank you very much, I am glad to hear yours.

CHURCHILL: I have several times talked to Franklin, but . . .[25] have you received the report from Stockholm by your ambassador?

TRUMAN: Yes, I have.[26]

CHURCHILL: On that proposal?

TRUMAN: Yes. I have just a short message saying that there was such a proposal in existence.

CHURCHILL: Yes, it's of course . . .[25] we thought it looked very good.

TRUMAN: Has he anything to surrender?

CHURCHILL: I called the War Cabinet together and they opposed [*approved?*] my telegraphing to tell Stalin and also repeating our news through the usual channels to you.

TRUMAN: What has he to surrender? Does that mean everything, Norway, Denmark, Italy, and Holland?

CHURCHILL: They mentioned Italy, and Yugoslavia. We mentioned everything and have included that to take in Denmark and Norway. Everything on the Western Front, but he hasn't proposed to surrender on the Eastern Front. So we thought perhaps it would be necessary to report it to Stalin that is, of course, to say that in our view the surrender must be simultaneous to agree to our terms.

TRUMAN: I think he should be forced to surrender to all three governments, Russia, you, and the United States. I don't think we ought to even consider a piecemeal surrender.

CHURCHILL: No, no, no. Not a piecemeal surrender to a man like Himmler. Himmler will be speaking for the German state as much

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[24] The time when this conversation took place is not indicated on the transcript. Prime Minister Churchill (*Triumph and Tragedy*, p. 536) states that it took place on April 25 at 8:10 p. m., London time. Admiral Leahy (*I Was There*, p. 415) says that it occurred shortly after 2 p. m., Washington time. The Department of State press release of May 2 giving a chronological account of the Himmler surrender offer places the conversation in the "early afternoon" of April 25 (Department of State *Bulletin*, May 6, p. 863). Corrections (except in cases of minor variations) have been supplied by the Editors on the basis of the related texts in *Stalin's Correspondence*, vol. I, pp. 332 ff., and Churchill, *Triumph and Tragedy*, pp. 534 ff.

[25] Omission indicated in original transcript of conversation.

[26] See footnote 18, p. 759.

as anybody can. And therefore we thought that his negotiations must be carried on with the three governments.

TRUMAN: That's right, that's the way I feel exactly.

CHURCHILL: I see, of course, that's local surrender on the front, Himmler's allied front. And then Eisenhower is still authorized to make [*take?*] the surrender, well, then he will wish to surrender.

TRUMAN: Yes, of course.

CHURCHILL: You understand that?

TRUMAN: I understand that. If he is speaking for the German government as a whole, that ought to include the surrender of everything, and it ought to be to all three governments.

CHURCHILL: Certainly, what we actually sent was that there could be no question as far as His Majesty's Government is concerned of anything less than unconditional surrender simultaneously to the three major powers.

TRUMAN: All right. I agree to that.

CHURCHILL: Have you said anything to the Russians yet?

TRUMAN: No I haven't. I was waiting to hear from you. I haven't received the message from Stockholm. This information that you are giving me now is the only information that I have on the subject, except that I was informed that your conversation was based on a message that you had from Stockholm.

CHURCHILL: Yes.

TRUMAN: I have no other information except what I am receiving now from you.

CHURCHILL: I see. I can give you the message which our ambassador in Stockholm sent me. Would you like me to read it to you?

TRUMAN: I would appreciate it very much if you will.

CHURCHILL: Yes. It is a little long. Tell me if you don't hear it as it comes.

[27] "The Swedish Minister for Foreign Affairs wants me and my United States colleague to call upon him at 23 hours, April 25 [*24?*]. [Boheman] and Bernadotte of the Swedish Red Cross were also present. Bernadotte had just returned from Germany via Denmark tonight. Himmler was on the Eastern Front and asked him to come from Prensburg [*Flensburg*] to meet him at the [in North Germany] and Bernadotte requested [*suggested Lübeck?*] where the meeting took place at 10 [*1?*] o'clock this morning, April 24. Himmler though tired, and admitting Germany was finished, was still strong [*calm*] and coherent. Himmler said that Hitler was so desperately ill, he might be dead already, and in any case would be so in two days' time.

Could you hear that all right?

TRUMAN: Yes, I could hear.

[27] There is no indication on the original as to where this quotation ends.

CHURCHILL: And General Finisberg [*Schellenberg*] of Himmler's staff told Bernadotte that it was hemorrhage of the brain.

4. In that statement, [*Himmler stated*] that while Hitler was still active he would not have been able to take the steps he now proposed but that as Herr Hitler was finished he was now in a position of full authority to act. He then asked Bernadotte to forward to the Swedish Government his desire that they could [*should*] make arrangements in order to arrange for him to meet General Eisenhower in order to capitulate on the whole Western Front. Bernadotte remarked that such a meeting (Bernadotte is a Swede, a Swedish Red Cross man) was not necessary in that Himmler could simply order his troops to surrender. That announcement asked him [*He was not willing*] to forward Himmler's request to the Swedish Government, and that [*unless*] Norway and Denmark were included in this capitulation. If this were the case, there might be some point in a meeting because special technical arrangements might have to be made with Eisenhower and de Gaulle [28] if the Germans were to lay down their arms in those two countries. He then replied that he was prepared to order the troops in Denmark and Norway to surrender to either British, American, or Swedish troops.

5. He in there [*Himmler?*] hopes to continue resistance on the Eastern Front at least for a time, which Bernadotte told him was hardly possible, in fact, that it would not be acceptable to the Allies. Himmler mentioned, for instance, that he hoped that the Western Allies rather than the Russians would be first to make this step [*to enter Mecklenburg*] in order to save the civilian populations.

6. Then he said that Himmler's staff officer, Herr Stinsberg [*Schellenberg*] was eagerly awaiting to hear something and was putting through [*could ensure*] immediate delivery to Himmler any message which it might be desired to convey. Bernadotte remarked to [us] that if no reaction at all was forthcoming from the Allies that may mean a lot of unnecessary suffering and loss of human life. The Minister of Foreign Affairs at . . .[29] explained that he thought this was such an important piece of news that he ought to communicate it to my United States colleague and me (that's the British Ambassador) immediately. Is it okay with you?

I wrote that my United States colleague and I remarked that in [*the*] reference to the Axis unwillingness [*to Himmler's refusal*] to surrender on the Eastern Front looks like a last attempt to sow discord between the Western Allies and Russia. Obviously the Nazi would have to surrender to all the Allies simultaneously.

TRUMAN: That is right. That is exactly the way I feel. He ought to surrender to all the Allies at once.

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[28] Charles de Gaulle, Head of the French Provisional Government.
[29] Points appear in the original transcript of conversation.

CHURCHILL: The Minister for Foreign Affairs and Government [*Mr. Boheman*], while admitting that this motive could not be excluded, pointed out that the fact that the Nazi chiefs would order capitulation of all troops on the whole Western Front, and in Norway, and Denmark might be of great advantage for all the Allies, including Russia and would in fact lead to early total capitulation. (These are all [*still*] the Swedes talking), and they say in any case,[29a] the Minister for Foreign Affairs hoped to clear this up, this provision. He said pass it on to the British and United States Governments who were, as far as the Swedish Government were concerned, at complete liberty to transmit it to the Soviet Government. That the Swedish Government would in no way be, or propose to be, an instrument in promoting any attempt to sow discord between the Allies. The only reason for not informing the Soviet Government directly was because Himmler had stipulated that this information was exclusively for the Western Allies. (He said that if the United States colleague is sending a telegram to say so.) Of course we are not bound by that, and it's our duty to tell Stalin, in my opinion.

TRUMAN: I think so, too. Have you notified Stalin?

CHURCHILL: I held it up for about two hours, hoping to get an answer to the telegram I sent you, but I have now released the telegram. This is the telegram I have sent.

TRUMAN: All right, then you notify Stalin, and I shall do the same immediately of this conversation between us.

CHURCHILL: Exactly. Here is what I have said to Stalin [30] and I have telegraphed it over to you. The telegram immediately following is one I have just received exactly from the British Ambassador in Sweden.

The President of the United States has the news also. I thought you had gotten it. Your telegram has not gotten thru.

TRUMAN: No, I haven't received my telegram as yet.

CHURCHILL: There can be no question as far as His Majesty's Government is concerned, arranging thus an [*of anything less than*] unconditional surrender simultaneously to the three major powers.

TRUMAN: I agree to that fully.

CHURCHILL: We consider Himmler should be told that German folk [*forces*] either as individuals or in units should everywhere surrender themselves to the Allied troops or representatives on the spot. Until this happens, the attack of the Allies upon them on all sides and in all

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[29a] In the text printed in *Stalin's Correspondence*, this passage and the following two sentences read: "In any case, the Minister for Foreign Affairs thought Bernadotte's information should be passed on to the British and United States Governments who were, as far as the Swedish Government were concerned, at complete liberty to transmit it to the Soviet Government, as the Swedish Government would in no way be or be thought to be an instrument in promoting any attempt to sow discord between the Allies."

[30] For text as transmitted from Prime Minister Churchill to Marshal Stalin, see *ibid.*, vol. I, p. 332; excerpt printed in Churchill, *Triumph and Tragedy*, p. 537.

theaters where resistance continues will be prosecuted with the utmost vigor.

Nothing in the above telegram should affect the release of our oration [*orations on the link-up.*] [30a] I sent it off a few minutes ago and I was sending it to you with the following telegram from me, you see. That which I read you. I called the War Cabinet together at once and they approved of this telegram I've just read you.

TRUMAN: I approve of it too.

CHURCHILL: The one I sent to Stalin.

TRUMAN: I approve of that telegram you sent to Stalin, and I shall immediately wire Stalin on exactly the same line.[31]

CHURCHILL: Thank you so much. That is exactly what I wanted. We hoped you would find it possible to telegraph to Marshal Stalin and to us in the same sense.

TRUMAN: Mr. Prime Minister, would you please repeat your message to Stalin and repeat it slowly so I can take it down here.

CHURCHILL: I have already done so through the American Embassy over an hour and a half ago, and it should be with you almost immediately. Would you like me to send you also the telegram I got from Stockholm today?

TRUMAN: I would very much.

CHURCHILL: I will. You will get it very soon. You will get the one from me, the one I just sent out.

TRUMAN: I would like for you to repeat the one which you sent to Stalin so I can send one substantially like it to him.

CHURCHILL: Good. I hope I may——

TRUMAN: Would you do it slowly, please, Mr. Prime Minister?

CHURCHILL: The telegram immediately follows: It is a long one.[31a]

TRUMAN: I thank you very much.

CHURCHILL: I have just received from the British Ambassador in Sweden. The President of the United States has the news also (that is what I thought). There can be no question as far as state history [*H.M.G.*] is concerned about anything else but [*less than*] unconditional surrender simultaneously to the three major powers. We consider Himmler should be told that German folk [*forces*] either as individuals or in units should everywhere surrender themselves to the Allied troops or representatives on the spot. Until this happens, the attack of the Allies upon them on all sides and in all theaters where resistance continues will be prosecuted with the utmost vigor. Nothing in the above telegram should affect the release of our oration (?).

[30a] A reference to recorded statements by President Truman, Prime Minister Churchill, and Marshal Stalin that were to be broadcast when the Allied and Soviet forces were linked up in Germany.

[31] See *infra.*

[31a] This sentence should read "The telegram immediately following——"

(That is intact). [*orations on the link-up.*] That is what I sent I think, about half an hour ago.

TRUMAN: Thank you very much. I shall get one off immediately to him, and I certainly do appreciate your talking to me on it.

CHURCHILL: I'm delighted. I am so sure we would be pretty well in agreement, and I hope that Stalin will wire back and say, "I agree too." In which case we could authorize our representatives, in Stockholm, to tell Bernadotte that you will pass on the message to Himmler. Because nothing can be done about that until we are all three agreed on it.

TRUMAN: All right.

CHURCHILL: You have my text and your own, and let's see what Stalin says.

TRUMAN: All right.

CHURCHILL: Thank you very much, indeed.

TRUMAN: Thank you.

CHURCHILL: You remember those speeches we were going to make about the link-up in Europe?

TRUMAN: I didn't understand that last statement, Mr. Prime Minister.

CHURCHILL: You know what I am talking about, the speech, the statements that are written. Well, I think they should be let out just as they would be anyhow as soon as the link-up occurs.

TRUMAN: I think you're right on that. I agree on that.

CHURCHILL: Anything helps to beat the enemy.

TRUMAN: I agree with that.

CHURCHILL: Good. I rejoice that our first conversation will be about the first of June. It's very good news.

TRUMAN: I hope to see you some day soon.

CHURCHILL: I am planning to. I'll be sending you some telegrams about that quite soon. I entirely agree with all that you've done on the Polish situation. We are walking hand in hand together.

TRUMAN: Well, I want to continue just that.

CHURCHILL: In fact, I am following your lead, backing up whatever you do on the matter.

TRUMAN: Thank you. Good night.

740.00119 EW/4–2545 : Telegram

The Acting Secretary of State to the Secretary of State [32]

WASHINGTON, April 25, 1945—6 : 12 p. m.

26. After conference at Pentagon Building with the President and the Joint Chiefs of Staff at which I was present and after a telephone

[32] Secretary of State Stettinius was attending the United Nations Conference on International Organization in San Francisco; for documentation, see vol. I, pp. 1 ff.

conversation with Churchill, the following message has been sent from the President to Stalin [33] and repeated to Churchill [34] and Eisenhower:

"1. I am informed by the American Minister to Sweden that Himmler speaking for the German Government in the absence of Hitler due to incapacity approached the Swedish government with an offer to surrender all the German forces on the western front including Holland, Denmark, and Norway.

2. In keeping with our agreement with the British and Soviet Governments it is the view of the United States Government that the only acceptable terms of surrender are unconditional surrender on all fronts to the Soviet, Great Britain and the United States.

3. If the Germans accept the terms of paragraph 2 above they should surrender on all fronts at once to the local commanders in the field.

4. If you are in agreement with paragraphs 2 and 3 above I will direct my minister in Sweden to so inform Himmler's agent."

This refers to Stockholm's 1528, April 25, 3 a. m., which has already been repeated to you.

GREW

740.00119 EW/4–2645 : Telegram

The Acting Secretary of State to the Secretary of State

WASHINGTON, April 26, 1945—2 : 26 p. m.

7. Reference my 26, April 25. The following message from Marshal Stalin for the President was handed to me at noon today by the Soviet Chargé d'Affaires [35] and taken by me immediately to the President:

"I have received your message of April 26.[36] Thank you for your information of the intention of Himmler to capitulate on the Western front. I consider your proposed reply to Himmler along the lines of unconditional surrender on all fronts, including the Soviet front, absolutely correct. I ask you to act in the spirit of your proposal, and we, Russians, pledge to continue our attacks against the Germans.

For your information I wish you to know that I have given a similar reply to Premier Churchill who communicated with me on the same question."

The President immediately sent the following telegram to our Minister in Stockholm: [37]

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[33] Sent via Army channels as War Department telegram 72808, April 25, to the Chargé in Moscow, with instructions that it be transmitted to Marshal Stalin (740.00119 EW/4–2545).

[34] Sent via Army channels as War Department telegram 72816, April 25, to the Ambassador in London, with instructions that it be transmitted to Prime Minister Churchill (740.00119 EW/4–2545).

[35] Nikolay Vasilyevich Novikov.

[36] See *supra*.

[37] Sent to Stockholm as telegram 754, April 26, 1 p. m.

"Replying to your [1528] April 25, 3 A. M., inform Himmler's agent that the only acceptable terms of surrender by Germany are unconditional surrender on all fronts to the Soviet Government, Great Britain and the United States.

If the above stated terms of surrender are accepted the German Forces should surrender on all fronts at once to the local commanders in the field.

In all theaters where resistance continues the attack of the Allies upon them will be vigorously prosecuted until complete victory is attained."

GREW

740.0011 EW/4–2745 : Telegram

Mr. Alexander C. Kirk, Political Adviser on the Staff of the Supreme Allied Commander, Mediterranean Theater, to the Acting Secretary of State

CASERTA, April 27, 1945—3 p. m.
[Received April 27—10:02 a. m.]

1754. Re our 1166, March 26, 3 p. m.[38] I assume General Marshall will keep you informed on matter covered in Naf 933 to Deane's mission at Moscow [39] repeated to Combined Chiefs of Staff and Fan 532 from Combined Chiefs of Staff to Field Marshal Alexander.[40]

Representatives are expected at Caserta this evening and presence of Soviet military officials is being arranged.

I shall refrain from keeping Department currently posted on this highly secret matter unless you direct otherwise and presume you will keep in close touch with War Department for further developments.

KIRK

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[38] Not printed; it called the Department's attention to Army messages transmitting the information described in footnote 65, p. 734.

[39] This telegram from Field Marshal Alexander of April 27 to the heads of the U.S. and British Military Missions in Moscow and to the Combined Chiefs of Staff was dispatched pursuant to instructions from the latter, contained in Fan 532; see footnote 40, *infra*. Field Marshal Alexander stated that arrangements were being made for General Wolff and Lieutenant Colonel von Schweinitz to proceed to Allied Force Headquarters to sign a local surrender of enemy forces in Italy. As directed by the Combined Chiefs of Staff, there was to be no bargaining or negotiating in Switzerland and the contact would be immediately broken off if the Germans did not come at once to Caserta. Field Marshal Alexander asked that the Military Missions inform the Soviet General Staff of this development, stressing both the condition imposed by the Combined Chiefs of Staff and the fact that the approach had been made on German initiative. He also asked that Soviet officials be informed that General Kislenko, recently designated as representative of the Soviet General Staff at Allied Force Headquarters, would be invited to attend such negotiations as might materialize at Caserta. (Copy obtained from Department of the Army files.)

[40] This telegram of April 26 from the Combined Chiefs of Staff authorized Field Marshal Alexander to bring General Wolff and Lieutenant Colonel von Schweinitz to Caserta, subject to certain conditions. The Combined Chiefs of Staff also instructed him to inform the Soviet General Staff, in the terms subsequently used by Field Marshal Alexander in Naf 933. (Copy obtained from Department of the Army files.)

740.0011 EW/4–2745 : Telegram

The Acting Secretary of State to the Secretary of State

WASHINGTON, April 27, 1945—10 : 15 a. m.

2. Public announcement will be made at noon today by the President, the Prime Minister, and Stalin that the Anglo-American and Soviet forces in Germany have joined at Torgau.

GREW

740.00119 EW/4–2745 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, April 27, 1945—6 p. m.
[Received April 27—4 : 09 p. m.]

1575. For the President.[41] Your instructions conveyed in Department of State's 754, April 26, 1 p. m.,[42] were communicated at 11:30 last night to Mr. Boheman, Secretary General Swedish Foreign Office and Count Folke Bernadotte. We were in immediate telephone contact with Foreign Minister Günther and Boheman took the message to him. The same instructions through Navy channels were received after I had communicated with Boheman. I have been informed today that Bernadotte left this AM for Flensburg where Himmler's agent is supposed to be. The reply will be delivered to him without any comment from the Swedish Government. Boheman told me Bernadotte will give personal advice that reply must be regarded as final and should be acted on at once.

JOHNSON

Files of the U.S. High Commissioner for Germany, Frankfurt, 1944–1949 : 820—Military Affairs, General

Mr. Jacob Beam[43] *to Mr. Robert D. Murphy, United States Political Adviser for Germany*

[REIMS ?] 27 April [1945]

DEAR BOB : I have got the whole story on the Dutch affair[44] and it is of a very secret nature.

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[41] A marginal notation reads : "Shown to the Acting Secretary at 5 :45 p. m."

[42] Not printed, but see telegram 7, April 26, 2 :26 p. m., from the Acting Secretary of State to the Secretary of State at San Francisco, p. 768.

[43] Foreign Service Officer on the staff of the U.S. Political Adviser for Germany.

[44] Reference is to discussions with respect to arrangements for a food relief program for the civilian population of German-occupied western Holland. For documentation on this subject, see vol. v, pp. 1 ff.

SHAEF has been in touch with Seyss-Inquart [44a] through Dutch underground channels and proposals have been put forward for a "standstill" in the Netherlands still under German occupation. On our side we would agree not to go beyond the Grebbe Line, to cease bombing and naval action against the Germans in Dutch ports, and to call off action by the Dutch underground. On their side the Germans would order their troops to remain in a "standstill" status, and would refrain from reprisals against the Dutch. It would be understood that the German troops would surrender when resistance ceased throughout Germany. A point not yet decided is the matter of food supplies. Upon the insistence of Prince Bernhard, SHAEF would like to begin dropping supplies by air, announcing in clear on the wireless the fields to which they would be sent. The Germans on the other hand suggest the despatch of the supplies by rail and road transport, under guarantees.

The above is the essence of the matter so far. Seyss-Inquart has sent a message that he would be willing to send representatives tomorrow (Sat) to meet SHAEF representatives at Amersfoort to discuss the "standstill". It had originally been planned that Gen. Smith [45] and Gen. Strong would represent SHAEF but I don't know what is the latest on this.

Apparently no commitments would be made to Seyss-Inquart about his future or that of the Germans in Holland. The Russians have been currently informed through Deane in Moscow. A cable has been drafted setting forth the latest details to the CCS. Our concurrences were not asked for and I think maybe we had better await the sending of the cable to CCS before taking the matter up with the Department. The CCS have been kept currently informed, except for the very latest developments which are still not entirely settled. G–3 [46] will give me the cable reference number when sent, so that we can relay it to the Department.[47]

Faithfully, JAKE BEAM

[44a] Arthur Seyss-Inquart, Reich Commissar for Occupied Netherlands.
[45] Lt. Gen. Walter Bedell Smith, USA, Chief of Staff to SHAEF.
[46] Operations Division, SHAEF.
[47] See telegram 2199, April 28, midnight, from Paris, vol. v, p. 23. For results of the conversations between Seyss-Inquart and the Allied officers on May 1, and Seyss-Inquart's refusal to surrender western Holland to the Allies, see telegram 2279, May 2, 4 p. m., from Paris, *ibid.*, p. 23; also, see account of the conversation in Walter Bedell Smith, *Eisenhower's Six Great Decisions* (New York: Longman's 1956) pp. 197–200.

740.00119 E.W./4–2845

The Chairman of the Council of People's Commissars of the Soviet Union (Stalin) to President Truman [48]

[Moscow,] April 28, 1945.

Your message,[49] containing the communication concerning the instructions you gave to Mr. Johnson, was received April 27. Thank you for this message.

The decisions taken by you and Mr. Churchill, to obtain the unconditional surrender of the German armed forces, is, in my opinion, the only correct reply to the German proposals.

740.00119 EW/4–2945 : Telegram

Mr. Alexander C. Kirk, Political Adviser on the Staff of the Supreme Allied Commander, Mediterranean Theater, to the Acting Secretary of State

CASERTA, April 29, 1945—midnight.
[Received April 30—11:47 a. m.]

1806. The German plenipotentiaries signed the terms of unconditional surrender [50] as contained in telegram Naf 897 [51] to Combined Chiefs of Staff (see our 1175 of March 26 [52]) with certain minor changes. They left here this afternoon. Instrument is to go into effect on May 2nd. Refer our 1754 of April 27 and Rome's 1073, April 29 to Department.[53]

KIRK

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[48] This message was delivered to the Department by the Soviet Chargé, Novikov, on April 29. A translation for the President was sent to the White House Map Room at 3:50 p. m. It was repeated to the Secretary of State in telegram 5, April 29, 7:36 p. m., to San Francisco.

[49] See telegram 7, April 26, p. 768, which quotes the instructions to Minister Johnson in Stockholm. A copy of the instructions was transmitted by President Truman to Premier Stalin on April 27.

[50] German plenipotentiaries representing the German Commander in Chief Southwest and the Supreme Commander of the SS in Italy signed an instrument of local surrender at Caserta, April 29, 8 a. m., Washington time. The territory surrendered included all of Italy, except that portion of Venezia Giulia east of the Isonzo River, and all of western, and portions of central Austria.

[51] This telegram from Field Marshal Alexander, March 23, outlined the brief instrument of surrender which he proposed to have the Germans sign. (Copy obtained from the Department of the Army files.) The instrument of local surrender of German forces in Italy, and the minutes of the four meetings between Allied officers and the German plenipotentiaries are printed in Department of State, *The United States and Italy, 1936–46. Documentary Record* (Washington, Government Printing Office, 1946), pp. 127–152. See also statements issued by President Truman and Acting Secretary of State Grew on May 2, and messages sent by President Truman to Field Marshal Alexander and to General Mark W. Clark, *ibid.*, pp. 125–127.

[52] Not printed; it described the draft surrender directives with regard to German prisoners of war (740.00119 EW/3–2645).

[53] Latter not printed; it reported that the surrender discussions had reached a successful conclusion (740.00119 EW/4–2945).

740.00119 EW/4–2945

The American Chargé in the Soviet Union (Kennan) to the Assistant People's Commissar for Foreign Affairs of the Soviet Union (Vyshinsky)

No. 226 Moscow, April 29, 1945.

DEAR MR. VYSHINSKI: I have been directed to effect transmission of the following message from the President to Marshal Stalin:

"To Marshal Stalin from the President. Personal and Top Secret.

"The following is the text of a message I have sent to Prime Minister Churchill:

" 'I suggest, with reference to Marshal Alexander's Naf 934,[54] that the announcement of the local surrender of German armies in Italy to combined Anglo-American forces be made by Alexander at a time that is in his opinion suitable and correct, and that the first announcement be not made elsewhere.

" 'If you agree, please instruct Alexander accordingly.'

(Signed) Truman."

I would be grateful if you would be good enough to transmit this message to Marshal Stalin.

Sincerely yours, GEORGE F. KENNAN

740.0011 EW/5–245 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, May 2, 1945—2 a. m.
[Received May 2—1 : 19 a. m.]

1626. Legs 1610, April 30, 7 p. m.[55] Sweden's efforts to get German troops to evacuate into Sweden to be disarmed here and eventually to be turned over to the Allies are presently believed by high officials of the Swedish Foreign Office to have failed. One reason for this anticipated failure is said to be the leakage of information at San Francisco[56] relative to Himmler's offer of capitulation to the Western Allies. The leakage resulted in widespread radio publicity

[54] Not printed; this message, dated April 29, had reported acceptance of the surrender terms by German plenipotentiaries. Copy obtained from Department of the Army files.

[55] Not printed. This telegram reported that conversations were taking place in Denmark between Swedish officials and German military authorities to secure the evacuation of German troops from Denmark and Norway (740.0011 EW/4–3045).

[56] In telegram 29, April 28, 7 : 50 p. m., from the Acting Secretary to the Secretary of State in San Francisco, not printed, Mr. Grew commented on a statement from San Francisco being carried in the press to the effect that "a high British source" had told the United Press that Himmler had recently sent word through the Swedish Government that Hitler may not live another 24 hours. "The press correspondents here are of course highly indignant that such sensational news should be released from a British source in the United States and when the full story is eventually known very bad feeling may be engendered. You may wish to explore this through Eden. After consulting the President I have informed the press that I have nothing to say at this time." He also reported that neither the Department nor the White House was making any comments at all on the rumors of a surrender proposal (740.00119 EW/4–2845).

which discredited Himmler. Another given reason is the alleged death of Hitler with the succession of Dönitz [57] and his stated determination to continue the war. Count Folke Bernadotte returned to Sweden today and advised me that he had delivered the President's message (Legation's 1575, April 27, 6 p. m.) and there had been no reply.

There have been countless rumors today to the effect that Dr. Best [58] has turned the administration of Denmark over to the Danish authorities and that the German troops are evacuating the island of Zealand but neither Von Post [59] who is in Denmark nor representatives of the Danish underground here have been able to confirm this information.

There were also rumors this morning that the German authorities in Norway had ordered the release of the prisoners at Grini. Late tonight word was received that this alleged order had been countermanded by reason of the developments in Germany.

In my opinion it is important that the contemplated staff talks (Legs 1606, April 30, 3 p. m.[60]) take place at the earliest practicable date.

JOHNSON

740.00119 EW/5–245 : Telegram

The Acting Secretary of State to the Minister in Sweden (Johnson)

WASHINGTON, May 4, 1945—7 p. m.

813. You are requested to express to Mr. Günther our sincere regret that premature publicity given to the Bernadotte–Himmler conversations has been the source of concern to his government (your 1640, May 2, 9 p. m.[61]). Taking into consideration, however, the intense public interest in this country and abroad in current political and

[57] Führer and Chancellor of the German Reich Adolf Hitler committed suicide on April 30. In a political testament drawn up the previous day he had named a successor government to be headed by Grand Admiral Karl Dönitz as Reich President and Minister of War. In radio broadcasts to the German people on May 1 these events were made public.

[58] Karl R. W. Best, Reich Plenipotentiary in Denmark.

[59] C. Eric von Post, Chief, Political Division, Swedish Ministry of Foreign Affairs.

[60] Vol. v, p. 81.

[61] Not printed. In this telegram the Minister reported a conversation with the Under Secretary in the Swedish Foreign Office in which Mr. Boheman expressed the view that the publicity given at San Francisco to the Himmler offer had damaged the chances for a German capitulation in Norway and Denmark. He also discussed a communiqué just issued by General Eisenhower regarding the Himmler–Bernadotte conversations. He concluded by remarking "in a bitter tone," that what had happened at San Francisco and in the Eisenhower communiqué "does not encourage us to tell you what we learn." Minister Johnson ended his report by observing: "While Boheman was speaking under the emotional strain of disappointment in what appears to be a setback for Swedish hopes and plans in connection with Norway and Denmark, it is a fact that in official quarters here the publicity given to the Bernadotte and Himmler conversations is regarded as a very serious mistake." (800.414/5–245)

military developments, and the freedom of the press in the United States and Sweden, it is practically impossible to prevent the publication of rumors. In this connection, you may remark that Swedish newspapers have devoted considerable space in the past several weeks to Count Bernadotte's activities in connection with the release of interned Danes and Norwegians, and that on April 24, the same day on which an account of his presence in Denmark appeared in the Swedish press, *Expressen* published a report that high German officers in Denmark had been negotiating surrender terms with an "authorized Swedish representative" (your 1516, April 24 [62]). This was followed on April 26 by a Luxembourg radio report, which was picked up and rebroadcast by the BBC, that the Germans had offered to surrender unconditionally to the two Western Allies but that the offer had been rejected.

With respect to Senator Connally's statements at San Francisco [63] on April 28, you may point out that he gave no indication of the source of his information or the personalities involved. SCAEF's statement on May 2 [64] was issued subsequent to German reports concerning Hitler's death and the assumption of power by Dönitz and after the Swedish Foreign Office release of April 30 summarizing Bernadotte's conversations with Himmler.[65] It was made with a view to preventing the creation of a German legend of Hitler's martyrdom. Finally, the Acting Secretary's press release [66] merely placed in their proper light certain developments which had become public to clear up existing confusion and put the situation in its proper perspective.

GREW

740.00119 EW/5–445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 4, 1945—2 p. m.
[Received 10:07 p. m.]

2345. For Matthews from Murphy. SHAEF representatives have been in touch with an emissary from Keitel [67] and also with General Busch [68] regarding the capitulation of German forces to the northwest

[62] Not printed; this was a press report for April 24.

[63] Senator Tom Connally, of Texas, Chairman of the Senate Committee on Foreign Relations and delegate to the United Nations Conference, had indicated that Germany's surrender was expected momentarily; see *New York Times*, April 29, 1945, p. 1, col. 8.

[64] On May 2, General Eisenhower had released some details of the Himmler-Bernadotte conversations to the press; see *ibid.*, May 3, 1945, p. 10, col. 5.

[65] *Ibid.*, April 30, 1945, p. 1, col. 7.

[66] Department of State *Bulletin*, May 6, 1945, p. 863.

[67] Generalfeldmarschall Wilhelm Keitel, Chief of the High Command of the German Armed Forces (OKW).

[68] Generalfeldmarschall Ernst Busch, German Commander in Chief Northwest (OB Nordwest).

of Hamburg, including apparently Denmark. Surrender discussions are understood to be fairly well advanced.[69] They do not as yet apparently include Norway. In Holland a standstill exists in effect through tacit understanding despite the fact that there is nothing further on the military discussions with the Germans there. American G–3 seems to think that the war in Europe may be over by the end of the week, although it is still too early to estimate the Czechoslovakian situation. Surrender is progressing through a series of regional capitulations[70] but a general surrender may also come at any time.

British Political Adviser[71] asserts that his Government considers that Keitel's name to a surrender instrument would not suffice and that those of Hitler or Himmler would have been required, but he is not sure what the situation would be under the changed circumstances. There is a view here that General Eisenhower is capable of accepting general surrender on his own responsibility. Steel objects to this view maintaining that the governments should be consulted first.

Foreign Office, on its own suggestion, is sending Steel a copy of the surrender terms[72] in German and Russian. In March we requested our EAC delegation to let me have these texts but they were not then ready. I am again asking Ambassador Winant for them.

[For the remainder of this telegram, see volume IV, page 447.]

[Murphy]

CAFFERY

740.00119 E W/5–545 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, May 5, 1945—2 p. m.

[Received May 5—11 : 29 a. m.]

1700. Boheman informed Mallet and me that Schellenberg[73] expressed belief Dönitz and Himmler and so-called German Govern-

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[69] Reference is to discussions then taking place at Lüneburg between German emissaries and Field Marshal Montgomery, Commander of the 21st Army Group. A local surrender of German forces in Holland, Northwest Germany, and Denmark was signed on May 5.

[70] For details of the several local surrenders negotiated May 4–7, see Pogue, *The Supreme Command*, pp. 480–483.

[71] Christopher E. Steel.

[72] For text of the Instrument of Surrender for Germany as approved by the European Advisory Commission on July 25, 1944, see annex 2 to the minutes of the Seventh Formal Meeting of the European Advisory Commission, July 25, 1944, *Foreign Relations*, 1944, vol. I, p. 256. For documentation on the substitution of the short surrender document for the instrument of surrender negotiated in the European Advisory Commission, see *ante*, pp. 282–296, *passim*. For details of the Berlin ratification ceremony, see Pogue, *The Supreme Command*, pp. 490–494.

[73] General Schellenberg was at this time visiting Sweden to arrange for the capitulation of German troops in Norway. For documentation on this mission, see vol. v, pp. 56 ff.

ment intended yesterday to go Bohemia. Schellenberg has further expressed wish to get in touch with SHAEF in order to take up question of total capitulation on all fronts and to explain why such capitulation has hitherto not been ordered (my 1699, May 5, 2 p. m.[74]) He advanced as a reason the presence of 6 to 8 million German civilians in the protectorate of Bohemia which Dönitz somehow would like to save. According to this account Dönitz evidently hopes these people will be permitted to filter westward through the Allied lines.

JOHNSON

740.00119 E.W./5–545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 5, 1945—midnight.
[Received May 5—8:47 p. m.]

2408. From Murphy for Matthews. Representatives of Admiral Dönitz and General Busch are now at SHAEF discussing surrender of balance of German forces in the north including Norway. By agreement with the Soviet High Command Russian officers (General Suslaparoff[75]) are participating and the Allied position is unconditional surrender to the Russians as well as the Anglo-American side. These conversations may go on thru the night and while there is no assurance the Germans will sign, as they apparently hoped to negotiate a surrender to SHAEF without the Russians, it is believed that after telegraphic consultation with Dönitz they will sign probably tomorrow.

Kesselring also has requested permission to send plenipotentiaries and has been informed they will be received on condition that they prepared to surrender unconditionally simultaneously to the Russians and to ourselves. Otherwise local surrenders will be effected to the individual unit commanders. [Murphy.]

CAFFERY

740.00119 E.W./5–645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 6, 1945—11 p. m.
[Received May 6—7:30 p. m.]

2426. For Matthews from Murphy. Field Marshal Jodl[76] arrived at SHAEF this afternoon from 21st Army Group Headquarters. He

[74] Not printed; this telegram informed the Department that General Schellenberg had arrived in Sweden armed with full powers from Admiral Dönitz to negotiate a surrender of German forces in Norway (740.00119 EW/5–545).

[75] Maj. Gen. Ivan Susloparov, Chief of the Soviet Military Mission to SHAEF.

[76] Generaloberst Alfred Jodl, Chief of the Operations Staff of the German Armed Forces.

is understood to possess full powers for the surrender of German forces. SHAEF officers are inclined to be optimistic of a successful outcome and the first impression they have is that the German's have decided upon unconditional surrender and that their primary concern is to save as many of their forces as possible from falling into Russian hands. The surrender will embrace the entire area north and south and I believe it will be signed Sunday night or Monday morning. [Murphy.]

CAFFERY

740.00119 EW/5–745

Memorandum of Telephone Conversation, by the Acting Secretary of State

[WASHINGTON,] May 7, 1945—1:45 p. m.

Admiral Leahy telephoned me and said that the situation on the announcement of V–E Day was terribly confused and he wanted me to know the background of the latest information. He stated that we have an agreement with Stalin and Churchill to make the announcement at 9 o'clock tomorrow morning but Churchill today raised the devil because he said he had to make the announcement right away and wanted to make it at noon today.[77] Admiral Leahy said the President declined to do it then and said that he had arranged with Stalin and Churchill to announce it at 9 o'clock and he could not violate his agreement without the assent of Stalin. Admiral Leahy said they had been trying to get in touch with Stalin but so far have had nothing from him except the vague thought that he doesn't know the terms and can't make an announcement as yet. Admiral Leahy said he had heard later through BBC that Churchill was going to make the announcement at 3 o'clock. He said that he also had heard that de Gaulle is going to announce it at 2 o'clock. He stated that nobody has any control over de Gaulle and that this action was typical of him. I agreed with Admiral Leahy and remarked that de Gaulle was acting just like a naughty boy. Admiral Leahy said he spoke to the President about 20 minutes ago and thought it was definite for 9 o'clock tomorrow morning. He said that the only way the thing would be stopped would be for Stalin to ask us not to announce it yet. Admiral Leahy also said that he had been in touch with Eisenhower who said he had made no announcement and has kept it as secret as it could be kept. He said he would not make any announcement until

[77] See the transcripts of telephone conversations of 10:10 a. m. and 11:10 a. m., May 7, between Admiral Leahy and Prime Minister Churchill, as well as other details of the confusion attendant upon the announcement of V.E. Day, Leahy, *I Was There*, pp. 357–362.

it was released here. I said I understood it had leaked through AP.[78] Admiral Leahy said the Germans are talking freely in plain language about it so everyone knows it. I said at any rate the only people who would be displeased about the whole thing would be the newspapermen.

Marshal Stalin to President Truman[79]

Moscow, May 7, 1945.

I am in receipt of your message of May 7,[80] about announcing Germany's surrender. The Supreme Command of the Red Army is not sure that the order of the German High Command on unconditional surrender will be executed by the German armies on the Eastern Front. We fear, therefore, that if the Government of the U. S. S. R. announces today the surrender of Germany we may find ourselves in an awkward position and mislead the Soviet public. It should be borne in mind that the German resistance on the Eastern Front is not slackening but, judging by the intercepted radio messages, a considerable grouping of German troops have explicitly declared their intention to continue the resistance and to disobey Dönitz's surrender order.

For this reason the Command of the Soviet troops would like to wait until the German surrender takes effect and to postpone the Government's announcement of the surrender till May 9, 7 p. m. Moscow time.[81]

740.00119 EW/5–745 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 7, 1945—2 p. m.
[Received 3 : 15 p. m.]

1487. I wish to invite attention to my several telegrams pointing out the markedly casual and inconspicuous treatment which the Soviet press has given to the surrenders of German forces in Italy and in the Western Theater and the general crumbling of German resistance there. News of these events has been made available to the Soviet

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[78] Associated Press.

[79] Reprinted from *Stalin's Correspondence*, vol. II, p. 230.

[80] Telegram 260, in which President Truman indicated that he would announce Germany's surrender on May 8, at 9 a. m. Washington time, if this was agreeable to Marshal Stalin; for text, see *ibid.*, p. 229.

[81] On May 8, at 8:15 a. m. Washington time, President Truman made the formal announcement that Germany had surrendered on all fronts. Later that day he handed the following message to Soviet Ambassador Gromyko: "Please inform Marshal Stalin that his message to me was received in the White House at 1 o'clock this morning. However, by the time the message reached me, preparations had proceeded to such an extent that it was not possible to give consideration to a postponement of my announcement of the German surrender."

public only in minor back page items in the daily press, has been accompanied by no editorial comment of any sort and has not been singled out in any way for the attention of the readers.

It is not possible to be sure of the motives dictating this extreme reserve in releasing news of victories which one might have thought would be highly gratifying to both the Soviet Government and public. The most likely explanation, in my opinion, is that the Soviet leaders, while not daring to withhold the news entirely are not happy over the fact that the big local surrenders have been exclusively to our forces and not to theirs; that they do not wish it to be suggested that the forces of the Western nations are less feared and hated that [*than?*] the Soviet forces among the peoples of central Europe and that they choose not to draw the attention of their public to the full extent of German disintegration until they are able to announce complete surrender and cessation of resistance on all fronts, including their own, and to attribute this primarily to the heroic efforts of the Red Army.[82]

Sent Department as 1487, repeated to Paris for Reber and Murphy as 101.

KENNAN

740.0011 EW/5–745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 7, 1945—10 p. m.
[Received May 7—6 : 33 p. m.]

2447. From Murphy for Matthews. General Eisenhower has informed Combined Chiefs of Staff that the mission entrusted to his Allied Command has now been completed.[83] [Murphy.]

CAFFERY

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[82] In telegram 1492, May 8, noon, from Moscow, Mr. Kennan commented further on the failure of the Soviet Government to announce the signature of the act of surrender and observed: "The official justification for this state of affairs would doubtless be that there was still resistance here and there against Soviet forces in Eastern Europe but I think the true explanation lies deeper. For Russia, peace, like everything else, can come only by ukase and the end of hostilities must be determined not by the true course of events but by decision of the Kremlin. Among the lesser injuries for which the Germans may have to answer to Russia, when the smoke has cleared away, perhaps not the least may be their willfulness in capitulating at a time and place which the Kremlin has not selected". (740.00119 EW/5–845)

Telegram 1519, May 9, noon, from Moscow, reported that the unconditional surrender of Germany was made known in Moscow via radio broadcast at 2 a. m., May 9 (740.00119 EW/5–945).

[83] On May 7, 1945, at Reims, France, the German High Command surrendered unconditionally to the Supreme Commander, Allied Expeditionary Force and to the Soviet High Command. The ratification of the unconditional surrender of all German Armed Forces to the Supreme Allied Commands took place in Berlin on May 8, 1945. For texts of the Acts of Military Surrender of May 7 and May 8, see Department of State Executive Agreement Series No. 502, or 59 Stat. (pt. 2) 1857. For details, see Pogue, *The Supreme Command*, p. 485.

740.00119 Control (Germany)/5–1545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 15, 1945—midnight.
[Received May 16—1:28 a. m.]

2657. From Murphy. For the Department's most secret information following preliminary report sent SHAEF by General Rooks, head of SHAEF control party at OKW: [84]

Dönitz was summoned and ordered to arrest Keitel and was informed that until such time as SHAEF named a successor Jodl would replace him.

Dönitz stressed three points: (first) that food situation was extremely serious particularly in the north where flour would run out in 2 days. Since regions in Germany were interdependent it would be necessary to get supplies rapidly moved if starvation is to be averted; (second) there is no coal in north Germany whatsoever. It must come from the Ruhr; (third) money in the bank in north Germany would be exhausted in 2 days. The population would therefore be unable to purchase commodities.

The above led Dönitz to stress the necessity for central German authority in order that essential orders should be issued.

My interview (General Rooks) with Keitel was short and to the point. He took his arrest calmly.

I (General Rooks) summoned Jodl and informed him of his new temporary appointment and told him that all instructions would be issued to him in writing and in the name of the Supreme Commander. He stated he would unhesitatingly carry out all orders given to him. From a copy of a secret SHAEF memorandum captured by the Germans from a British armored car he realized our intention not to permit a repetition of 1918 and he said he would not attempt it.

My (General Rooks) first impressions are: (1) for obvious reasons a great desire to retain a central German authority. Possibility of disturbance and chaos if immediate economic steps are not taken is used to reinforce the German argument that they are the people best suited to issue orders; (2) an intention to execute the capitulation terms to the letter since the Germans think it is the best way to avert chaos and so to again settle down.

[84] The Supreme Headquarters Control Party (OKW) headed by Maj. Gen. Lowell W. Rooks, U.S.A., Deputy G–3 at SHAEF, was dispatched to the headquarters of the German High Command at Flensburg May 10–12. Its mission was to impose the will of the Supreme Commander on OKW in the areas of Germany occupied by the Western Allies, i.e., to take initial steps necessary to implement the act of surrender. To carry out his mission, General Rooks was empowered to issue the necessary orders, supervise their transmission through German Command channels, and compile information about the German Command system. A group of Soviet officers joined the Control Party at Flensburg to participate in the control operation.

All knowledge was denied by Dönitz of the whereabouts of Himmler. [Murphy.]

CAFFERY

740.00119 Control(Germany)/5–1645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 16, 1945—3 p. m.
[Received 10:15 p. m.]

2674. From Murphy. Operational orders have now been issued by PRD [85] SHAEF banning further interviews or statements which thus far have enabled such as Göring,[86], Schacht,[87] Dittmar [88] to air their personal political views via American press or radio.

My concern had been that such statements would only enable Wehrmacht and Party to blame one another for Germany's defeat and thus foster a new stab in the back legend. Moreover, it seemed to me that reports might reach the German people that we were indulging such statements and could well lead to undermining of our authority there. PRD further informs me that the reaction among the correspondents themselves was strongly against the appropriateness of such interviews even though one American news service was reported seeking to get Göring to write his memoirs for them. [Murphy.]

CAFFERY

862.00/5–1945 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 22, 1945—1 p. m.

2230. For Murphy from Matthews. Reurtel 2815, May 19 [89] and previous. We are informed that War Department has sent instructions for arrest of Dönitz and associates. We are strongly in favor of this action and feel that these individuals should be closely held pending a decision whether they will stand trial as war criminals. Public opinion in this country is becoming considerably aroused over

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[85] Public Relations Division, SHAEF.

[86] Hermann W. Göring, President of the Reichstag, Minister-President of Prussia, Reich Minister for Air, Commander in Chief of the German Air Forces, Commissioner for the Four Year Plan, designated successor to Hitler, Reichsmarschall.

[87] Hjalmar Schacht, former President of the Reichsbank and Reich Minister of Economics.

[88] Presumably Lt. Gen. Kurt Dittmar, German Army radio spokesman.

[89] Not printed.

this matter and criticism is not directed solely against the military authorities. The Department is unable to understand why Dönitz and his group were permitted for so many days freely to continue in their pretense of functioning as a government of Germany.

It also seems important to us to round up as quickly as possible all officers of whatever rank held by us who were members of the German General Staff. This is in accordance with the revised JCS 1067 [90] and we feel that it should be implemented as rapidly as possible. In carrying out this action, it seems to us that all General Staff officers, regardless of rank would through their training and experience be useful in reviving German militarism and should be arrested. [Matthews.]

GREW

740.00119 Control(Germany)/5–2345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 23, 1945—11 p. m.
[Received May 23—9 : 15 p. m.]

2911. From Murphy. My 2815, May 19, 11 p. m.[91] General Rooks telephones that in accordance with directions he called on Dönitz and informed him that in agreement with the Soviet representatives, Dönitz and his associates in the so-called Acting Govt of the Reich would be placed under arrest immediately. This occurred at 10 this morning. The Germans were informed that they might return under guard to their quarters to pack their effects prior to departure. Admiral Von Friedeburg on returning to his quarters committed suicide by taking poison. The balance of the party departed from Flensburg this afternoon at 3 p. m. The arrest includes over 300 persons.

The persons in question will be detained under circumstances which will facilitate official interrogation. Whereabouts will remain confidential for the present (for the Dept's Top Secret information, a small hotel at Mondorf-les-Bains Luxembourg is temporarily being used for this purpose).

A number of British and American correspondents were invited to Flensburg and were given the story of the arrest immediately after occurrence. [Murphy.]

CAFFERY

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[90] *Ante*, p. 484.
[91] Not printed.

CONCERN OF THE UNITED STATES REGARDING THE REPATRIATION OF GERMAN OFFICIALS, AGENTS, AND OTHER NATIONALS FOLLOWING THE END OF THE WAR[92]

740.00115 EW/5–1745

Memorandum by the Assistant Chief of the Special War Problems Division (Clattenburg)

[WASHINGTON,] May 17, 1945.

A conference was held in the office of the Chief of FC[93] (Mr. Lyon being absent elsewhere) between representatives of FC, SWP[94] and the British Embassy to discuss certain questions which the British Embassy had been asked to take up with the State Department respecting the repatriation of obnoxious Germans throughout the world. The British Government apparently feels that all German technicians and German agents abroad should be repatriated at the earliest possible moment in order to be taken care of under the military regime. It was apparent that the British were not aware of General Eisenhower's[95] statement that he was unable at the moment to accept in the theatre any large quantity of Germans from outside Europe.

It was explained to Mr. Maclean, the British Embassy representative, that the Department was giving urgent thought to a program of repatriation for Germans, that it was not clear whether such a program would have to await the formation of the Allied Control Council and that the majority of the dangerous Germans in Latin-American countries had already been listed by its representatives in connection with the Proclaimed List and internment programs. The belief was expressed that the British listing of dangerous Germans in European countries would be an adequate guide for all concerned. So far as concerns Anglo-American cooperation in representations in the other American republics it was pointed out that the Department would have to rely in the Latin-American countries upon a joint Pan-American program rather than upon any Anglo-American approach. Mr. Maclean readily understood this point.

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[92] For documentation on efforts of the Department of State to prevent the return to the other American Republics of dangerous enemy aliens interned in the United States, see vol. IX.

[93] Division of Foreign Activity Correlation.

[94] Division of Special War Problems.

[95] Dwight D. Eisenhower, Supreme Commander, Allied Expeditionary Force.

740.00119 Control (Germany)/5–2145

The Ambassador in Spain (Armour) to the Secretary of State

MADRID, May 21, 1945—8 p. m.
[Received 10 p. m.]

1097. Embassy believes that interrogation of German personnel proposed in Deptel 810, May 16, 1 p. m. and Paris 2676, May 16, 4 p. m.[96] cannot be carried out on Spanish territory where no control or compulsory appearance can be exercised in any way comparable to an area within Allied control. At the latter, compromise of future interviews with person[s] under interrogation and with others could be avoided because of segregation, as well as tipoff of topics suggested by Dept or full disclosure of what matters interest us, with loss of satisfactory answers. For instance former German Military Attaché was recently contacted at his request by Military Attaché and flatly stated he had had no part in espionage. We believe that only severe cross questioning and repeated interrogation would break down his withholding of knowledge he must possess.

Embassy is hopeful that Dept's answers to Embtel 970, May 6, noon,[97] will provide complete instructions re ultimate disposition of former German diplomatic or other official or semi-official personnel as well as other Germans. It is Embassy's view that this personnel, together with known and suspected agents and all other Germans possible, be returned to Germany. If should any considerable portion of these groups remain in Spain continuance of German influence, Nazi ideology and subversive activities may be anticipated. Removal should be either by expulsion via Gibraltar where suitable questioning could be held or through other Allied control permitting complete and repeated interrogation under suitable auspices. If such procedure is approved it is hoped that funds, shipping facilities and authorization for that purpose will be promptly provided.

Rptd to London as 323, to Paris for SHAEF [98] as 240, by courier to Lisbon.

ARMOUR

740.00119 Control (Germany)/5–2545 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 25, 1945—1 p. m.

2309. For Murphy.[99] Refer to your 2242 April 30, Dept's 1865 May 4 and instruction 21 February 26.[1] Ineffective restraint on former

[96] Neither printed.
[97] Not printed.
[98] Supreme Headquarters, Allied Expeditionary Force.
[99] Robert D. Murphy, United States Political Adviser for Germany.
[1] None printed.

German official representatives in Spain, Portugal, Switzerland, Sweden and Ireland whose activities harmful to our objectives makes recall most urgent. Request SHAEF urgently seek concurrence Soviet High Command for requisite joint notification to former German official personnel in those countries that they are recalled. If SHAEF and Soviet High Command plan to notify former German chiefs of mission direct, FonOffs of four Powers should be notified text and timing in sufficient time to permit necessary representations to neutral govts.

Dept would like to see repatriated officials accommodated with but, pending completion interrogations, segregated from other captured FonOff personnel at center to be set up near Frankfurt where they would of course be accessible to interrogators of four Powers.

Spanish and Portuguese Govts have indicated desire German officials leave promptly. Delayed action may lead to change of attitude at least in possibly important individual cases.

GREW

740.00119 Control (Germany)/5–2745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 27, 1945—6 p. m.
[Received 10 p. m.]

2998. From Murphy. ReDeptel 2309, May 25. SHAEF is strongly of opinion that suggested action is outside its province and should be undertaken on Govt level, that is by a joint approach to the Russians by US and British Embassies in Moscow.

SHAEF states its readiness however to implement whatever action may be called for by the Govts in such matters as transfer and custody of the German personnel when they arrive in Germany. [Murphy.]

CAFFERY

740.00119 Control (Germany)/5–2745 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 31, 1945—7 p. m.

2453. For Murphy. London being asked take up question your 2998 May 27 with Brit FonOff with view to joint approach to Moscow as suggested.

In meanwhile please ascertain whether SHAEF agreeable accept custody German officials whose expulsion from neutral countries may be obtained in near future and whether transportation can be provided for them as for example from Gibraltar to interrogation center Frankfurt.

GREW

740.00115 EW/6–745

The First Secretary of the British Embassy (Maclean) to the Assistant Chief of Special War Problems Division (Clattenburg)

WASHINGTON, June 7, 1945.

DEAR CLATTENBURG: Our telephone conversation to-day about German officials in Spain.

In a telegram of May 28th, His Majesty's Chargé d'Affaires at Madrid stated that the question of the disposal of German official personnel was now urgent. The control instituted at the outset was inevitably being relaxed and the only satisfactory solution was that they should all be repatriated, together with as many German agents as possible. If the Spanish Government could be told that arrangements were being made for the early repatriation of these Germans, His Majesty's Embassy and the United States Embassy would be in a stronger position to press for them to be put in forced residence meanwhile.

The Foreign Office inform us that they are ready to authorise His Majesty's Chargé d'Affaires to make representations, in conjunction with his United States colleague, to the Spanish Government with a view to the Spaniards interning German official personnel. Pending SHAEF's agreement to accept them, early repatriation could not, of course, be promised to the Spanish Government.

We are instructed to inquire your views.

Yours sincerely, D. D. MACLEAN

701.6266A/6–845 : Telegram

Mr. Myron C. Taylor, Personal Representative of President Roosevelt to Pope Pius XII, to the Secretary of State

VATICAN CITY, June 8, 1945—5 p. m.
[Received June 8—3 : 10 p. m.]

144. ReDepts 63, May 23 and my 131 May 31.[2] 1. Montini[3] told Tittmann[4] and Osborne[5] yesterday that German diplomats, who are guests of Holy See, would not be invited to leave Vatican City unless Allies could give assurances that they would be treated with all respect due them as former diplomats accredited to Holy See. He explained that diplomats desired to leave Vatican City for repatriation and that Vatican would like to have them go, but we should help by paving the way for their departure by giving some sort of assurances along above lines.

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[2] Neither printed; telegram 131 reported an audience with the Pope regarding the disposition of the German archives at Vatican City (800.414/5–3145).
[3] Giovanni Batista Montini, Papal Under Secretary of State.
[4] Harold H. Tittmann, Assistant to Mr. Myron C. Taylor.
[5] Francis Osborne, British Minister to the Holy See.

2. Montini suggested same treatment for the seven German prisoners of war now taking refuge in Vatican City. He mentioned, for instance, that we might give assurances they would not be punished or made to undergo undue hardships in concentration camps. In the audience of May 23 (my 120, May 23 [6]) I indicated to His Holiness that if diplomats and German prisoners in the Vatican were guilty of war crimes they would be punished. If not guilty they had nothing to fear. The Pope concurred in this statement.

3. It is obvious that prestige of Holy See is involved.

4. We should be glad to have Dept's instructions on foregoing, bearing in mind custom between nations and international law if applicable.[7]

TAYLOR

740.00115 EW/6–1145 : Telegram

The Acting Secretary of State to the Ambassador in Spain (Armour)

WASHINGTON, June 11, 1945—7 p. m.

991. To extent situation warrants it and your Brit colleague supports you, you should request local authorities place under house arrest or stricter measures of control where applicable all German officials and agents designated by you stating US and Brit Govts making every effort expedite prompt repatriation these categories.

Report results.

Repeated to Lisbon, Dublin, Bern, Stockholm and Tangier.[8]

GREW

800.515/6–1345 : Telegram

The Minister in Ireland (Gray) to the Secretary of State

DUBLIN, June 13, 1945—6 p. m.
[Received June 13—5 : 35 p. m.]

142. Yesterday Brit colleague [9] told me he had been informed question of transferring interned German military personnel and Axis spies now in Eire being discussed with you by Brit Embassy Washington. These categories he said were distinct from categories contemplated in your cirtel June 9 [6] and your 102.[10] Proposal was that

[6] Not printed.

[7] Discussions with Vatican officials regarding repatriation of German diplomats and other Germans having refuge in Vatican City were carried on from late April through the rest of the year with no agreement being reached. The issue involved was that of assurances regarding treatment of these Germans when they should leave and come under Allied control.

[8] Repeated to Lisbon as 931, to Dublin as 102, to Bern as 2015, to Stockholm as 1102, and to Tangier as 123.

[9] Sir John Maffey, British Representative in Ireland.

[10] Same as telegram 991, June 11, to Spain, *supra*.

he was to be instructed to make Brit approach to Irish Govt in this sense. He had in fact already made tentative informal exploration and was confident of Irish cooperation. He was also instructed to discuss matter with this Legation. I told him that thus far we had received no instructions re this proposal but would make recommendations to you as follows: Namely, that I saw no American reason for objecting to single-handed approach by Britain, especially in view of fact that certain of the known spies in custody were Brit subjects, but there was one condition that I would recommend you not to waive under any circumstances: To wit, that Irish Govt release both enemy agents and interned military personnel and not simply the latter. The reason for this is that our intelligence should have full opportunity to grill the two known German parachutists Gosrz [*Görtz*], who was at large in Eire 18 months and Marchner, 6 weeks protected by Irish pro-German elements. I told him that I had positive confidential information that Irish Govt was very anxious to get rid of internees who are causing more serious trouble each day and cost not less than $200 a day. It may be assumed that Irish Govt will not willingly let us have the parachutists; consequently, they should be included or we should not accept internees. He said he was in accord with this and would not accept internees without enemy agents also. I asked him why not let matter ripen to point where Irish would ask us to take these people away. He said political considerations in Parliament made action on part of his Govt almost imperative. I questioned this but, of course, could not press dissent.

Proposal in your 102, June 11 and in above-referred-to circular while doubtless applicable to other neutral countries, we fear would only lead to another refusal here. It would be unfortunate for us to take lead in this matter and get no results. Suggest, therefore, you consider joining repatriation of military internees with proposals in your 102 and circular June 9. Otherwise we have little chance of getting anything but another snub and giving Mr. de Valera [11] another chance to make political capital as upholder of right of asylum. The only card we have except economic pressure, which we think would be unwise unless endorsed by all United Nations and carried through to end, is the nuisance value of those disorderly and expensive internees.

Our idea would be to wait for proposals from Irish and then make these conditions ourselves instead of having de Valera make them.

If you should approve urging the joining of all categories into one negotiation to be timed as local conditions might indicate, it is better that it should not stem from me as I did not mention possibility to Maffey.

GRAY

[11] Eamon de Valera, Irish Prime Minister and Minister for External Affairs.

740.00119 Control (Germany)/6–1845 : Airgram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 18, 1945.
[Received June 23—5 p. m.]

A–677. ReDepts 4340, May 31, 7 p. m.[13] We took up the repatriation of German officials with the Foreign Office on June 2 and we have now received the following reply which is dated June 16:

"You wrote to Sargent[14] on the 2nd June, regarding the problem of repatriating German officials from neutral countries, and emphasized the importance which the State Department attach to urgent action. I may say that we fully agree with the view that this category of personnel should be given the first priority for repatriation, and the recommendations to that effect which we have received from His Majesty's representatives in Lisbon and Madrid are in the same sense as those from their United States colleagues to which you refer. We have proposed independently through the Chiefs of Staff channel that Supreme Headquarters Allied Expeditionary Force's willingness to accept all those German officials who can be deported, as soon as arrangements can be made for their despatch, should be confirmed. The additional request for SHAEF's assistance in the matter of transport, which you mention that Mr. Murphy has been asked to make will, I hope, secure results. I understand that both these points have now been taken up with SHAEF by the Combined Chiefs of Staff.

"As regards approaches to the host governments, we are in agreement with Mr. Murphy's opinion that it would be inappropriate to coordinate with the Soviet High Command joint notification of recall to the officials whom we wish to repatriate. We do not consider that the actual form of recall is important, since the German officials who would receive it could neglect to obey unless we have obtained cooperation of the host governments in securing its enforcement. As regards such cooperation, experience of the action taken in neutral capitals in recent weeks regarding the disposal of German official property suggests that the right of representatives of the four Powers (or three Powers where the Soviet Government are not represented) to act on behalf of the Allies in Germany is not likely to be challenged. Action may indeed be somewhat simplified as regards the most urgent cases of Spain and Portugal, and in Switzerland as well, by the fact that there are no Soviet representatives in those countries. We are, however, anxious that the Soviet Government, as well as the French Government, should be kept fully informed of the action which is being taken there and elsewhere whether or not they are able to join in it.

"The coordination with the Soviet Government which I suggest that we ought to attempt to achieve, would be as follows: In the first place the Soviet Government should be invited to approve the principle of representations to all host governments to facilitate the repatriation of German officials, secondly, the Soviet Government

[13] Not printed.
[14] Sir Orme Sargent, Deputy Under-Secretary of State in the British Foreign Office.

should agree to cooperate to this end in Stockholm and also in Kabul (where in fact this matter is already being dealt with in local cooperation between the Soviet representative and his United States and British colleagues); thirdly, the Soviet Government should agree to the ultimate destination of the deportees.

"Provided that the third point is satisfactorily covered, the other points seem likely to prove less difficult. But you may share my doubts as to whether the Soviet Government would accept Frankfurt as the destination of all repatriated officials, whatever facilities may be offered to the Russians for interrogation of the deportees at that place, and whatever provision is made for the redistribution of the deportees after interrogation. The alternative plan which I would accordingly suggest is that the Soviet Government should be asked to agree that from countries where they have no relations with the host government, the Germans should be sent back to Frankfurt (or other agreed destinations in the British and United States zones), and that from the neutral countries with which they do have relations, the German deportees should go to the Soviet zone. This would mean that the Soviet Government would receive the Germans from Sweden and Afghanistan only. The plan would, however, have the convenience that there would be no dispute about the distribution of deportees from each place as between the zones, that the Soviet authorities would receive the Germans from foreign countries most accessible to them and that no question would be raised by the governments of neutral countries which have no relations with the Soviet Government about handing over Germans, for whom they are responsible, to Soviet hands. It is, I think, relevant to this suggestion to mention the local arrangement in Kabul, of which you may be aware, and under which the local German officials are already being sent for interrogation to the Soviet Union and presumably for eventual repatriation by the Russian route.

"The Foreign Office agree with the State Department's view that preliminary action to secure the repatriation of German officials need not depend on the concurrence of the Soviet Government, particularly as there are no Soviet representatives in the countries where the problem is perhaps most pressing. We have received a telegram from His Majesty's Ambassador at Washington dated 12th June, which indicates that the State Department have already provided for appropriate immediate action. Lord Halifax reports that the United States representatives at Madrid, Lisbon, Tangier, Berne and Stockholm have received authority to request the host government to hold German official personnel under 'house arrest' or if necessary under 'severe restriction'. He adds that this action is dependent on similar authority being received by His Majesty's representatives. We are accordingly giving this authority and in doing so propose to instruct His Majesty's representatives to invite their French colleagues to act similarly and also, in the case of Stockholm, His Majesty's Minister's Soviet colleague. His Majesty's representatives are at the same time being instructed, if their United States colleagues have authority to join them, to warn the host governments that these precautions against the dispersal of German officials are required pending arrangements for repatriation in which the host government's cooperation will be necessary.

"The next step which I would suggest is that our two Governments' representatives in Moscow should inform the Soviet Government of this preliminary action and invite them to instruct their Minister in Stockholm to associate herself with the representations which are being made. This approach might be accompanied, or if necessary followed, by a suggestion to the Soviet Government that they should agree to take part, where they are represented, in subsequent approaches to the host governments requesting final repatriation of German officials according to the plan as regards destinations which I have outlined. Once Soviet agreement in principle has been obtained to such a plan, it would be possible for the Soviet Government and for our two Governments to act independently in giving effect to it. For instance, the Soviet Government might make their own arrangements for repatriation of German officials from Stockholm so long as their representations to the Swedish Government, for the necessary cooperation, were backed by His Majesty's Minister and his United States and French colleagues. Similarly, the United States, French and British representatives in Lisbon, Madrid and Berne could act at appropriate moments in each country in accordance with the stage which arrangements for transport and reception of the proposed deportees had reached."

WINANT

740.00115 EW/6–2245 : Telegram

The Minister in Ireland (Gray) to the Secretary of State

DUBLIN, June 22, 1945—4 p. m.
[Received 8:55 p. m.]

149. ReLegtel 142, June 13. Brit colleague informs me that pursuant to his instructions he has requested surrender of German military personnel interned here for repatriation, also of German secret service agents now in confinement. Irish Govt has assented to request for military personnel but refused to give up spies alleging their offense is against Irish Govt.

I told Maffey he had assured me he had firm offer of surrender of spies and that I had so reported to you. He said offer was based on assurance proposed by him that status of spies would not be worse in Brit hands than in Eire. That is they might be kept in prison but would not be executed. This proposed assurance his Govt had refused to sanction. I told him he had not made this condition clear to me. He said he was sure he had mentioned the condition to me. I said it was of course possible but I had not understood it. I told him that what I had forecast has now come to pass and I feared he would accept military personnel as compromise and waive possession of agents who would have important information to give our intelligence. He said the matter was now in the hands of his Govt. I said that I should report compromise which waived spies as unsatisfactory that I would recommend to my Govt waiver of unconditional surrender and accept-

ance of assurances that spies would not be executed as preferable. I further expressed opinion that the reason given by the Irish Govt for refusing request as to spies was disingenuous and that even with assurances of not executing he would not obtain them. Our conversation was frank but entirely friendly.

The action of Irish Govt would seem to bear directly on the instructions in your 102, June 11.[14a] We feel it would have been best to treat the whole matter in one negotiation but since it is now too late for this would recommend restudy of proposals as regards Eire with consideration of definite course to be taken if met with non-acquiescence which I would predict. It would seem mistake to have to swallow more refusals by de Valera Govt. GRAY

740.00119 Control (Germany)/6–2345 : Telegram

The Acting Secretary of State to the Ambassador in Spain (Armour) [15]

WASHINGTON, June 23, 1945—noon.

1061. Dept has had indication of several instances of neutral Govts planning or desiring to make exceptions to general expulsion of German officials when order recalling them to Germany is issued by appropriate Allied military authority.

Dept considers it advisable that all former German officials abroad be returned to Germany for interrogation and screening prior to eventual disposition. Dept would certainly not concur in any exceptions whatsoever involving high officials no matter what the circumstances. Regarding minor official personnel Dept believes same procedure generally advisable but might agree to exceptions should any case arise which seems to you to merit consideration. Full details of any such cases should be reported to Dept but no commitments made pending Dept's concurrence. Dept would however reserve right to request expulsion later should circumstances warrant it of any persons who might now be made exceptions to general rule.

GREW

740.00115 EW/6–2445 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, June 29, 1945—7 p. m.

39. Urtel 44 June 24.[16] Agreement of SHAEF to consider acceptance German Internees in US from other American republics grate-

[14a] See footnote 8, p. 788.

[15] Repeated to Bern as 2118, to Lisbon as 992, to Stockholm as 1185, to Dublin as 107, to Tangier as 130, and to Rome as 80.

[16] Not printed.

fully noted. This is of course only small part of overall problem as will be evident from enclosures to an instruction being sent you separately. Info requested for SHAEF will be provided as soon as possible.

Accordance suggestion your telegram Dept informing missions in neutral countries they should coordinate activities with Brit to avoid duplication.

Question of destination in Germany of Germans whose deportation from neutral and co-belligerent countries will be sought by US and Brit Govts begins to assume importance. Note in this connection Madrid's 322 to Paris for you. Discussion of eventual destination of individuals within Germany based on implication of differing treatment in differing zones will immeasurably complicate task of repatriating obnoxious Germans and perhaps entirely defeat objectives. As you point out Dept and Brit can presently sponsor repatriation to Germany of only those Germans who will be accepted by SHAEF and delivered to areas under control of SHAEF. At this moment Dept proposes merely to state in applicable cases that Germans whose repatriation is asked will be delivered into American and Brit zones. Efforts will be made discourage discussion of further disposition of such Germans. In view probability this effort may not in long run avoid such discussions, your views and those of SHAEF urgently solicited particularly regarding means assuring Germans abroad and Governments being asked expel them that treatment in all zones will be uniform.

GREW

740.00119 Control (Germany)/6–1845 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, July 2, 1945—7 p. m.

5372. Following comment offered your A–677 June 18 numbered paragraphs referring to corresponding paragraph of Foreign Office letter to you June 16:

1. As you and FonOff probably aware SHAEF has undertaken accept officials from neutral countries and to provide transportation upon being given adequate data.

2. Now too late to endeavor to arrange for recall of German officials as prelude to expulsion. American missions Paris and Moscow being requested inform Soviet and French Govts of action initiated. Dept remains convinced that maximum compliance would have been obtained by combination of recall and cooperation local Govts.

3. Dept concurs all three points raised this paragraph.

4. Arrangement to transfer German officials from Kabul to Germany through Russia appears to have failed owing to opposition Afghan Government. Similar Swedish reaction not unlikely as it is duty of host Govt to see retiring diplomats return to countries whence received. Furthermore, FonOff plan for disposition of officials might lead to controversy with Soviets regarding non-officials. Soviets might feel that plan would constitute agreement applicable to transportation to Soviet Zone of repatriated German non-officials from United Kingdom, U S and other places where Soviet is represented. Further comment on this subject is invited. If there were not existent parallel problem of repatriation of non-officials and if obstacles had not been encountered at Kabul, Dept would be disposed to view Brit plan as possessing ideal advantages. Only alternative visible to Dept is endeavor obtain Soviet agreement to proposal that in order to obtain quickest possible compliance of host powers latter be given freedom to extent they seek it to designate route of deportees to Germany.

5. Dept informing missions in neutral countries it assumes that they are inviting their French and Soviet colleagues to cooperate in measures looking toward repatriating German officials.

6. See 2 and 3 above. Following being sent to Embassy Moscow:[17]

"In view of potential harmfulness of former German officials stationed in neutral countries, U S Govt in cooperation with Brit Govt has undertaken steps designed to obtain expulsion of such individuals and their return to Germany. It has further requested that such persons be made subject of house arrest or severer measures where necessary.

Coordinating your action with your British colleague who will presumably receive corresponding instructions inform FonOff foregoing and invite it concur in principle that neutral host Govts should be urged to cooperate in effecting fully repatriation of German officials found within their borders.

Inform FonOff we hope that Soviet representatives in Stockholm and Kabul will be instructed to cooperate with our missions along above lines. In view of possible difficulties encountered with host government respecting expulsion of individuals who may have ingratiated themselves some concessions may have to be made respecting route followed by such officials and their initial destination in Germany. However, it would seem that repatriated Germans should follow most direct course of travel to Germany unless for some reason the host Govt being asked to expel them, for reasons of its own prescribes some other course in which case, as matter of realism wishes of that host Govt would have to be met to solve present urgent problem of removal of these troublemakers.

Repatriated officials received into the Brit and American zones in Germany will be assembled for convenient interrogation and processing at a center where they will be at disposition of all Allied authorities. Soviet authorities will be at liberty to interrogate them at this center. It is assumed that corresponding facilities will be established for such officials received in Soviet zone."

First two paragraphs above quoted telegram being sent Embassy Paris.[18]

GREW

[17] Sent to Moscow as telegram 1496 on same date.
[18] Sent to Paris as telegram 3052.

740.00115 EW/7–545 : Telegram

The Minister in Ireland (Gray) to the Secretary of State

DUBLIN, July 5, 1945—6 p. m.
[Received 8:21 p. m.]

156. ReLegtel 154, June 29 to Dept.[19] Yesterday Brit colleague informed me that Irish Govt now imposed condition on release for repatriation of 250 German military internees. Condition was that none of these men should be returned to Russian occupied areas. I told colleague that I considered this a most dangerous proposal inasmuch as it was an obvious attempt to enlist us in discrimination against our Russian ally and in accord with de Valera's evident policy of creating differences between us. Even if the Dept had not issued thru Mr. Grew denial of report of tacit understanding with Britain against Russia I should have felt bound to make strong recommendations against assenting to any condition of this nature imposed by Irish Govt. I said that it seemed less of a disadvantage to leave the internees in Eire than to put ourselves in Mr. de Valera's power by assenting to a discrimination against an Ally.

I gathered from Maffey that he had recommended acceptance by his Govt of verbal proposal and written undertaking of Irish Govt that they should keep the 10 spies in confinement and not release them without Brit approval. I said that I felt this to be a serious mistake since they were held under an emergency powers order which in the nature of things would eventually be repealed. As they were not held by process of law Irish courts would necessarily release them on habeas corpus. It was further probable that for political reasons de Valera could not afford to admit an agreement with Brit Govt to hold these people indefinitely. Consequently, it was better to accept a refusal now as regards the spies than to approve conditions which in the nature of things could not be kept.

Sent to Dept as our 156, rptd to London as our 32.

GRAY

740.00115 EW/6–2945 : Telegram

The Acting Secretary of State to the Minister in Ireland (Gray)

WASHINGTON, July 7, 1945—2 p. m.

113. Copy of instructions sent your Brit colleague June 11 available to Dept and studied in connection urtels 142, 149, 153 and 154.[20]

Dept has in mind two separate programs for deportation and repatriation German non-military personnel. First and most pressing

[19] Not printed.

[20] Telegrams 142 and 149, dated June 13 and 22, are printed on pp. 788 and 792, respectively; telegrams 153 and 154, dated June 25 and 29, not printed.

has been that of repatriating public officials (Deptel 109 June 29 [21] and associated messages). Inclusion German agents in program was contemplated to extent that they might be considered officials.

Second program involves repatriation from neutral and cobelligerent countries of obnoxious Germans as part of SAFEHAVEN program (Depcirtel June 9).[22] It is feeling Dept that there can be included in second program those Germans who should have been included in first but who may escape expulsion for reasons of personal influence or for other reasons.

Return of military internees is clearly duty of neutral on cessation hostilities and is not subject of special program.

SHAEF has agreed to receive public officials from neutral countries and undoubtedly will receive military internees. It has so far not agreed to receive obnoxious Germans as defined in SAFEHAVEN program, facilities for reception and processing being temporarily lacking.

In face of foregoing Dept unable authorize merging German repatriation programs for Ireland despite extraordinary situation described your 142. Brit desire to take initiative in negotiating in Ireland regarding these Germans. This appears to coincide with your recommendations.

Brit summary of Dept instructions to missions neutral countries (your 154) quite accurate. Dept desires you take any possible steps to support efforts your Brit colleague obtain removal from Eire of Germans whether military internees, public officials or obnoxious category. Emphasize to Irish Government that as Germany is totally defeated, duties of neutral host are terminated, that in view of widespread knowledge of German offenses against civilization and against hospitality of foreign govts (see Irish argument your 149 first paragraph) no concept of sanctuary for Germans can be expected in world opinion. In case Eire cannot or will not meet her duties to community of nations in respect of these outlaws, US Govt is prepared to discuss situation in Control Council Berlin and elsewhere with a view to action and furthermore to marshal full force of public opinion on this subject.

In light your intimate knowledge peculiar circumstances obtaining locally, Dept leaves to you time and manner presenting above thoughts to appropriate officials.

GREW

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[21] Not printed.

[22] Telegram of June 9 not printed; for documentation regarding SAFEHAVEN program, see vol. II, pp. 852 ff.

740.00115 EW/7–745 : Telegram

The Minister in Ireland (Gray) to the Secretary of State

DUBLIN, July 7, 1945—6 p. m.
[Received July 7—4:56 p. m.]

159. ReLegtel 156, July 5. Brit colleague informed me July 7 that his Govt had disapproved Irish Govt's proposal that military personnel interned in Eire be surrendered only on condition that they were not to be delivered to Russian zone. On July 6 he so informed de Valera and advised him not to obstruct repatriation asking him for reply by July 10 on grounds that ship for repatriation could not be kept waiting. De Valera said that he would have to consult his colleagues but would have reply by given date. Will inform you result on 10th.

Sent to Dept as our 159 rptd to London as 35.

GRAY

740.00115 E.W./7–1145 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, July 11, 1945—5 p. m.

5651. Following is Moscow's reaction message quoted Dept's 5372, July 2, 7 p. m.

"Careful consideration has been given to questions raised in Dept's 1496, July 2 concerning repatriation of German diplomats from neutral capitals, and we have discussed matter with Brit Emb which has considerably more background material on this subject. It is our view and that of Brit Emb here that it would be much preferable that this matter be arranged exclusively through Control Commission in Berlin and that no approach be made to Soviet Govt in Moscow on this subject. To make such an approach here would only involve a whole series of Soviet authorities which might otherwise not have to be consulted, and would probably lead to long delays and a number of counter questions. We think it likely that in the end such an approach would create more problems than it would solve. Since I understand that Russians favor expulsion of these Germans from countries they are in, particularly Sweden, I do not think that any approach on our part is needed in order to persuade Russians to instruct their representatives along these lines."

Dept disposed agree Moscow's recommendations. Does FonOff concur?

GREW

741D.62115/7–1645 : Telegram

The Minister in Ireland (Gray) to the Secretary of State

DUBLIN, July 16, 1945—6 p. m.
[Received 8:05 p. m.]

166. Your 113, July 7. Irish reply to British representative regarding unconditional surrender of German interned military personnel requested and promised for July 10 has not been received. External Affairs represents de Valera as too absorbed in constitutional question of declaration of Irish Republic to give promised answer but expect it by July 20. Appreciate your 113 which clarifies our understanding as to various categories of Germans to be requested. Also thanks for helpful instructions as to line to take with Eire Govt. After consultation with British colleague it seems wise not to make approach till after reply as to military personnel is received. I would then take up with de Valera the question of our two programs in the light of his reply to military personnel question.

British colleague appears to regard status of the 10 interned German agents to be held in Irish confinement at pleasure of British Govt preferable to their surrender on conditions. Naturally any conditions not approved by our Russian ally would be unacceptable but I have told him that I could not recommend that we subscribe to view that their offense was against Irish State as one [*alone?*] and not the United Nations also. They came as enemy agents to assist in the German war effort on neutral soil and may fairly be construed as members of Nazi conspiracy against existence of United Nations. As set forth in my 160, July 9, 6 p. m.[23] there is reason to believe that Irish Govt refuses to release them because of possibility of revelations involving Irish nationals now at large. Interrogation of such persons would be pertinent to SAFEHAVEN objectives.

Next last paragraph of your 113 answers our request for a considered joint plan of action in the case of more or less general Irish refusal of our demands. Maffey and I agree that it seems that such action would properly apply to Irish refusal whether in whole or part to all requests whether British or American or joint. We feel that one strong general statement would be preferable to more than one.

GRAY

[23] Not printed.

740.00116 EW/7-2345 : Telegram

The Ambassador in Portugal (Baruch) to the Secretary of State

LISBON, July 23, 1945—6 p. m.
[Received 8 : 30 p. m.]

1577. Officer of Embassy discussed informally on July 21 with Director of Political Affairs of FonOff [24] question of repatriation of German officials and agents. Judging from this conversation attitude of Portuguese Govt may be summarized as follows:

1. Some assurance will be required that former German officials or agents will not be sent to Soviet occupied Germany.
2. Portuguese authorities will assist us to repatriate only those Germans who desire to return to Germany.
3. Germans who refuse repatriation will be accorded status of political refugees and permitted to remain in Portugal.
4. Portuguese Govt will make exceptions only in event that we are able to prove in a given case that the individual is a war criminal or an actual or potential saboteur and is in general dangerous to Portuguese security.

French and British Missions have been informed and are reporting to their Govts accordingly.

It is our impression that local protests will be unavailing and that only if the strongest pressure is exerted by Washington, London and Paris will the Portuguese change their viewpoint on this matter and we recommend that this be done since fate of SAFEHAVEN program also involved.

Sent to Dept, repeated to Madrid as 169, London as 369, and Paris as 264 for USPolAd [25] Frankfort.

BARUCH

740.00116 EW/7-2345 : Telegram

The Ambassador in Portugal (Baruch) to the Secretary of State

LISBON, July 25, 1945—6 p. m.
[Received 8 : 48 p. m.]

1591. Embassy telegram 1577, July 23, 6 p. m. The Dept may wish to impress upon the Portuguese Govt that the latter's informal attitude concerning repatriation of such Germans as we desire to send back to Germany is totally unsatisfactory. This attitude will, we believe, be formalized when we offer our lists of deportees and make demand for their repatriation but we do not believe we should make formal representations on this subject in advance. Apparently Portuguese do not

[24] Marcello Mathias, Director General of Portuguese Foreign Office.
[25] United States Political Adviser.

realize that every German irrespective of his place of residence is just as much under the control of the Allied Control Council for Germany as was previously the case with former German Legations and Embassies; the German surrender was unconditional and the Allied nations therefore must have the right to prevent Germans throughout the world from again putting themselves in a position to renew their harmful activities against the Allies and civilization in general; while we would not question the right of political asylum in normal times it seems clear that Germany by her actions throughout the war up to and including her unconditional surrender has pursued a course which leaves no choice except to deny to Germans the right of asylum anywhere in the world if in the opinion of the Allied Control Council their return to Germany is desirable.

It is my further considered opinion that this case will be considerably strengthened when the Allied Control Council takes a position along these lines and announces that the Govt of the US as well as the British, French and Soviet Govts insist on neutrals immediately acceding to requests for repatriation of German officials and other German nationals.[26] Unless the Allied Govts through the Allied Control Council for Germany and possibly by public announcement at Potsdam take a strong position on this matter we will be met with constant juridical objections especially here in Portugal and in the absence of a strong stand the situation may pass entirely beyond our control in respect of SAFEHAVEN as well as our security measures. The Dept's views on this subject are urgently solicited.

Sent to Dept; repeated to Madrid as 17; to London as 370; Paris as 266 for USPolAd.

BARUCH

740.00119 Control (Germany)/7–2745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, July 27, 1945—2 p. m.
[Received July 27—10 : 52 a. m.]

7572. Main points of FonOff (Foreign Office) letter July 23 responding to substance of Deptel 5372, July 2, repeated Moscow as Dept's 1496 follow:

(1) Agree Dept's fear that USSR might assume plan for repatriation routing of officials should also apply to non-officials.

[26] See agreement between the United States, the Soviet Union, the United Kingdom, and France regarding certain additional requirements to be imposed on Germany, section III, 7(*c*) and 8(*b*), *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, pp. 1011, 1013.

(2) Doubt whether scheme of allowing host Govt to choose route would be acceptable to Soviets if this appeared to countenance an aversion to Russian zone.

(3) Conclude it preferable not to seek formal coordination repatriation program at Moscow but concentrate on practical cooperation Kabul and Stockholm where Anglo-American missions in conjunction with Soviet colleague should seek application principle that host Govt name destination of deportees.

(4) Absence of Soviet representatives in neutral countries of Western Europe should provide adequate answer should Soviets complain of lack of prior formal consultation on repatriation.

(5) British Embassy Moscow not being instructed to communicate USSR re repatriation official Germans. British Legations Kabul and Stockholm already instructed not to conclude repatriation arrangements without reference to Russian colleagues. Hope to secure Soviet concurrence to plans to repatriate officials from Sweden to Lübeck. British Legation Kabul instructed to decline to accede Afghan insistence that Allied representatives Kabul guarantee German officials will be sent to zone under joint Allied control since deportees will be in Soviet hands and not under joint Allied control.

(6) Sent Dept as 7572, repeated Moscow as 265, Kabul as 2 (reference Kabul's 95 to Dept July 5 [27]), Stockholm as 524 (reference Stockholm's 2390 to Dept July 6 [27]).

(7) For Dept see Embtels 7450, 7451, July 24.[28] Text FonOff letter airmailed.

WINANT

741D.62115/8–245 : Telegram

The Minister in Ireland (Gray) to the Secretary of State

DUBLIN, August 2, 1945—4 p. m.
[Received 9:55 p. m.]

172. British representative informs me that on July 31 he obtained long awaited answer relative German military internees from de Valera. Irish Prime Minister attempted to exempt certain individuals but in the end agreed to deliver all Aug 13 for embarkation to Britain enroute Germany. Maffey has transmitted this information to his Govt but does not count on complete compliance till full delivery is actually effected.

I discussed with him next step relative demand for diplomatic and other officials pursuant instructions your telegram 113, July 7.[27] He agreed with me that we should almost certainly be met with refusal and that consequently a feeling out approach would be futile. We think it advisable to present a note drawn for publication in anticipation of refusal. Lacking instructions from the new British Govt [29]

[27] Not printed.
[28] Neither printed.
[29] The Conservative Government of Prime Minister Winston Churchill resigned July 26, 1945, and the Labor Government headed by Clement Attlee took office August 5.

his position is of course delicate and his views are off record and should not be quoted. Subject of course to more complete information and subsequent instructions he agreed with the following suggestions which I proposed as points for a draft to be submitted to you.

1. The United Nations have regarded with satisfaction the Irish Prime Minister's declaration that his Govt in the postwar period was prepared to collaborate. Citations from public addresses.
2. Opportunity for cooperation now presents itself. For purpose of preventing the resurgence of Nazi activity it is necessary that German officials be returned to Germany and the custody of the Allied Control Commission.
3. Regardless of the action of other neutrals the peculiar geographical position of Eire and its constitutional status as associated with the British Commonwealth of Nations according to recent announcement makes full and friendly cooperation by the Irish Govt to be assumed without question.
4. Whatever difference of opinion may exist as to the responsibility of the German people for their recent Govt this question cannot arise in the case of officials who served that Govt voluntarily and who after entering neutral territory were free to repudiate such Govt but continued to serve for pay. As to such the question of diplomatic immunity or international sanctuary cannot arise.
5. It is pointed out that the National Socialist Govt, served by the officials and agents in question, by its acts put itself outside the framework of international law and of the moral order. The judgement passed by the Pope in his recent manifesto leaves this in no doubt. No state recognizing the tenets of moral law, and least of all a state officially recognizing the Roman Catholic Religion, can reasonably take a different view of the Third Reich, which attempted the conquest of the world and which by sacrifice of blood the United Nations have overcome for the salvation of mankind. Quotations from the Pope.
6. The American Govt acting in the name of the United Nations, therefore requests from the Irish Govt delivery for return to Germany of all agents and officials representing the former Govt of Germany now in Eire.

Will restudy these suggestions with British colleague, unless you disapprove, and send by courier.

Legation's telegram 39 to London 172 to Dept.

GRAY

740.00115 EW/7–1745 : Telegram

The Acting Secretary of State to the Minister in Switzerland (Bruggmann)

WASHINGTON, August 7, 1945—8 p. m.

2478. Expected Control Council Germany will issue formal recall German officials. Dept not informed such recall yet issued. As principle of recall agreed upon by all Four Powers immediate departure German officials for Germany is urgently desired.

You may inform Swiss authorities that Allied Powers agreed upon recall of all German officials and that they will look to Swiss authorities for assistance in making that recall effective. You should endeavor avoid any questions regarding absence formal recall order emanating from within German territory. (Urtel 3593 July 17 [30])

Repeated to Hoechst.[31]

GREW

741D.62115/8–945 : Telegram

The Minister in Ireland (Gray) to the Secretary of State

DUBLIN, August 9, 1945—3 p. m.
[Received 7:15 p. m.]

173. Re Legation's telegram 172; 39 to London. Believe point raised by Winant regards paragraph 4 of our suggestions for note requesting repatriation of certain German categories well taken. Our draft was pronounced tentatively as basis for discussion and constructive criticism. Further consideration here inclines us to view that paragraph 1 of our 172 should be based on explicit statement of de Valera that as far as it lay with Irish Govt Eire was externally associated with British Commonwealth. The gist of paragraph 1 would therefore read substantially as follows.

The United Nations regard with satisfaction the recent statement of the Irish Prime Minister that insofar as it may lie with the Irish Govt Eire is externally associated with the British Commonwealth of Nations. With the termination of the war in Europe Irish neutrality is no longer in issue and United Nations in which all states of British Commonwealth have membership may confidently expect the cooperative action implied in such association.

Sent Dept 173 repeated London 40.

GRAY

740.00116 EW/7–2345 : Telegram

The Secretary of State to the Ambassador in Portugal (Baruch)

WASHINGTON, August 10, 1945—9 p. m.

1331. At appropriate time and in appropriate manner you will take strongest attitude feasible toward Portuguese Govt in respect repatriation German officials and agents. Point out that Allied Powers have agreed upon recall of all these persons and that Portuguese Govt is expected to render maximum assistance. Explain disgust which

[30] Not printed.

[31] As telegram 233 for the Political Adviser for Germany, whose office had been moved to Hoechst on June 15.

will be felt throughout civilized world if any of these representatives of outlawed Naziism are accorded status of political refugees (your 1577 July 23).

It is trusted that personnel of your office will endeavor to obtain in maximum number of cases information bringing within paragraph 4 your 1577 cases of persons who may endeavor to remain in Portugal.

Dept agrees fully reasoning your 1591 July 25.

Repeated to Madrid, to London and to Paris for Embassy and US PolAd. BYRNES

740.00116 EW/8–1645 : Telegram

The Ambassador in Portugal (Baruch) to the Secretary of State

LISBON, August 16, 1945—5 p. m.
[Received 5 : 48 p. m.]

1740. The necessity for action in removing German officials and agents from Portugal is urgent owing to fact that position of ex-German officials here is becoming open scandal and detrimental to Allied prestige.

Although we have had no indication as yet from AmPolAd Frankfort or from the Department whether lists of German officials and agents whose repatriation we desire have been approved we intend in absence of instructions to the contrary (Department's telegram 1331 August 10, 9 p. m.) to approach Portuguese request their maximum assistance in the matter and inform them that we will be ready to send first contingent within several days. Transportation will be arranged through Military Air Attaché [32] and Air Transport Command. British Embassy is similarly advising Foreign Office. French instructions are sufficiently broad to permit French Legation to support our action without further reference to Paris.

Sent Department repeated London as 405 to Madrid by courier. BARUCH

740.00116 EW/8–2745 : Telegram

The Chargé in Portugal (Crocker) to the Secretary of State

LISBON, August 27, 1945—5 p. m.
[Received 5 : 49 p. m.]

1812. Deptel 1366, August 18.[33] British, French and American Missions Saturday [34] presented identical notes to Foreign Office addressed to Salazar [34a] requesting Portuguese Government's assistance in

[32] Lt. Col. Russell A. Cone.
[33] Not printed.
[34] August 25.
[34a] Antonio de Oliveira Salazar, President of Portuguese Council of Ministers, and Minister for Foreign Affairs.

effecting repatriation of German officials and agents. Director of Political Affairs to whom notes were handed reacted along general lines of Embtel 1577, July 23 but ultimate decision depends on Dr. Salazar and we will press for formal reply. Despatch follows.[35]

Sent to Dept, repeated to Madrid as 193, London as 422, Paris as 288.

CROCKER

740.00116 EW/9–745 : Telegram

The Chargé in Portugal (Crocker) to the Secretary of State

LISBON, September 7, 1945—5 p. m.
[Received 5:21 p. m.]

1884. Deptel 1454, September 6.[35a] Fairly definite indications are now at hand that Portuguese will refuse our request for repatriation of German officials and agents. French are instructed not to make major issue of affair and British would most probably not want to bring pressure for reason, inter alia, that Portuguese are now their creditors. All three Missions, however, agree that if Portuguese reply is negative, as we now anticipate, the situation should be thoroughly aired in press and on wireless and London and Paris are being so informed.

We also plan to request Portuguese to place all Germans on list in forced residence and in any event to assist in repatriation of those who volunteer, dangerous categories and holdovers from exchange group.

CROCKER

740.00116 EW/9–1445 : Telegram

The Ambassador in Portugal (Baruch) to the Secretary of State

LISBON, September 14, 1945—6 p. m.
[Received September 14—4:55 p. m.]

1941. Embtel 1884, Sept 7. British Minister-Counselor[36] was informed today by Director of Political Affairs of Foreign Office that announcement of recall of German officials and agents from neutral countries by Allied Control Council for Germany changes Portuguese position on repatriation of Germans since action of Control Council provides juridical basis with which to meet our request. I am hopeful, therefore, that this problem may soon be disposed of in accordance with our American-British-French joint request.

BARUCH

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[35] Not printed.

[35a] Not printed; in it the Department expressed anxiety for an early initiation of repatriation by Portugal.

[36] Henry Ashley Clarke.

740.00116 EW/9–1945

The Portuguese Ministry for Foreign Affairs to the American Embassy in Portugal [37]

[Translation]

The Ministry of Foreign Affairs presents its best compliments to the Embassy of the United States of America and has the honor to reply to the note of the 23rd of last month relative to German nationals resident in Portugal.

The Portuguese Government has given to the note under reference the most careful attention with the desire of accurately interpreting its scope and attempting to conciliate the motives which animate it and to cooperate with the Government of the United States for the re-establishment of the moral conditions necessary to the peaceful reconstruction of Europe, with certain fundamental principles which have inspired and regulated international relations.

Within these terms, the Portuguese Government is prepared to lend the good offices which are requested for the repatriation of German officials and agents and will certainly indicate an official who will collaborate with the designated entity in order to cause to be delivered to the German citizens under reference the orders or instructions respecting them coming from the present retainers of German sovereignty, or to remove any difficulties of a material or administrative order, concerning the prompt obedience which must be given to the orders received.

The Portuguese Government understands, however, that it may not go to the point of agreeing to give compulsory execution to the instruction emanating from a foreign sovereignty in this matter, except in the case of former commitments, which will be integrally maintained and respected with relation to war criminals and to extradition of other criminals, in agreement with the respective treaties.

The attention of the Portuguese Government has likewise been drawn, in a very special manner, to that part of the American note which emphasizes that the prolonged stay in Portuguese territory of the German individuals included in the list annexed to the same note may be prejudicial, not only to the interests of the United States, Great Britain and France, but also to the security of Portugal, owing to the fear of the formation in Portugal of a nucleus capable of assisting in the re-birth of National Socialist political activity.

Although the collaboration extended in these matters to the Embassy of the United States of America, and to the Allied countries, has always been characterized by the most comprehensive action of the Portuguese Government, as the representatives of the interested

[37] Transmitted to the Department in despatch 427, September 19, from Lisbon; received September 27.

countries will certainly not hesitate to recall, the Portuguese Government formally re-affirms its determination not to consent to any political activity whatsoever on the part of German citizens who eventually may continue to reside in Portugal and to take the necessary steps, including the expulsion from the national territory, in respect of those who, it is convinced, will be elements disturbing to the order and tranquility of the country.

In this respect the Portuguese Government has already ordered the necessary steps for the clarification and verification of the activities referred to in the American note, and will be very grateful to the Government of the United States if it will assist, with the elements at its disposal, to achieve the desired objective.

LISBON, September 14, 1945.

740.00119 Control (Germany)/9–1745 : Circular telegram

The Acting Secretary of State to Certain Diplomatic Missions [38]

WASHINGTON, September 17, 1945—8 a. m.

On September 10, the Allied Control Council for Germany passed the following resolution:

"1. That all German nationals who were German Government officials of any category whatsoever at the time of the unconditional surrender of Germany or prior thereto, and their families are hereby formally recalled from Afghanistan, Eire, Portugal, Spain, Sweden, Switzerland, Tangiers and the Vatican City.

"2. That all German agents and their families in these countries are hereby recalled to Germany.

"3. That the Control Council look to the neutral countries concerned for assistance in returning these German nationals to Germany, as well as other obnoxious Germans and their families whose presence abroad constitute a danger in view of the possible future renewal of the German war effort.

"4. That notice of the recalls and of the assistance expected in effecting them be given neutral countries, preferably through the missions of the respective Allied Powers where such missions are established."

The Council has requested the four member powers to give notice of the recall to the governments of the neutral countries mentioned in paragraph 1 through the Missions of those powers in the neutral countries.

Please deliver notification of foregoing resolution to FonOff, acting if practicable in concert with your colleagues representing other occupying powers. Inform us of date of notification.

ACHESON

[38] Sent to Kabul, Dublin, Lisbon, Madrid, Stockholm, Bern, Tangiers, and Rome.

800.515/9–2145 : Telegram

The Minister in Ireland (Gray) to the Secretary of State

DUBLIN, September 21, 1945—5 p. m.
[Received 6 : 41 p. m.]

200. Supplementing my 197.[39] In view of contemplated action as to German personnel in Eire by Allied Control Council important that you and our representative on Council should clearly understand position resulting from separate British approach in regard to repatriation of German military internees and ten interned spies. We were informed of this action as reported to you in our 142, June 13, and 149 June 22 but not consulted and our understanding is that it was purely British *démarche* and not in name of United Nations. This appears to be violation of principle of cooperative action which is basis of our reconstruction of Germany and presents us with specific situation about which joint decision should be taken without delay. Seven of the eight military internees who broke parole 6 weeks ago are still at large indicating lack of interest on part of Eire Government in their apprehension. But we or United Nations can do nothing but request British to press for action. Furthermore, the British arranged an undertaking with Irish Government by which Eire agreed to hold the ten spies in custody until British Government assented to release. Their release, therefore, rests exclusively with British Government and not with Allied Control Council.

Could not we request British to regard their action as a tentative expedient pending resolution adopted by Allied Council and subject to be taken over by Council. Otherwise de Valera will continue to deal with British on separate basis and rift in Allied solidarity on which he counts will have occurred.

Sent Department as 200 repeated London as 51.

GRAY

740.00116 EW/9–2545

The Ambassador in Portugal (Baruch) to the Secretary of State

No. 439 LISBON, September 25, 1945.
[Received October 8.]

SIR: In continuation of my despatch no. 427, of September 19, 1945,[40] with which was transmitted a copy in translation of the Portuguese Government's note of September 14, 1945, concerning the repatriation of German officials and agents from Portugal, I have the honor to report that on September 22, an officer of this Mission presented to Dr. Marcello Mathias an *Aide-Mémoire* on behalf of the

[39] Dated September 20, 1945, not printed.
[40] Not printed.

British and French Missions, as well as this Embassy. A copy of the *Aide-Mémoire* is enclosed.

In brief, in the *Aide-Mémoire* the three Missions welcomed the decision of the Portuguese Government to lend its good offices for the repatriation and requested the appointment of a Portuguese official to assist in this task; the right was reserved to renew our representations for the repatriation of all the Germans on the list which had been presented to the Portuguese; the official text of the Allied Control Council's resolution recalling German officials and agents was also communicated in the *Aide-Mémoire*. The Embassy was obliged to paraphrase the resolution of the Allied Control Council by reason of the fact that the Department's telegram [41] communicating the resolution to this Mission arrived in secret code.

There is enclosed a memorandum of the conversation which took place between Dr. Mathias and the officer of this Embassy who presented the *Aide-Mémoire* to him.[42] It will be observed that Dr. Mathias brought up the question of the support of dependents who might be left temporarily in Portugal, in the event that passenger regulations of the Air Transport Command prevented us from repatriating them at the same time as the principals on our list. For the reason that this question may well come up again, an expression of opinion from the Department would be appreciated.

The Embassy has now received a memorandum from the Foreign Office, dated September 24, 1945,[43] designating a captain in the Portuguese Police for Vigilance and Defense of State (P.V.D.E.) to represent the Portuguese authorities in the repatriation program and to work out the details with the representative of the three Missions, the British Passport Control Officer in Lisbon. Each German on the list will receive an individual recall order, drawn up in accordance with the form which is enclosed.[43] There is also enclosed a copy in translation of the Foreign Office memorandum to which reference has been made. The three Missions are thus prepared to proceed with the repatriation program in Portugal and, as the Department has been informed, air transport has been arranged from Lisbon to Orly, near Paris. Unfortunately, no arrangements have, as yet, been made for forwarding the Germans concerned from Orly to a collection center in Germany. The Counselor of this Embassy,[44] on a recent brief business trip to Paris, took the matter up with the Embassy in Paris, and the Allied Missions in Lisbon are still awaiting word from Paris that transport to Germany has been arranged, before sending any of the repatriates to Orly. Any assistance which the Department

[41] See circular telegram dated September 17, p. 808.
[42] Memorandum of conversation between Dr. Mathias and Mr. Halleck L. Rose, Second Secretary of Embassy, not printed.
[43] Not printed.
[44] William W. Butterworth.

is able to give in this matter will be greatly appreciated and will facilitate our program.

It will be understood that having made all of the arrangements which it is possible to make locally, it would be embarrassing for the American, British and French Missions here to be obliged to delay the program, after long drawn out negotiations with the Portuguese, because of failure to secure transportation through to Germany.

Respectfully yours, For the Ambassador:
CHARLES E. DICKERSON, JR.
First Secretary of Embassy

[Enclosure]

The American Embassy in Portugal to the Portuguese Ministry for Foreign Affairs

AIDE-MÉMOIRE

The three Allied Missions have received the Ministry of Foreign Affairs' notes of September 14, 1945 (Proc. 32,3123), in reply to their identical notes of August 23 and 24, 1945, requesting the cooperation of the Portuguese Government in repatriating officials and agents of the former German Government who remain in Portugal. The following observations are made by the American Embassy, after consultation with, and on behalf of the British and French Missions:

The three Missions welcome the decision of the Portuguese Government to lend its good offices for the repatriation in question and to indicate an official who will assist them in their task, and would be grateful if the official in question could be designated at the earliest possible date.

While reserving the right to renew their representations for the repatriation of all the Germans listed in the enclosure to their notes of August 23 and 24, the three Allied Missions have communicated to their Governments the contents of the Portuguese Government's note, which is receiving careful consideration.

The following is the official text of a resolution adopted by the Allied Control Council for Germany on September 10, 1945:

[The text which follows here is in substance the same as that quoted in circular telegram of September 17, 1945, page 808.]

The three Missions will be grateful for the good offices of the Portuguese Government in ensuring, in accordance with Paragraph 3 of the Portuguese Government's notes of September 14, the delivery individually to each of the Germans concerned of the instructions which the Allied Missions will issue, in compliance with the decree of the Allied Control Council for Germany. It is suggested that the

728-099—68——52

details relative to the delivery of these instructions should be settled between the representative of the Missions and the Portuguese officials to be designated.

LISBON, September 20, 1945.

840.4016/9–2645 : Telegram

The Acting Secretary of State to the Minister in Ireland (Gray)

WASHINGTON, September 26, 1945—8 p. m.

140. Taking up with Brit Embassy Washington and AmEmbassy Paris lack instructions your Brit and French colleagues corresponding Depcirtel Sept 17.[45] Brit Embassy also requested point out to FonOff issuance Control Council resolution may alter situation wherein Brit took predominant position in approach Irish Govt for return obnoxious Germans. You will be informed any response received.

Instructions Depcirtel Sept 17 provide juridical basis for requested recall German officials and agents and not intended supplant other instructions. If you have not already acted in accordance Depcirtel Sept 17 you should deliver text to Irish Govt promptly stating that the Allied Govts will revert to this question further in immediate future. Additional steps could then be determined by you and your Allied colleagues in light of your instructions and instructions which they may be expected receive.

Japs must of course be dealt with separately.[46]

ACHESON

740.00119 Control (Germany)/10–845 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 19, 1945—3 p. m.

693. Urtel 718 Oct 8.[47] American Missions in countries such as Bolivia, Chile, Argentina, Peru and Turkey have indicated probable great difficulty in obtaining removal of Germans who have been active in political and economic penetration of those countries. Dept there-

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[45] Mr. Gray in his telegram 203, dated September 27 (not printed) informed the Department that on that day his British colleague had received instructions to transmit the text of Allied Control Council's resolution of September 10 to the Irish Government. Mr. Gray further stated that he and his British colleague were submitting the same text and had notified their French colleague (740.00119 Control (Germany)/9–2745).

[46] For documentation on discussions relating to repatriation of Japanese, see vol. VI, section under Japan entitled "Efforts by the United States to arrange a third exchange of American and Japanese Nationals."

[47] Not printed.

fore feels that it might be desirable for the Control Council to take some discreet steps to indicate to all United Nations that this class of person which is covered by the resolution cited your 511 [48] is to be returned to Germany from United Nations as well as from neutral nations.

BYRNES

740.62115/10–1245

The Secretary of State to the Swiss Minister (Bruggmann)

The Secretary of State presents his compliments to the Honorable the Minister of Switzerland and has the honor to advert to the Legation's note of August 30, 1945 [49] regarding the desire of the Swiss Government to proceed with the repatriation of various interned German military personnel now in Switzerland.

The Department of State is advised by the War Department that the military forces in Germany are now confronted with tremendous burdens in connection with the care and placement of displaced Germans and other displaced persons. In order to enable the military authorities to absorb the German nationals in Switzerland who should be repatriated in a manner least likely to impose further difficulties, it is desirable that the Swiss Government give assurances that it will repatriate at the same time not only the German military personnel in question but also the German officials and agents who are the subject of the recall order issued by the Control Council in Germany of which the Swiss Government has been notified to the Allied missions at Bern. If such assurances are given, it is hoped that the repatriation of this personnel can be commenced in the immediate future.

WASHINGTON, October 31, 1945.

740.00119 Control (Germany)/12–1145

The Chargé in Sweden (Ravndal) to the Secretary of State

No. 6440 STOCKHOLM, December 11, 1945.
[Received January 18, 1946.]

SIR: With reference to the Department's telegram no. 2184, December 4, 1945,[49] I have the honor to report the steps taken to implement the program of repatriating German nationals in neutral countries. On August 3, 1945 Note no. 770, a copy of which was transmitted with Legation's despatch 5990, dated August 7, 1945,[50] was delivered to the Swedish Foreign Office, jointly with identical notes presented by the

[48] Dated September 13, not printed.
[49] Not printed.
[50] Neither printed.

British, Soviet and French Legations. With Note no. 770 was appended a list of 435 persons the repatriation of whom was requested by the four Allies. On October 17, 1945 Notes nos. 833 and 834 were presented, copies of which are enclosed as enclosures nos. 1 and 2 respectively,[52] making known the grounds on which the repatriation was requested and presenting particulars with respect to additional persons, the repatriation of whom was desired.

On October 19, 1945 an informal letter from this Legation, to Counselor Engzell of the Swedish Foreign Office, was presented (enclosure no. 3). With this letter were included further particulars about a number of persons included in the first list attached to Note 770, indicating why such persons were considered "obnoxious" under the terms of the A.C.C. Resolution. A copy of this document is attached as enclosure no. 4. Also attached to this letter was a list of former German nationals regarded as enemies of the Allies who were granted Swedish citizenship during the war, copy of which document is enclosed herewith as enclosure no. 5. The repatriations which have taken place up to this point are summarized in the letter to Counselor Engzell (enclosure no. 4). To the knowledge of the Legation no further repatriations have occurred.

On November 30, 1945 another informal conversation was held between Officers of this Legation and Counselor Engzell. At this conference the Legation was presented with the document, copy of which (in translation) is attached as enclosure no. 6. The document covers less than one fourth of the total names submitted for repatriation, if the individual[s] were German nationals and resident in Sweden. The remaining names are still under investigation by the Aliens' Commission. Engzell stated that the Swedish security police in various parts of the country had been ordered to submit information about German nationals within their district. He added that the Government was not desirous of repatriating some of the individuals, either for humanitarian reasons or because they had been of assistance to Sweden during the war (chiefly as industrial technicians and business managers). As a sequel to these conversations the attached letter was addressed to Counselor Engzell, (enclosure no. 7).

The Swedish Government has refused to furnish a list of German nationals now residing in Sweden. They will, however, furnish information as to residence and citizenship of specific names submitted. It is therefore planned to submit a further list of persons with a request for information as to citizenship and residence, prior to working up detailed dossiers on additional persons. The usefulness of this work, however, is open to doubt, since Swedish police records contain

[52] Enclosures mentioned in this document not printed.

much more complete information on the obnoxious Germans than do the files of the belligerent Legations.

Due to this absence of official information about residence and citizenship, it has become clear that the lists previously submitted included names of persons who no longer were Germans or who no longer were in Sweden. In pressing the Swedes to take action it is planned in the future to concentrate on the "worst offenders" and to interpret narrowly the A.C.C. Resolution calling for repatriation of "obnoxious" Germans.

The question may be raised whether Swedish reluctance to repatriate is based on lack of facts or whether there are not other considerations, particularly, that Government's desire to protect its "right of asylum". The Swedish authorities have indicated that they are, in principle, in agreement with our repatriation objectives. However, in actual fact, the repatriation program is delayed by not only the "right of asylum" but also by factors which may be enumerated as follows:

1. With respect to official Germans there have been some delays by reasons of health, presence of minor children, and other humanitarian considerations.
2. There have been some cases in which the "official" character of the persons involved has not been clearly established to Swedish satisfaction. Examples include minor Consular employees and employees paid by the German Legation but using non-official covers. The Legation is attempting to furnish information exposing the facts concerning the most active of these.
3. Regarding non-official Germans, there is an obvious difference of opinion between the Allies and the Swedes as to the character of occupation or activity which renders a person "obnoxious". The Swedes are reluctant to admit the obnoxious character of persons prominently identified with important and responsible economic activities in the German interests, particularly where such activities have been to the joint benefit of the Germans and Swedes. In those cases where it will be impossible to show either unlawful acts, according to the Swedish law, or public activity on behalf of Nazi organizations, it may be expected that considerable resistance will be met. It may also be expected that humanitarian considerations, such as size of family, health, number and age of dependents, and the length of stay in Sweden, will carry great weight with the Swedes.

The basic reason for the Allied desire to repatriate "obnoxious" Germans is to prevent them from becoming a source of renewed German aggressive power, from developing and advancing their technical and scientific ability, their commercial and business contacts for the purpose of returning at some future date to Germany to put their knowledge and skill at the service of a then unoccupied and inadequately controlled Germany which might desire by force to erase its

latest defeat. Alternatively, these "obnoxious" Germans may elect, or be ordered by the future German Government, to remain in Sweden and other neutral countries, there to assist in the rebirth of German military power. In Sweden there are a few German nationals whose repatriation for the above reasons is of importance to the Allies. These persons are mainly business executives, technical experts and scientific research men. Their continued presence here is dangerous to Allied policy. It is also a constant reminder to the Swedes that Germany may soon again have great economic and technical power. This thought may affect Swedish foreign policy.

Their presence also suggests that the Allies apparently are unable or reluctant to enforce their own decisions regarding the treatment of Germans. If acknowledged and notorious Nazis are allowed to remain in Sweden, this cannot fail to be interpreted as a sign of weakness and of a lack of a serious policy on the part of the Allies. Newspaper comment, expressing surprise that notorious Nazis are still in Sweden, has been published. The Allies' efforts to secure their repatriation is barely known to newspaper vendors [*editors?*].

It is also of importance from the standpoint of equity as well as from the standpoint of satisfying certain segments of public opinion in Sweden that Germans everywhere be given equal treatment. Many Swedes feel that there is no reason why active Nazis, because they happen to have been resident in Sweden on May 8, 1945, should continue to enjoy the comforts of life in Sweden. Such pro-Allied Swedes now think that the Allies are slow to act; they may come to think that the Allies (particularly the United States and Great Britain) simply do not care.

The potentialities for a pro-German and an anti-Allied propaganda activity are substantial. This has already begun to make itself felt in the compassionate campaign of "Pity the poor Germans". The longer the time elapses from the end of the war, and the more the concentration camp publicity recedes in the background, the more possible it will be to intensify a propaganda campaign which in part may be honestly humanitarian, but in fact may become pro-Nazi. The retention of a large number of Nazi German nationals in the country will considerably enhance the effectiveness of such propaganda and will ensure its being given an anti-Allied slant.

The *Dagens Nyheter*, Sweden's largest newspaper, with a pro-Allied reputation, published the following advertisement December 14: "Business connections resumed with Germany, (British Zone). Reply to Rau-Roesecke." Roesecke is a German national (Proclaimed Listed), Stockholm head of the Deutsche Arbeits Front. His repatriation has been vainly requested twice by the four major Allied Legations.

A considerable part of the foreign news appearing in the Swedish press is still supplied by the Skandinaviska Telegraf Bureau (Pro-

claimed Listed). The organization was owned during the war by the Deutsche Nachrichten Bureau and functioned as part of the Goebbels propaganda machine in Sweden. Its news now is strictly objective but it is said to be employing news sources who are German nationals. The titular owner is a Swede; he was given DNB's shares (100 per cent) prior to the German collapse. The Swedish position to date has been that the firm now is Swedish and hence not a German asset (SAFEHAVEN) and that any Germans employed there are not obnoxious.

The above facts and arguments illustrate the importance of ensuring the quick repatriations of the worst offenders among the "obnoxious" Germans. The Legation, however, does not believe that these non-official Germans will be repatriated unless some form of sanction is employed. If the repatriation of these Germans, none of whom is, of course, of the international war criminal category, remains a basic part of the Allies' post-war program, and provided that the achievement of said policy does not conflict with other more important policies or affect the attainment of other objectives deemed by the Department to be more vital to the national interests, the following is suggested:

1. The issuance by the Allied Control Commission of a public statement requesting, by name, the repatriation of certain German nationals. It would be indicated that the nationals referred to were in Sweden and that they fell into the category of the worst political and commercial enemies who had actively aided the German war effort. The list, which probably would not exceed 100 names for Sweden, would be agreed on by the four major Allied Legations.
2. The policy of listing all firms retaining in their employ "obnoxious" Germans, or alternatively, the refusal to delete such firms which are listed already.

The French Minister informally predicts that the suggestion outlined above would meet with his Government's approval. A member of the British Legation states that on or about October 2, 1945 he informed London that no more repatriations in substantial numbers could be expected unless "strong measures were employed". He asked for fresh instructions. The officer adds, however, that none has been forthcoming and he believes that his Government would be reluctant to do more than what has been done.

In view of the early abolition of the Proclaimed-Statutory List, it is recommended that such action, which is the minimum which gives reasonable hope of effectuating the A.C.C. Resolution, should be taken promptly if it is to be taken at all. Swedish officials appear to believe that by delaying action they can dissipate the Allies' determination to accomplish their peace aims and that the desire for a return to "normalcy", and impatience with war-time controls, will increase throughout the world with the passage of time.

Respectfully yours, C. M. RAVNDAL

740.00119 Control (Germany)/12–1845 : Circular telegram

The Acting Secretary of State to Certain Diplomatic Missions [53]

WASHINGTON, December 18, 1945—8 p. m.

Political Directorate of ACC Germany has requested that following note on expulsion of German agents be transmitted to Govts of United Nations on behalf of Control Council.

"1. The Allied Control Council for Germany passed on 10 Sep 1945 the following resolution:

[Here follows the resolution as quoted in circular telegram to certain American Diplomatic Missions, dated September 17, printed on page 808.]

"2. The terms of the above resolution were communicated to the Govts named therein and arrangements are being made for the return and reception of the Germans in question.

"3. The Allied Control Council is informed that there are within the national boundaries of any of the United Nations, German officials or agents or other obnoxious Germans. The Allied Control Council assumes that these United Nations are taking the necessary steps to restrain undesirable activities of such Germans, and that these Nations envisage the expulsion and return of the latter to Germany where they will be appropriately dealt with. Accordingly the Control Council would be grateful if the Govts of the United Nations would inform it as soon as possible with respect to the names of such Germans, their numbers, and places of former residence in Germany, so that measures may be initiated with a view to their return and reception in Germany."

Text of note will be given to press for publication late afternoon Berlin time Dec 20.

ACHESON

740.00119 Control (Germany)/12–1945 : Circular telegram

The Acting Secretary of State to Diplomatic Missions in the American Republics

WASHINGTON, December 19, 1945—1 p. m.

Supplementing circular telegram of December 18 regarding message of Allied Control Council to United Nations governments with respect to the return to Germany of German officials and agents and other obnoxious Germans, you are requested to state informally to FonOff upon delivery of message that you are prepared (1) to receive for transmission to Control Council information requested regarding names, numbers and former residences of Germans, and (2) to make available to Government all information in your possession on dangerous Germans, and otherwise to assist in every way possible in

[53] Telegram was sent to 37 Diplomatic Missions.

selecting those Germans who should be expelled to Germany for disposition there. You are authorized to furnish to local authorities repatriation lists agreed upon with British or to use the agreed lists in other ways, as you in your discretion may determine, maintaining principle that lists are not necessarily final or comprehensive and may be amended or supplemented.

ACHESON

740.00119 Control (Germany)/12–2045 : Telegram

The Chargé in Spain (Butterworth) to the Secretary of State

MADRID, December 20, 1945—11 p. m.
[Received December 20—6:52 p. m.]

2573. Embassy received today note dated December 11 from Spanish Foreign Office which because of its implications is herewith transmitted in translation in full.

"The Spanish Government believes that the scope of that communication cannot be other than an invitation to exercise the right of expulsion pertaining to it as a sovereign nation, with regard to persons might be considered dangerous for the peace of the nation and its good relations with the Allied countries. Under such an understanding, the Spanish Government is pleased to state that, for the sake of these good relations and the concord and perfect understanding which it desires should exist with the United States, it is willing, in principle, to take into consideration such indications and to put them into practice with the best good will, seeking the most adequate formula for that purpose.

"Accordingly after adopting that line of conduct the Spanish Government has considered that it was its concern to notify the German officials and nationals that the Control Committee, acting as the Government of Germany, orders them to return to their country and, to this effect, it has hastened to transmit such notification to them. As to the results of this action, it can at once inform the Embassy that a part of the persons concerned are already willing to comply with the summons, both among those who formed part of the official representation of the German Government as well as among those who held a secondary position in the tasks entrusted to them. In view of this, the Spanish Government is disposed to authorize the travel of those to be repatriated.

"As soon as the note under reference was received the antecedents of each of the persons included in the corresponding lists were examined. The result of such examination has been to verify that in fact there are groups of persons whose presence in Spain is not justified and against whom it is right that expulsion orders be issued. The examination reveals, on the other hand, that there are some persons who have resided in Spain for many years and can be considered as incorporated in Spanish life. With regard to such cases, requiring a greater attention and a more careful study, the Spanish Government will request a specific statement of the accusations which there may be against them. Thus without prejudice to additions resulting from

a study of each one of the cases, the Spanish Government considers that the repatriation can be carried out as from this date of the persons included on the attached list who as indicated are, in part, those on whom the order of expulsion from national territory falls and in part other persons who, in compliance with the request of the Allied Control Council, have decided to place themselves at its orders and return to their country. Accordingly, accepting the indication contained in the note which is now being answered that the repatriation and the transportation be organized by the Allied authorities, the Spanish Government deems it opportune that the Embassy take the necessary steps to carry out the travel of the persons included in that list.

"The Spanish Government, having accepted the legal capacity of the Allied Control Council to act as the Government of Germany and having acceded in that concept to the invitation which was made, in the name of the latter by the Embassy of the United States, it concerns the Allied powers acting in representation of the aforesaid Control Council, to meet not only the repatriation expenses but also the expenses connected with the internment of the German subjects who find themselves in such situation as a result of the requests of the Embassy and other Embassies of the Allied countries and particularly of those who have been concentrated at Sob, Caldas de Malavella and Molinar de Carranza especially in view of fact that the charity funds which for this purpose were in possession of the extinct diplomatic representation of Germany have been delivered to those Embassies. With that there will be met the urgent need for settling the debts contracted for this reason from the time that aforesaid German diplomatic representation suspended payments thus creating a complicated situation threatening to become more acute if there is not carried out the total and immediate repatriation of those internees aspiring to be repatriated, which internees would like on the other hand to engage in public works which would permit them to support themselves collectively, a matter in which the Spanish authorities see no difficulty."

Repeated to London as 707 and London please repeat to Berlin as our 86 and by pouch to Lisbon.

BUTTERWORTH

PARTICIPATION OF THE UNITED STATES IN THE CONTROL COUNCIL FOR GERMANY; IMPLEMENTATION OF THE POTSDAM DECISIONS ON GERMANY[54]

740.00119 Control (Germany)/7–3045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

FRANKFURT, July 30, 1945—7 p. m.
[Received August 1—2 : 15 a. m.]

234. The Allied Control Council for Germany met for the first time

[54] For documentation on negotiations in the European Advisory Commission for the establishment of an Allied Control Authority for Germany, see pp. 160 ff. For documentation on the technical arrangements preceding the first session of

in formal session [55] in Berlin today under General Eisenhower's chairmanship. The other representatives attending were Marshal Zhukov for USSR, Marshal Montgomery for UK, and General Koenig for France.[56] The agenda included: (1) The American proposal for the activation of the control machinery [57] (2) an American suggestion for procedure for the meetings of the Council (3) progress report on the preparation of the Control Council building in Berlin (4) a British proposal on the French sector of Berlin (5) a British proposal for certain boundary adjustments between the British and USSR zones and (6) a British proposal regarding airfield requirements in Berlin.

It was decided that the Council would meet every ten days on the 10th, 20th and 30th at 2 p. m. It is hoped to hold the next meeting in the new central building (formerly occupied by the Berlin Kammergericht [58]). The chairmanship will rotate, the American representative continuing to act as chairman during August, and to be followed by the representatives of Great Britain, France, and USSR, based on the alphabetical order of the country names.

The American proposal for the activation of the control machinery was submitted to the deputies who will endeavor to submit their recommendations by August 4.

The British proposal for the allocation as the French zone of the districts of Reinickendorf and Wedding at present forming part of the British sector and including the Hermann Goering barracks situated within the Wedding area was approved.[59]

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the Control Council, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, pp. 1001–1006, 1023–1035.

[55] Various preliminary meetings had been held to make the technical arrangements required to effect the entry of western occupation forces into Berlin, and to bring the four-power control of Germany into operation. On June 5, the four Allied Commanders in Chief met in Berlin; for reports of these meetings see telegram FWD 23724, June 6, from General Eisenhower to the Joint Chiefs of Staff, Frankfurt, and telegram 3358, June 6, from the U.S. Political Adviser for Germany, Paris, pp. 328 and 330, respectively.

The British and American Deputy Commanders and Political Advisers met in Berlin with the Soviet Commander in Chief on June 29, July 7, and July 10. The date of July 30 for the first session of the Control Council was selected at the last meeting. For documentation on the meeting of June 29, see: Notes of a Conference between Marshal Zhukov, General Clay, and General Weeks, Berlin, June 29, p. 353, and telegram 87, from the U.S. Political Adviser for Germany, June 30, *Conference of Berlin (Potsdam)*, vol. I, p. 135; the meeting of July 7: telegram 130, from the U.S. Political Adviser for Germany, July 7, *ibid.*, pp. 630–633, and pp. 755–756; the meeting of July 10: telegram 157 from the U.S. Political Adviser for Germany, July 12, *ibid.*, pp. 638–639. For an account of all three meetings, see Lucius D. Clay, *Decision in Germany* (Garden City, N.Y., Doubleday & Co., 1950), pp. 20–33.

[56] The Commanders in Chief of the occupying forces in Germany were: General of the Army Dwight D. Eisenhower for the U.S., Field Marshal Sir Bernard L. Montgomery for Great Britain, Lt. Gen. Marie-Pierre Koenig for France, and Marshal Georgy Konstantinovich Zhukov for the U.S.S.R.

[57] See footnote 64, p. 824.

[58] The former High Court of Appeals for Berlin.

[59] For a more complete account of the discussion in the Control Council on this subject, see extract from the minutes of the Control Council Meeting, July 30, p. 366. For documentation on this subject, see *Conference of Berlin (Potsdam)*, vol. I, pp. 598–604, and *ibid.*, vol. II, pp. 1001–1006.

The Council also approved the British proposal regarding the following transfers of small parcels of territory along the Anglo-Russian zone limits: (1) The transfer to the Russian zone of that part of Regierungsbezirk Lüneburg lying in the Province of Hanover lying east of the river Elbe; (2) the transfer to the Russian zone of that part of Landkreis Blankenburg in the Province of Hanover lying east of the river Wormebode; (3) the transfer to the British zone of that part of Landkreis Hohenstein in the Province of Brandenburg in the immediate area of Bad Sachsa as far south as and including the road Neuhof-Tetterbom.

The British representative also submitted a brief memorandum suggesting that each of the control powers have adequate air facilities and proposing that this question should be examined immediately by the Coordinating Committee. As the Coordinating Committee has not yet been organized, Marshal Zhukov urged that the British submit a paper making specific recommendations at the next meeting. This was agreed. At the present time the American sector includes the Tempelhof Airfield but only part of the Gatow Airfield lies in the British sector. The British suggested that all of Gatow be allocated to the British sector and the Staaken Airfield be allocated to the French.

Pending the organization of the Coordinating Committee the four deputies of the members of the Council will act informally as a committee.

It was also decided that each chairman will provide the official minutes (protocol) of each Council meeting a copy of which is to be provided on the following each meeting to the other members of the Council and authenticated by each member or his deputy.

The French representative requested authorization for the entry of material and personnel of his forces into the French sector. This was approved and the deputies were instructed to facilitate the French entry into their sector. General Eisenhower promised full cooperation as did Marshals Zhukov and Montgomery.

Marshal Zhukov referred to the informal meetings held in Berlin on July 7 and July 10 at which time the questions relating to the supply of coal and food for Berlin came under discussion. He stated that up to July 27 a total of 21,600 tons of coal should have been delivered from the Ruhr but that up to that date only 6,100 tons had been received. With respect to flour 15,000 tons should have been received but only 8,000 tons arrived by the date mentioned. He stated that the receipt of other items was in the same proportion. On Zhukov's suggestion the deputies were instructed to meet and study

the data on these subjects and to report fully on measures to be taken to correct the situation at the next meeting on August 10.

In the foregoing connection Marshal Montgomery said that according to the information available to him full quantities had been entrained but difficulties had been experienced with the traffic at the Zonal boundary. He suggested that the Berlin Kommandatura [60] should report on this matter. Zhukov, however, insisted that it be handled by the four deputies. General Eisenhower promised a careful investigation of this question.

The British announced also the replacement of Lieutenant General Weeks by Lt. General Robertson as deputy to Marshal Montgomery. The others are: For the US General Clay, for the USSR General Sokolovsky, and for the French General Koeltz.[61]

General Eisenhower also extended what he termed a personal invitation to the forces of three Commanders in Chief to visit the American [zone]. He stated that it was possible that in the American zone British, French, and Russian officers might have acquaintances and that if any would like to come to the American zone he would be welcome. He suggested that such officers should make application to their own Commanders in Chief and then send the application to General Clay. The number of visitors, however, would of necessity be kept within reasonable limits in order that they might not prove an excessive burden on the present limited facilities. In making the invitation General Eisenhower qualified it by saying that it was a personal invitation on his part which might be subject to review by his Government but that his purpose was to promote friendship. The Russian and French representatives assumed that there was an implication of reciprocal treatment and suggested that the matter be studied by the deputies. General Eisenhower emphasized, however, that this was not his idea but that he was merely extending a personal invitation as described.

Repeated to Paris as 26 and and to London as 31.

MURPHY

[60] The Allied Kommandatura, the inter-Allied governing authority for Greater Berlin. For documentation on the establishment of the Allied Kommandatura, see *Conference of Berlin (Potsdam)*, vol. I, pp. 630–634, 638–639, and 755–756; for documentation on the operations of the Allied Kommandatura, see *post*, pp. 1033 ff.

[61] The Deputy Military Governors, and Deputy Commanders of the occupying forces in Germany were: Lt. Gen. Lucius D. Clay for the United States, Lt. Gen. Sir Brian H. Robertson for Great Britain, Lt. Gen. Louis Koeltz for France, and Army General Vassily Danilovich Sokolovsky for the Soviet Union.

740.00119 Control (Germany)/8–1645

Note by the Secretaries of the Control Council for Germany [62]

CONL/P(45) 7 [BERLIN,] 31 July 1945.

ACTIVATION OF THE CONTROL MACHINERY [63]

1. The Deputies to the four Commanders-in-Chief in a meeting held at 10 A. M. on 31 July 1945 considered the U.S. proposals on activation of the Control Machinery–CONL/P(45)1.[64] As a result of their consideration the four Deputies agreed to the contents of the above paper after making certain amendments. The amended paper is attached hereto.

2. In addition the Deputies agreed to the following understanding with respect to the operation of the Control Machinery in Germany:

(*a*) There is established an Allied Control Council composed of the four Allied Commanders-in-Chief. They meet at regular intervals to decide major problems. They will refer the majority of the problems under consideration to their Coordinating Committee.

(*b*) Each of the four members of the Control Council will designate representatives who will have offices in one central building. These representatives will serve as the staff of the Coordinating Committee and will constitute sub-committees to study the detailed problem presented to the Coordinating Committee.

(*c*) In addition each representative on the Coordinating Committee will have his own staff which will not have offices in the central building. This staff will concern itself with accumulating necessary data and preparing studies for its nationals located in the central building. This staff will also supervise the implementation of agreed policies.

(*d*) The Coordinating Committee will decide to what agency or to what sub-committee special subjects such as, for example, coal, should be referred. It will be a function of the Secretariat to inform the agency or sub-committee involved, and to explain the nature of the report desired by the Coordinating Committee, the manner in which the report should be prepared, the time and place where it should be submitted to the Coordinating Committee and any other information of a similar nature.

(*e*) If it is later decided that German agencies are necessary in working on a detailed problem such for example, as coal, they would be required to report to the coal sub-committee.

(*f*) The above procedure will be conducted in the manner approved by the Control Council.

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[62] Transmitted to the Department in despatch 797, August 16, 1945, from Berlin, not printed.

[63] This paper was approved by the Control Council at its second meeting, August 10; see unnumbered telegram from Berlin August 10, 7 p. m., p. 830.

[64] Not printed; CONL/P(45)1 had been prepared by General Clay and was submitted as a U.S. proposal to the Control Council at its first meeting, July 30, *supra*; see Clay, *Decision in Germany*, pp. 33–35.

3. It was further agreed that the Secretariat will constitute simply a transmitting agency. The Secretariat will be the transmitting agency for the Control Council and the Coordinating Committee when they issue direct instructions to the Germans. The Secretariat will perform a similar function for the Directorates when they issue instructions to the Germans. This does not prevent direct contact between the Directorates and German agencies on technical matters. The Secretariat has no executive authority.

1. *Organization Meeting of the Control Council.*

The Control Council should take action at once to organize the Coordinating Committee and the Control Staff of the Council in accordance with the basic Agreement on Control Machinery in Germany, 14 November 1944, as amended 1 May 1945.[65]

2. *Activation of Coordinating Committee.*

Each member of the Control Council should immediately designate his representative to serve on the Coordinating Committee created by Article 4 of the basic Agreement to perform the functions specified in Article 5 of the basic Agreement.

3. *Secretariat and Administrative Bureau.*

a. The Council should promptly establish and direct the Coordinating Committee to organize—

(1) A permanent Secretariat composed of representatives designated by each of the four Council members and responsible for performing secretariat duties (including interpreting and translating, and maintaining central records and files) for the Control Council, the Coordinating Committee and Control Staff.

(2) A permanent Administrative Bureau composed of representatives designated by each of the four Council members and responsible for providing administrative services (such as guards and security, offices and conference rooms, communications, and messing facilities) for the Council, the Coordinating Committee, the Secretariat and Control Staff.

b. The Council should request the Coordinating Committee to recommend to the Council the creation of any other staff agencies which it deems necessary or desirable to facilitate the work of the Council, the Coordinating Committee and the Control Staff.

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[65] For text of the agreement between the United States of America, the United Kingdom of Great Britain and Northern Ireland, and the Union of Soviet Socialist Republics, on control machinery in Germany, signed at London, November 14, 1944, and text of the amending agreement between the three signatory powers and the Provisional Government of the French Republic, signed at London May 1, 1945, see Department of State Treaties and Other International Acts Series (TIAS) No. 3070, or *United States Treaties and Other International Agreements* (UST), vol. 5, (pt. 2), p. 2062.

4. *Creation of Control Staff.*[66]

a. Each member of the Council should establish his Control Staff in accordance with Article 6 of the basic Agreement.

b. Each member of the Council should designate the head of each of his Divisions and such other staff members as the Coordinating Committee deems necessary.

c. The Coordinating Committee should supervise the assignment of functions among the twelve Divisions and should, as it deems necessary or desirable, recommend to the Council any adjustments in the number and functions of Divisions and the establishment or disbandment of any Combined Standing Committees or Boards.

5. *Reports from Control Staff.*

The Council should direct the Coordinating Committee, using the Directorates of the Control Staff, operating as sub-committees, to prepare reports for the Council as promptly as possible with respect to—

a. The most urgent military, political, economic, and all other German questions which may arise, to include those requiring uniformity of action among the zones of occupation, or requiring central administration or control;

b. The action and policies recommended for dealing with such questions in the immediate future;

c. The German central agencies,[67] if any, required for carrying out such action and policies in the immediate future.

6. *Draft Orders.*

ORDER NO. 1. DEFINITIONS

The Control Council orders as follows:

1. In the documents of the Control Council, the Coordinating Committee and the Control Staff, the following terms shall have the following meanings:

a. The term "Agreement on Control Machinery" means the Agreement on Control Machinery in Germany approved by the European Advisory Commission, 14 November 1944, as amended 1 May 1945.

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[66] In the original U.S. proposal (CONL/P(45)1) this section reads as follows: "4. *Creation of Control Staff.*

a. The Council should establish the Control Staff in accordance with Article 6 of the basic Agreement and direct the Coordinating Committee as promptly as possible to organize the twelve Divisions of the Control Staff (in addition to the Secretariat and Administrative Office) and to supervise the assignment of functions among them.

b. The Coordinating Committee should recommend to the Council any adjustments in the number and functions of the Divisions which it deems necessary or desirable.

c. Each member of the Council should designate for each Division one representative to act as one of its four heads, and such other staff members as the Coordinating Committee may specify." (740.00119 Control(Germany)/8-245)

[67] For documentation on the efforts to create German central administrative agencies, see pp. 861 ff.

b. The term "Control Council" means the supreme organ of control in Germany established by Article 3 of the Agreement on Control Machinery.

c. The term "Coordinating Committee" means the Committee established under Article 4 of the Agreement on Control Machinery.

d. The term "Control Staff" means the Staff established under Article 6 of the Agreement on Control Machinery.

e. The term "Allied Control Authority" means the entire control machinery in Germany, including the Control Council, the Coordinating Committee and the Control Staff.

f. The term "Directorate" means the four heads of each Division of the Control Staff, acting jointly.

g. The term "Sectors of Berlin" refers to the four sectors assigned to each of the four occupying Powers for the administration of the "Greater Berlin" area as may be decided.[68]

2. The English, Russian and French languages shall equally constitute the official languages of the Allied Control Authority. All official documents shall be issued in these three languages.

ORDER NO. 2. ESTABLISHING THE COORDINATING COMMITTEE

The Control Council orders as follows:

1. The permanent Coordinating Committee for the Control Council is hereby established in accordance with Article 4 of the Agreement on Control Machinery.

2. The Coordinating Committee shall be composed of the following representatives, each of which shall be entitled to designate one alternate:

Lt Gen Clay
General of the Army Sokolovsky
Lt Gen Robertson
Lt Gen Koeltz

3. The Coordinating Committee shall perform the duties prescribed in Article 5 of the Agreement on Control Machinery and such other duties as the Control Council may prescribe

ORDER NO. 3. ESTABLISHING THE ALLIED SECRETARIAT

The Control Council orders as follows:

1. A permanent Allied Secretariat is hereby established under the Control Council. Each of the members of the Control Council shall designate a senior secretary and members of the staff of the Secretariat.

[68] In CONL/P(45)1 this section reads as follows: "*g.* The term 'Zones of Occupation' refers to the zones assigned to each of the four occupying Powers by the terms of the Protocol on the Zones of Occupation approved by the European Advisory Commission, 12 September 1944, as amended 14 November 1944, and as hereafter amended." (740.00119 Control (Germany)/8–245) For texts of the protocol between the United States of America, the United Kingdom of Great Britain and Northern Ireland, and the Union of Soviet Socialist Republics on the zones of occupation and administration of the "Greater Berlin" area, signed at London September 12, 1944; and the amending agreement signed at London November 14, 1944; and the amending agreement between the three signatory powers and the Provisional Government of the French Republic, signed at London July 26, 1945, see TIAS No. 3071, or 5 UST 2078.

2. Each of the four senior secretaries will act in rotation as Chief Secretary of the Allied Secretariat, and will, during his tenure of this office, be responsible for coordinating the work of the four senior secretaries.

3. The functions of the Secretariat shall be—

a. To arrange for meetings, prepare and distribute agenda and minutes of meetings, and transmit official documents for the Control Council, the Coordinating Committee and the Control Staff;
b. To provide interpreting and translation services for the Control Council, the Coordinating Committee and the Control Staff;
c. Maintain files and records for the Control Council, the Coordinating Committee and the Control Staff;
d. To perform such other services as the Coordinating Committee may prescribe.

4. The Secretariat shall serve as the channel of communication between—

a. The Control Council and Coordinating Committee and the United Nations Military Missions appointed to the Control Council;
b. The Control Council and Coordinating Committee and United Nations organizations admitted to Germany by the Control Council;
c. The Control Council, Coordinating Committee, and Directorates, and German Central Agencies.

5. The Secretariat shall establish its own procedure.

6. The Coordinating Committee will supervise the organization and operations of the Secretariat.

ORDER NO. 4. ESTABLISHING ADMINISTRATIVE BUREAU

The Control Council orders as follows:

1. A permanent Administrative Bureau is hereby established under the Control Council. Each of the four Council members shall designate necessary personnel. This Bureau will be headed and organized by the U.S.A. Expenses will be shared equally by each of the four Powers.[69]

2. The Administrative Bureau will serve the Control Council, the Coordinating Committee, the Secretariat, and to the extent prescribed by the Coordinating Committee, the Directorates of the Control Staff. The Bureau will—

a. Provide necessary security guard;
b. Care for and maintain buildings, offices and furniture;
c. Provide communication and messing facilities; and
d. Perform such other administrative services as the Coordinating Committee may prescribe.

3. The Coordinating Committee shall designate the head of the Administrative Bureau and shall supervise its organization and operations.

[69] The two final sentences of this paragraph do not appear in CONL/P(45)1.

ORDER NO. 5. ESTABLISHING CONTROL STAFF

The Control Council orders as follows:

1. There is hereby established a Control Staff for the Control Council in accordance with Article 6 of the Agreement on Control Machinery.

2. The Coordinating Committee shall supervise the organization of the Control Staff and the assignment of functions among the Divisions of the Control Staff.

3. Initially, the Control Staff shall be composed of the following Divisions (in addition to the Secretariat and Administrative Bureau):

Military	Finance	Legal
Naval	Reparation, Deliveries & Restitution	Prisoners of War and Displaced Persons
Air	Internal Affairs and Communications	Manpower
Transport		
Political		
Economic		

4. Each member of the Council shall designate for each Division one representative to act as one of its four heads, and such other staff members as the Coordinating Committee may specify.

5. The Directorates shall perform the duties prescribed in Article 6 of the Agreement on Control Machinery in Germany, and such other duties as the Council or Coordinating Committee may prescribe.

6. The Coordinating Committee shall recommend to the Council from time to time any adjustments in the number and functions of the Divisions which it deems necessary or desirable.

ORDER NO. 6. PRELIMINARY REPORTS FROM CONTROL STAFF

The Control Council orders as follows:

1. The Coordinating Committee shall submit to the Council as promptly as possible, reports with respect to—

a. The most urgent military, political, economic, and all other German questions which may arise, to include those requiring uniformity of action among the zones of occupation, or requiring central administration or control;

b. The action and policies recommended for dealing with such questions in the immediate future;

c. The German central agencies, if any, and the extent of their authority, which are required for carrying out such action and policies in the immediate future.

2. The Coordinating Committee will prepare such reports, using the Directorates of the Control Staff, operating as sub-committees under its supervision.

3. Where the Directorate of any Division or the members of the Coordinating Committee disagrees on any question or recommendations, the report will indicate the points of agreement and of disagreement.

740.00119 Control (Germany)/8–1045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 10, 1945—7 p. m.
[Received August 11—3 : 05 p. m.]

The Allied Control Council held its second formal meeting today presided by Marshal Zhukov in the absence of General Eisenhower who was detained by bad weather at Frankfurt. This is the first meeting which was held in the new central building formerly the Kammergericht, which as the Dept knows is situated in the US sector close to the center of Berlin.

The meeting approved the American proposals regarding the activation of the Control Council and referred them to the Deputies for practical application.

There was further discussion of the coal and fuel supply for Berlin on the basis of the investigation made by the Kommandatura and by the Control Council. British delegation presented a report which pointed out that there are two aspects to this question: (1) assurance that food and fuel are available (and the report gives reasonable assurance that this will be the case) ; and (2) transportation to Berlin from the British zone is not moving satisfactorily. Two days are frequently necessary for a train to pass from the British zone to Berlin which is in part due to language difficulties and faulty organization resulting in serious congestion. British suggested that the transportation directorate should assume charge and that Marshal Zhukov issue orders giving priority to food and fuel trains. Zhukov promised that such orders would be issued and suggested that the British report be referred to the Coordinating Committee for further study and action. Zhukov demanded assurance that food and fuel would be loaded on time stating that he believes that some items were never loaded at all. General Robertson supplied the assurance.

There was a lengthy discussion regarding airfield requirements in greater Berlin. Zhukov inquired whether the British were prepared to take a final decision and receiving an affirmative answer Zhukov proposed that the Gatow airfield be turned over to the British to be shared by the French. The British accepted the allocation of Gatow but stated the opinion that sharing one airfield by two Allies speaking different languages would prove unsatisfactory. British agreed to afford temporary landing facilities to the French at Gatow. The Soviet delegation presented a paper suggesting certain minor alterations of the western boundary of the greater Berlin area which would place Gatow in the British sector and all of the Staaken airport in the Soviet sector. Zhukov also stated his personal opinion that the Americans should be allowed to use the Tempelhof airport alone in view of

the heavier American traffic. It was finally agreed to refer the entire problem to the Coordinating Committee for a report at the next meeting, and General Clay emphasized that while we will wish to have the use of Tempelhof exclusively for American traffic our offer of temporary accommodation to the French stands.

Consideration was also given to the French proposal to prohibit wearing of military uniforms by members of the former German armed forces which was also referred to the Coordinating Committee for report at the next meeting.

Consideration was given to a paper outlining the responsibilities of the Control Council under the Potsdam decisions.[70] The Soviet, British, and US delegations stated their concurrence but General Koenig for the French objected that he had not yet received any instructions from his Government which he understood had only yesterday replied to the communication received from the Ambassadors regarding the Potsdam decisions.[71] The French stated that they were willing to exchange views with the governments but that General Koenig had no authority to discuss the Potsdam decision at the present time. The American suggestion assigning to the appropriate directorates "the task of making studies and recommendations with respect to the establishment of the following German administrative departments to be headed by State Secretaries: Finance, Transportation, Communications, Foreign Trade, and Industry" (paragraph 9(4)[72] of the political principles) was amended, at French suggestion, to exclude the wording "to be headed by State Secretaries." General Koenig said that he was obliged to reserve his opinion on these principles because his Government had not been a signatory to the Potsdam agreement.

At the request of Zhukov the US proposals on vesting and marshaling of external German property any that concerning Allied and neutral property, Germany will be held over to the next meeting.

General Clay and I suggested that there appeared to be no objection now to publication of completer details regarding the activation

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[70] Reference is to CONL/P(45)11, August 8, which was transmitted to the Department as an enclosure to despatch 797, August 16, from Berlin, not printed. The paper, a memorandum by the Deputy Military Governors, concluded that chapters II, III, IV, IX, and VIII of the Report on the Tripartite Conference of Berlin, delineated responsibilities of the Control Council which required implementation by that body. (740.00119 Control(Germany/8–1645) The full text of the Report on the Tripartite Conference of Berlin, August 2, is printed in *Conference of Berlin (Potsdam)*, vol. II, p. 1499.

[71] On July 31 and August 1 a series of notes inviting French adherence to the decisions of the Berlin Conference was addressed by the Ambassadors in France of the U.S., the U.K., and the U.S.S.R. to the French Minister of Foreign Affairs, M. Bidault. For texts of the communications by the American Ambassador, Mr. Caffery, to M. Bidault, see *ibid.*, pp. 1543–1547. On August 7, M. Bidault replied. The notes received by Mr. Caffery are printed *ibid.*, pp. 1551–1555. See also France, Ministère des Affaires-Étrangères, *Documents français relatifs à l'Allemagne (Août 1945–Février 1947)*, (Paris: Imprimerie Nationale, 1947), pp. 1–11.

[72] Chapter III, section A, 9(iv) of the Report on the Tripartite Conference of Berlin, *Conference of Berlin (Potsdam)*, vol. II, p. 1503.

of the control machinery. Strang [73] said that he would have to refer this question to the Foreign Office in view of the references in the paper to agreements approved by the European Advisory Commission which were still classified as secret. I would appreciate the Department's advice whether it sees any objection now to such publication.

MURPHY

740.00119 Control (Germany)/8–2045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 20, 1945—9 p. m.
[Received August 20—6 : 55 p. m.]

329. The Control Council held its third meeting in Berlin today. United States proposals relating to the vesting and marshalling of German external assets and to the removal of Allied and neutral property in Germany were both referred to the Coordinating Committee for further study. On objection from Field Marshal Montgomery no decision was reached on the proposal prohibiting the wearing of uniforms by disbanded personnel of the former German Army. Under this proposal from October 1, 1945, or 30 days after discharge, former members of the German Army and other civilians living on German territory would be forbidden to wear military uniform in its present color and all badges of rank whatever. Montgomery stated that in the British zone this order would affect approximately two million men many of whom would have no other civilian clothing. It would be impossible to dye that number during the period indicated and he said that he would be agreeable only to an order requiring this action to be taken "as soon as possible" in the discretion of the commanding general of each zone. Marshal Zhukov felt that Montgomery overestimates the difficulties stating that this action has to a large extent already been undertaken in the Soviet zone of occupation. Montgomery undertook to give a forecast date of when in his opinion such an order could be made effective. The question was put over until the next meeting of the Control Council.

Marshal Montgomery invited the attention of the Control Council to the congestion and housing difficulties existing in a number of German cities in the British zone especially in the Ruhr area. He said that he was working out a scheme for the shifting of some of this population preparatory for the winter months. In the greater Berlin area Montgomery said that he was reducing the size of the British occupational forces from 10,000–12,000 men to 6,000–7,000 men for

[73] Sir William Strang, Political Adviser to the Commander in Chief of British Force of Occupation in Germany.

the purpose of making housing available to the German civilian population. In his opinion the Council may have to face up to the danger of outbreaks of diseases and epidemics due to appalling housing conditions. The civilian population, he thought, must be better cared for than is the case at present.

General Eisenhower referred to the number of displaced persons from the east to the western zones and the necessity of arriving at an equitable distribution in this respect and pointed out that the American zone at present is extremely crowded. He also referred to the Potsdam decision regarding the transfer of population from certain eastern areas.[74] Zhukov in the discussion insisted that the transfer of these populations must not be deferred for long. He also announced that the Soviet forces in the Berlin sector had been reduced to patrol units. He did not state the number.

Montgomery also reported disturbing trouble in the British zone with displaced persons who have been guilty of numerous acts of looting, murder, and rape. He stated that orders were being given to suppress such malefactors using organized force if necessary. Zhukov announced that similar difficulty had not been experienced in the Soviet zone.

In connection with the supply of food for Berlin, Montgomery again emphasized the unsatisfactory rail facilities between the British zone and Berlin over which must pass all of the imports from the western zone. This line had been double tracked but apparently due to removal of rails it is now being converted to single track line which of course creates congestion and delays supplies in arriving in the Berlin area. The problem is now under study by the transportation directorate.

Sent to Dept as 329, repeated to Moscow as 25, London as 47, and Paris as 46.

MURPHY

740.00119 Control (Germany)/8–3045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 30, 1945—9 p. m.
[Received 9 : 45 p. m.]

408. The fourth meeting of the Control Council for Germany took place on August 30, with General Eisenhower presiding. Owing to the illness of Marshal Montgomery his place was taken by General

[74] See chapter XIII of the Report on the Tripartite Conference of Berlin, *Conference of Berlin (Potsdam)*, vol. II, p. 1511. For documentation on this subject, see vol. II, pp. 1227 ff.

Robertson. General Koeltz took place of General Koenig, in view of the latter's meeting with General de Gaulle. Marshal Zhukov represented the Soviets.

The meeting approved the order originally suggested by the French and amended by the British, prohibiting the wearing of German uniform or any badges of rank, medals or insignia. General Eisenhower added the provision that uniforms might be worn if dyed to a different color.[76]

The Council took note that the British and Russians had agreed on zone boundaries in Berlin to satisfy British requirement for airfield facilities in Berlin. The Soviet is compensated by corresponding airfield facilities elsewhere.

Marshal Zhukov has submitted to the Council a proposal to establish a committee, attached to the Economics Directorate: to compile lists of enterprises, research institutes, et cetera, which might be employed for war production; to submit proposals for the elimination of those enterprises, and the use of non-specialized equipment for peacetime production; to work out a form of control over remaining enterprises; and to list items whose production should be banned. This proposal was referred to the Economics Directorate.

The members of the Council signed the proclamation to the German people on the establishment of the Control Council with supreme authority for Germany.[77]

The Council approved and passed to the Coordinating Committee for signature, the directive that the legal Directorate develop measures and procedures regarding war criminals under the so-called Jackson Agreement of August 8.[78]

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[76] Issued as Control Council Order No. 1, Berlin, 30 August 1945, *Official Gazette of the Control Council for Germany*, No. 1 (29 October 1945), p. 5.

[77] Control Council Proclamation No. 1, Berlin, 30 August 1945, *ibid.*, p. 4. In telegram 388, August 29, from Berlin, not printed, the U.S. Political Adviser reported on the discussions at the fourth meeting of the Coordinating Committee, August 27, concerning the drafting of this proclamation. During the meeting "A clause was removed stating that existing laws in the zones would be retained subject to the paramount authority of the Control Council. General Robertson suggested that this clause would suggest to the Germans the possibility of an appeal to the Council from zone laws. General Sokolovsky did not like use of the word 'laws,' stating that word implied a permanence which the Control Council did not have. On General Clay's suggestion the term 'military laws' was substituted as this term is less permanent." (740.00119 Control(Germany)/8–2945)

[78] Reference is to Robert H. Jackson, Associate Justice of the U.S. Supreme Court, and Chief Counsel for the United States in the prosecution of Axis War Criminals. For text of the agreement by the Government of the United States of America, the Provisional Government of the French Republic, the Government of the United Kingdom of Great Britain and Northern Ireland, and the Government of the Union of Soviet Socialist Republics for the prosecution and punishment of the major war criminals of the European Axis, signed at London, August 8, 1945, see Department of State Executive Agreement Series No. 472, or 59 Stat. (pt. 2) 1544. For documentation on this subject, see pp. 1151 ff.

The Council approved and signed the letter of the Allied Reparations Commission requesting that the Council be informed concerning the policies of that Commission. The French member signed the letter with special paragraph referring to the reservations of the French Government with regard to the Potsdam Agreement.[79]

The Council took note of the Secretariat report on the status of the organization of the Directorate. The meeting went off in an unusually short time and no important comments were made.

MURPHY

740.00119 Control (Germany)/9–1045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 10, 1945—11 p. m.
[Received September 10—5 : 20 p. m.]

490. Fifth meeting of the Control Council took place this afternoon with Marshal Montgomery presiding.

As to British proposal to control movement of populations between the various zones, Marshal Zhukov agreed in principle, but stated that matter is tied up with the question of eventual settlement of German civilians and former prisoners of war as between the various zones, as well as with the expulsion of additional Germans from Poland, Czechoslovakia and Hungary. He asked that the question be returned to the Coordinating Committee for a complete study covering all factors. This was done.

The Council agreed without comment to the resolution that German inland transport should be reestablished only to the degree necessary to satisfy Allied needs and those of the accepted German civilian economy. This would confine commercial highway traffic to such short-haul traffic as cannot be provided by rail or water.[80]

The Council agreed without comment to the US resolution recalling German officials and agents and obnoxious Germans from Afghanistan, Eire, Portugal, Spain, Sweden, Switzerland, Tangiers, and Vatican.[81]

The Council approved: Transport Directorate's report concerning the causes of transport difficulties in the supplying of Berlin with coal and food, and proposed remedies; [82] the US proposal concerning

[79] See telegram 411, August 31, from Berlin, p. 1274.

[80] Reference is to CONL/P(45)24, August 30, transmitted to the Department in despatch 963, September 14, 1945, from Berlin, not printed.

[81] For text of this resolution, contained in a circular telegram of September 17, 8 a. m., see p. 808.

[82] CONL/P(45)27, 7 September 1945, transmitted to the Department in despatch 963, September 14, from Berlin. This paper set forth detailed recommendations for regulating the volume of freight traffic from the western zones to Berlin (740.00119 Control(Germany)/9–1445).

publicity arrangements on matters before the Control Council; [83] and the Economic Directorate's proposal recommending the relaxation of restrictions on interzonal trade.[84] The publicity arrangements are being handed to the press representative tonight.

It was agreed that the French would take up their request for captured German war material individually with the US, the British and the Soviets.

Marshal Montgomery stated that the British Foreign Office had notified him that for the purposes of the Conference of Foreign Ministers in London [85] it would appreciate being advised as to the opinion of the Control Council on the question of free movement in all four zones of Germany for the nationals of the four powers represented on the Council. Marshal Zhukov stated that he would have to study the question and would not even state at this time whether matter should be referred to the Coordinating Committee. Marshal Montgomery stated that he would circulate the proposal and hoped that the members would give their views to their Deputies if possible so that the matter could be considered by the Coordinating Committee promptly.

Sent to Dept as 490, repeated to London as 68.

MURPHY

740.00119 Control (Germany)/9–2045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 20, 1945—10 p. m.
[Received September 21—3 : 45 a. m.]

569. The sixth meeting of the Control Council was held on Sept. 20, with Marshal Montgomery presiding.

Just previous to the Council meeting, a special meeting of the Coordinating Committee was held for final consideration of the Legal

[83] CONL/P(45)28, September 7, 1945, transmitted to the Department in despatch 963, September 14, from Berlin. The resolution provided for the release of information on the decisions and discussions of the Control Council consistent with the requirements of military security unless the Control Council deemed it desirable to withhold information because a problem was still in the discussion stage or because the release of information might prejudice the final solution of a problem. The resolution then recommended a procedure for quadripartite participation in the drafting of a press release at the conclusion of each meeting. (740.00119 Control(Germany)/9–1445)

[84] CONL/P(45)29, 7 September, transmitted to the Department in despatch 963, September 14, from Berlin. It recommended that "each Zone Commander, while preserving his prerogatives to prohibit transfers to other Zones of commodities in critically short supply, be requested to issue instructions in his Zone to relax as far as possible all unnecessary restrictions on normal interzonal trading in commodities, goods and services." (740.00119 Control(Germany)/9–1445)

[85] For documentation on the First Session of the Council of Foreign Ministers, London, September 11–October 2, 1945, see vol. II, pp. 99 ff.

Directorate's proposed law setting up a German external property commission and vesting in the Commission all right, title and interest in German property abroad, including property owned by German citizens resident outside Germany. The Legal Directorate had approved the text of the law, but the British member of the Legal Directorate had informed General Robertson that he considers the law unenforceable. General Robertson stated that the British Govt is now carrying on negotiations on this matter with neutral govts and feels that the publication now of this law would impede these. He also stated that he had particular doubts as to enforceability as affecting German nationals resident abroad. He hoped for full agreement soon. General Clay stated that law is necessary now as there must be a body to take title now, on behalf of the four powers, to German property, such as that of I. G. Farben, seized abroad. One of the four powers can not do this in its own name alone. Generals Sokolovsky and Koeltz supported General Clay as to the need for this law at once. The Committee decided to send the law to the immediately forthcoming meeting of the Control Council stating that the law was approved by the Legal Directorate and by three of the members of the Coordinating Committee, but that the British member had two reservations: (*a*) As to the desirability of enactment and publication now and (*b*) as to enforceability. General Clay then commented that he would report to his Govt his view that the US should act at once in its zone and should invite the French and Soviets to act with us.[86]

At the meeting of the Council immediately thereafter, Marshal Montgomery restated the British position on the above matter, asked for further study. General Eisenhower made a very strong statement as follows: (*a*) The law had his "emphatic approval", (*b*) the time was ripe for the Council to take an active part, promptly and concretely in the affairs of Germany as a whole, (*c*) this was the precise type of case when it should act, and (*d*) he wished his "very definite" position to be recorded. General Koeltz and Sokolovsky gave strong support, saying that the delay was already too long and that this is one of the most important steps the Council can take. Marshal Montgomery said he would inform his Govt of the positions of his three colleagues and the matter was put off to the next meeting on October 1, with the hope that full agreement would be reached at that time.

[86] The proposed law on the vesting and marshalling of German external assets under discussion was submitted to the Control Council as CONL/P(45)39 which was transmitted to the Department in despatch 1012, September 26, from Berlin, not printed.

The Council then approved without significant discussion the following matters referred up to it by the Coordination Committee (see my 562, Sept. 18, 10 p. m.[88]): (*a*) Directive on methods of legislative action,[89] (General Eisenhower's comment that the Coordinating Committee should sign the maximum number of papers on behalf of the Council was noted); (*b*) directive on official languages and the Council Gazette;[90] (*c*) directive on exchange of copies of laws and information (General Sokolovsky's suggestion that article 4 providing for exchanges of mutual visits by the legal authorities of the four powers be struck out pending settlement of the general question of freedom of inter-zone movement was accepted);[91] (*d*) order on elimination of military training;[92] (*e*) law repealing Nazi laws;[93] (*f*) report approving publication of the EAC (European Advisory Commission) agreement on additional requirements from Germany,[94] with explanatory preface and Section 38 deleted (General Sokolovsky stated that he hoped that the US might agree to publication of this section sometime in the future). The Council also approved the paper setting up a general program governing exports and imports[95] (see my 512, Sept. 13, 6 p. m.[96]).

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[88] *Post*, p. 1095.

[89] Control Council Directive No. 10, Berlin, 22 September, 1945, *Official Gazette of the Control Council for Germany*, No. 3 (31 January 1946), p. 38. It defines the various types of legislative action to be undertaken by the Control Council.

[90] Control Council Directive No. 11, Berlin, 22 September, 1945, *ibid.*, p. 39.

[91] CONL/P(45)37, transmitted to the Department in despatch 1012, September 26, from Berlin. It provided in the interests of uniformity of treatment of the German population for the exchange of copies of all legislation and various other types of legal information between the Legal Divisions of the four zonal authorities. (740.00119 Control (Germany)/9–2645)

[92] Control Council Law No. 8, Berlin, 30 November 1945, *Official Gazette of the Control Council for Germany*, No. 2 (30 November 1945), p. 33.

[93] Control Council Law No. 1, Berlin, 20 September 1945, *ibid.*, No. 1 (29 October 1945), p. 6.

[94] The complete text of the four-power agreement on certain additional requirements to be imposed on Germany, signed at London, July 25, is printed in *Conference of Berlin (Potsdam)*, vol. II, p. 1008.

[95] CONL/P(45)32, transmitted to the Department in despatch 1012, September 26, from Berlin. This paper recommended, in order to implement paragraphs 14, 15, and 19 of chapter III B of the Report on the Tripartite Conference of Berlin (*ibid.*, pp. 1504–1505), the establishment of an export and import policy treating Germany as a single economic unit. Imports should be kept to a minimum and proceeds from exports should be made available in the first place to pay for imports. This paper had been prepared by the Economic Directorate and was approved by the Coordinating Committee, which in anticipation of Control Council approval had already instructed the Economic Directorate to proceed with the implementation of the recommendations. (740.00119 Control (Germany)/9–2645) For documentation relating to export-import policy, see pp. 1521 ff.

[96] Not printed; it reported the discussions at the seventh meeting of the Coordinating Committee, September 12 (740.00119 Control (Germany)/9–1345).

The letter from the Catholic bishops at Fulda was sent to the Secretariat to acknowledge, and to the Coordinating Committee to take the necessary action. (See my 503, Sept. 12, 11 a. m.[97])

The US proposal on the uniformity of regulations against fraternization was accepted.[98] General Eisenhower stated that the existing regulations were not being enforced in his zone and General Koeltz said the same. General Sokolovsky stated that the Soviets widely [*wisely?*] ban billeting with German families and intermarriage. The four zone commanders will be instructed to issue orders ending the nonfraternization restrictions except for billeting and marriage without special approval by the zone commander.

General Sokolovsky announced that the Soviet Govt had agreed to refer the decision on question of reparations to the Control Council in consultation with the Allied Reparations Commission which would now meet in Berlin.[99] This was gratefully received.

MURPHY.

740.00119 Control (Germany)/9–2545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 25, 1945—1 a. m.
[Received 2:28 p. m.]

614. I refer to my 569 of September 20, 10 p. m., concerning the sixth meeting of the Control Council, and in particular to the discussion of the proposed law vesting German foreign assets.

The British have prepared a memorandum, classified secret, setting forth their two main legal objections which are: (1) that the Control Council has not been authorized by the four powers so to act; and (2) that the courts of other countries will not recognize the validity of the vesting of title.

The first objection is as follows:

(*a*) There is only one section of the agreement on control machinery in Germany which might confer this power; namely article 3 (*b*)

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[97] Not printed; reference is to a letter sent to the Control Council by the Annual Conference of Catholic Bishops which met at Fulda, Aug. 20–24. Text of the letter was transmitted to the Department in despatch 907, August 28, from Frankfurt (862.404/8–2845).

[98] CONL/P(45)33, transmitted to the Department in despatch 1012, September 26, from Berlin, not printed.

[99] In the official minutes of this meeting (CONL/M(45)6), transmitted to the Department in despatch 1012, September 26, from Berlin, the equivalent passage reads as follows: "General Sokolovsky announced that the Soviet Government had agreed that the Control Council should decide questions of reparations in consultation with the Reparations Commission, the Soviet component of which will be situated in Berlin." (740.00119 Control(Germany)/9–2645) For documentation on this subject, see pp. 1169 ff.

subparagraph 2,[1] which gives the Council power to reach decisions on the chief economic questions affecting Germany as a whole. The British doubt whether this extends outside of Germany.

(*b*) Paragraph 18 of section III B of Potsdam Agreement[2] is not intended to extend the powers of the Council beyond those already existing and applies only to countries other than the United Nations.

As to the second objection, the British believe: (*a*) even as to Germans in Germany the vesting law must be shown to be non-confiscatory and as giving adequate compensation. (*b*) It will not affect real estate. (*c*) It will not be recognized as to German nationals resident outside Germany. (*d*) Parts of law providing: for subpoena of witnesses externally; for prosecution of violators outside Germany; and declaring void contradictory non-German law, are clearly invalid.

The British feel that by use of the diplomatic approach, other governments may be persuaded to agree to the provisions which they are not legally bound to recognize. They feel that these agreements should be secured in advance.

As the Department will have noted from my 569 of September 20, 10 p. m., the United States, French and USSR representatives did not concur in the British objections.

MURPHY

740.00119 Control (Germany)/9–2745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 27, 1945—9 a. m.

8515. For Ambassador from Clayton.[3] Inquire of Foreign Minister whether HMG proposes to instruct General Montgomery to approve issuance at Oct 1 meeting of ACC the US proposal regarding vesting and marshalling of German external assets. At Potsdam President instructed General Clay to make this proposal to ACC. It has been pending since. French and Russians agree to it. British Group CC[4] state US proposal has been approved in principle by British but that British refuse to approve issuance. Definite indication of British view is urgently desired in order to consider whether in event of British opposition tripartite steps should be taken under arrangement for zonal action and interzonal agreements when unanimous consent appears impossible. Inform Foreign Minister that US

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[1] TIAS No. 3070; 5 UST 2063.
[2] *Conference of Berlin (Potsdam)*, vol. II, p. 1505.
[3] Assistant Secretary of State William L. Clayton.
[4] The British element of the Control Commission for Germany.

Govt is considering this possibility in view of present British hesitancy to implement a principle to which UK has agreed.

Point out to Foreign Minister that enactment of such law is required by Art. 3, Sect. 18 of Potsdam Communiqué. Add that vesting decree does not conflict with proposals already discussed with British for approaches to neutrals along diplomatic lines regarding arrangements for taking over German assets. Rather enactment of vesting decree strengthens our hand in approaching neutrals along such lines and US Govt considers it extremely important that ACC decree be issued without further delay.

Repeated to USPolAd, Berlin for Murphy to inform Clay. [Clayton.]

ACHESON

740.00119 Control (Germany)/10–1145

Paper Submitted by the Allied Secretariat to the Control Council for Germany [5]

CONL/P(45)42 28 September 1945.

ESTABLISHMENT OF A CENTRAL GERMAN TRANSPORT DEPARTMENT

1. Certain proposals for the Establishment of a Central German Transport Department were recently submitted by the Transport Directorate to the Coordinating Committee. These proposals were not unanimously agreed within the Directorate.

2. The Soviet, American and British Delegations consider that the decisions of the Potsdam Conference (Section III paragraphs 9 (iv) and 14 [6]) require that the railways, highways, inland waterways and transport thereon and ports in Germany and such coastal shipping as Germany is allowed to retain, must be treated as the transport unit of Germany's economy and must be controlled as an individual unit for the whole of Germany by the Allied Control Authority through a Central German Administrative Transport Department. This Central Department must be given the executive functions necessary to secure, by means of approved subdepartments in each Zone, that the orders given on policy by the Directorate of Transport are carried out by the German agencies for each type of transport in the Zones.

3. The French Delegation dissent from the above proposal. The French Government have hitherto reserved their position on the Potsdam decisions. Even should that reserve be withdrawn, the French Delegation criticize the proposals made above, on the following counts:

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[5] Submitted to the Control Council, October 1; transmitted to the Department in despatch 1141, October 11, 1945, from Berlin, not printed.

[6] *Conference of Berlin (Potsdam)*, vol. II, pp. 1503–1504.

(i) *Railways.* To re-create a unified German railway system would tend to re-create war potential. The eventual German Central Department should therefore co-ordinate within the extent necessary to the carrying of interzone and international transportations, only the action of four networks independently constituted in each zone.

(ii) *Inland Navigation.* The eventual German Central Transport Department should not be allowed to control Navigation on rivers and canals considered as international.

(iii) *Highway Transport.* A central organisation would be useless since Highway Transport is only concerned with short-haul. Such an organisation would permit the Germans to reorganise a paramilitary system of mobilisation.

740.00119 Control (Germany)/10–245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 2, 1945—noon.
[Received 6 p. m.]

666. The seventh meeting of the Control Council was held on October 1, with General Koenig presiding.

The first and principal matter discussed was the proposed law setting up a German external property commission and vesting title of the property in the commission (see my 569, September 20, 10 p. m. and my 614, September 26[*25*], 11 a. m. [*1 a.m.*]).

General Robertson stated his Government's objections to the proposed law as follows:

a. Legal objections: The proposed law by itself has no effect and will be valid in neutral countries only with the cooperation of those governments and of their courts of law. As the law now stands and without assurance of support by neutral governments, it merely gives Germans in neutral countries a chance to claim that the Council is expropriating and confiscating their property, which is just what they want. The British have already sounded out neutral governments on this matter and these governments have questioned the legal basis for the law. Even if the legal grounds for the law were accepted, the British Government would not welcome the establishment of a precedent that title to property in one country could be affected by decrees of another government. Thus, the proposed law would appear to be valueless and actually harmful from a legal point of view.

b. Tactical objections: The proposed law would be effective if supported by neutral governments. At the present time, British Government is attempting to secure this support by arguing that this property offers some small compensation to the United Nations for the sacrifices they have made for the cause of freedom. Accordingly, all neutral governments should give the law their support on moral grounds. This moral argument which may succeed would be defeated by the present publication of the law commission raising the legal issues. Moreover, far from preventing the concealment of assets, it would give warning and strongly encourage such concealment.

General Robertson admitted that the matter could not be postponed indefinitely, and stressed the value placed by his Government upon unanimity of action by the Control Council, which he said was worth more than any other consideration.

General Koenig recognized the force of General Robertson's arguments and stated he was obliged to refer the matter to his Government which he would do as quickly as possible, recognizing that the matter could not be postponed indefinitely.

General Eisenhower argued: (*a*) That the four powers had already created one new precedent in international law, namely the Nazi war criminals trials before an international tribunal. Accordingly, he had no objection to setting other new precedents; (*b*) that the holders of German foreign assets were the "big shots" who must [*most?*] deserve punishment. It is necessary, from the point of world public opinion as well as justice, to reach these foreign assets so as to prevent such major war criminals from living comfortable lives abroad later; (*c*) that his reason for favoring the law is that it represents a clear move before world public opinion by the four powers jointly to punish the "big shots" as well as the "small fry". He stated that under section III, paragraph 18 of the Potsdam Agreement, "appropriate" steps are necessary to this end, and it is necessary to determine what these steps are. He was willing to postpone the matter for a reasonable time for study of this question, and meanwhile, to press the four govts for the development of further measures.

General Sokolovsky took a strong position against legal arguments, saying he agreed with General Eisenhower that international law is not a fixed matter. He believed that world public opinion required it. He referred to Paragraph 18 of Section III of Potsdam Agreement which says Council must act, and asked whether we were now to ignore this section and were to wait while the four govts settled things through diplomatic channels. He argued vigorously with General Robertson as to the scope of Paragraph 18.

The matter was referred back to the Legal Directorate, with consultation with the Finance Directorate, and General Robertson stated that he would offer some legal amendments. General Sokolovsky stressed the interest of the Finance Directorate in the matter.

On the Transport Directorate's proposal to set a central transport administration,[7] General Koenig made a statement[8] covering the French concern with this matter and French reservations arising from France's exclusion from Potsdam. He said that only at the current Foreign Ministers' meeting in London had France had an opportunity

[7] See *supra*.

[8] For General Koenig's statement taken from the minutes of the meeting, see U.S. High Commissioner for Germany, *Documents on German Unity*, vol. I (Frankfurt/Main, 1951), p. 9.

to exchange ideas with her Allies. General Koenig had been instructed that he could agree to no decision which might prejudice or otherwise affect the settlement of the Rhine-Westphalia regions which were considered at London.[9] He indicated that the French position is that the proposed central administration might affect this question. Accordingly, he was forced to request that the matter be postponed as he could not discuss it. He applied the same reasoning to the companion proposal concerning a central administration of communications and posts. The other members of the Council could therefore do nothing.

(M. de Leusse of the German Section of the French Foreign Office attended the meeting as an observer. In a frank conversation with me after the meeting he stated: (1) that the French want an autonomous govt in the Rhineland and Ruhr; (2) that they probably would not accept annexation of the territory west of the Rhine except the Saar; (3) they consider that it should be treated on the same basis as the giving of eastern German territory to Poland; (4) that they consider this question of very great importance and will hold out for it. He indicated that French opposition to the proposed central administrations is based upon the intention to force consideration of this matter. When I asked him whether this means a delay until the next Foreign Ministers' meeting he replied that France would not delay and would press for settlement through the usual diplomatic channels.)

General Koenig suggested that the agreed three meetings of the Council be changed to two per month, on the first and sixteenth of each month. He pointed out that the machinery is working smoothly, that the Coordinating Committee is doing the hard work and that the Council does not therefore have enough business to warrant three meetings. He admitted that the three meeting system is set up in the agreement on control machinery in Germany, but felt that the Council could make this decision subject to contrary instructions from any of the four govts. Although General Robertson agreed, General Eisenhower feared a poor psychological reaction from the change and thought no change should be made until the govts had decided. General Sokolovsky agreed with General Eisenhower and it was decided to ask the views of the four govts. The Dept's instructions are requested in this matter.[10]

General Eisenhower raised the question of the return to Germany of the 150,000 or more Germans now in the United States zone of

[9] Reference is to the meeting of the Council of Foreign Ministers in London, September 11–October 2. For discussion of the questions of central administrative machinery for Germany and the disposition of Ruhr-Rhineland regions, see pp. 861 ff.

[10] In telegram 610, October 5, 5 p. m., to Berlin, the Acting Secretary informed Mr. Murphy that the Department supported General Eisenhower's position and felt that the Control Council should continue to meet three times a month (740.00119 Control (Germany)/10–245).

Austria,[11] the homes of a majority of whom are in the Soviet zone or in territory now under Polish administration. He referred to the policy of treating Austria better than Germany and stated the question was becoming critical in Austria and needed speedy consideration.

The question was referred to the Coordinating Committee to consider in connection with the general question of population transfers, with instructions not to delay the matter.

It was decided that the Coordinating Committee should consider the question of an integrated Allied secretariat so as to make a more efficient use of available personnel.

General Koenig raised the question of the desire of the Swiss and Yugoslav Govts to send delegations to Berlin as soon as possible, recommending this strongly to the other members.[12] He was assured that the question is now under consideration. (The matter of the first 16 delegations will be considered on Wednesday, Oct. 3, at the Coordinating Committee meeting. Further delegations, including neutrals (as suggested in the Dept's 569, Sept. 28, 8 p. m.[13]) will be discussed in the Political Directorate. A paper is now in preparation on this matter.)

MURPHY

740.00119 Control (Germany)/10–1045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 10, 1945—midnight.
[Received October 10—9 : 50 p. m.]

746. The eighth meeting of the Control Council was held October 10, with General Koenig presiding. Only three matters were considered.

The law to terminate and liquidate Nazi organizations, which passed the Coordinating Committee last week (see my 682, October 4, 3 p. m.[14]) received final approval. The Department will recall that property of these organizations is to be confiscated by the military commands and distributed under general directives of the Control Council. This law will be made on October 12[15] with a statement showing that it confirms action already taken.

In view of the small amount of business before the Council and the difficulty of reaching Berlin, General Koenig proposed to limit the number of meetings of the Council to two per month, with the possibility that they might be double meetings. General Eisenhower

[11] For documentation on this subject, see vol. II, pp. 1227 ff.
[12] For documentation on this subject, see pp. 1084 ff.
[13] *Post*, p. 1096.
[14] Not printed.
[15] Control Council Law No. 2, Berlin, October 10, 1945, *Official Gazette of the Control Council for Germany*, No. 1 (29 October 1945), p. 19.

opposed any cut down as a matter of principle, stating that the organization of Germany on right principles is our most important task and that the Council must be continually available to press this and to supervise. Accordingly any change that public opinion might interpret as a lessening of the Council's interest and determination would be dangerous. He offered to make Berlin his permanent headquarters if necessary. General Sokolovsky stated that the organization stage is now over and that more questions of substance are to be expected. General Robertson stated that the British hope for the speedy setting up of the central administrations, and that when these are operating, the Council will have increased business in connection with them. He did not want too great an interval between meetings as General Koenig proposed. In view of the attitude of the other three, General Koenig consented to keep things as they now stand.

General Robertson distributed for information a paper setting forth the text of a British communication to nine governments expected to have commercial relations with the British Zone. This communication explained the provisional interim arrangements for the payment for exports from that zone. General Robertson explained that it was in conformity with the interim principles set up by the Council. General Eisenhower pointed out the necessity of setting up the central administrations from the point of view of exports and imports, with which General Sokolovsky agreed.

MURPHY

740.00119 Control (Germany)/10–2045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 20, 1945—midnight.
[Received October 21—10 : 15 a. m.]

820. The ninth meeting of the Control Council was held on October 20 with the French member presiding.

The Council approved and signed a law increasing the taxes on wages, income and corporations by 25% [16] between October 1 and 31 December.

The Coordinating Committee had sent to the Council a law governing the formation, control and functions of labor unions. Its first paragraph provides that unions will be permitted at a local level and will be allowed to federate and amalgamate. The French member made a statement as follows: (1) That the French Government is in favor of unionism and is reestablishing unions in the French Zone;

[16] Control Council Law No. 3, Berlin, October 20, 1945, *Official Gazette of the Control Council for Germany*, No. 1 (October 1945), p. 23.

(2) that the French want amalgamation of local unions only on a zonal level, and that any federation on a German national scale should require the special consent of the Control Council; (3) that all political activity by unions should be forbidden. He commented that such political activity would detract from the real purposes of unionism. He argued that his amendments to the above effect did not change the substance of the law under consideration. The other three members of the Council were in strong disagreement with the French position. Marshal Zhukov argued that we already have unionism on zonal basis and that the main purpose of the law is to set unions up on a national scale. General Eisenhower argued that it is the job of the Council to run Germany as a unit and that the members are wasting their time until this is settled.[17]

Marshal Zhukov asked for an amendment which would prohibit even nominal Nazis from holding office in a union. The British member argued that Potsdam Agreement had specifically excepted nominal Nazis,[18] but Marshal Zhukov answered that the agreement was not referring to unions in making this exception.

At the suggestion of General Eisenhower, the bill was sent back to the Coordinating Committee.

The Council approved and signed the Legal Directorate's proclamation to the German people on the fundamental principles by reform of the German judicial system.[19] In spite of a desperate effort which the Soviet member of the Legal Directorate had made at the last minute to amend the proclamation to remove the independence of the judiciary and invalidating Nazi sentences on political grounds, Marshal Zhukov stated that the Soviets had changed their minds and no longer objected to the draft proclamation as it stands.

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[17] The official minutes of this meeting (CONL/M(45)9), transmitted to the Department in despatch 1191, from Berlin, October 29, amplify the discussions at this point. "General Eisenhower then asked General Koenig if he would be ready to authorize the formation of Trade Unions on a broader basis than that of a zone. On General Koenig's negative reply, as far as the present was concerned, Marshal Zhukov pointed out that the text to be signed would not in any way alter the present situation as Trade Union policy was at present subject to autonomous regulations in each zone. He then affirmed that the majority of the members of the Control Council felt that the organization of Trade Unions on a German nationwide basis would be desirable." General Eisenhower then remarked: "The American delegation, as far as it was concerned, believed that the Control Council ought to treat Germany as a sole economic unit. If it continues to be the case that the Control Council cannot reach a unanimous agreement on this point and that it cannot formulate laws for the whole of Germany, it is preferable to discontinue its activity." (740.00119-Control(Germany)/10–2945)

For further documentation on the question of trade unionism on an all-German basis, see pp. 1033 ff., *passim*.

[18] Reference is presumably to chapter III A, paragraph 6 of the "Report on the Tripartite Conference of Berlin", *Conference of Berlin (Potsdam)*, vol. II, pp. 1499, 1503.

[19] Control Council Proclamation No. 3, Berlin, 20 October 1945, *Official Gazette of the Control Council for Germany*, No. 1 (29 October 1945), p. 22.

Marshal Zhukov then proposed that the Coordinating Committee prepare a plan for the implementation of the Potsdam Agreement, so that the Council could take more active steps to carry it out. This proposal received the enthusiastic support of the British and US members, but the French member stated that he felt bound to refer to the French position as to the agreement which is generally known. The matter was referred to the Coordinating Committee.

Sent to Department as 820, repeated to Paris as 95.

MURPHY

740.00119 Control (Germany)/10–3145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 31, 1945—6 p. m.
[Received 6 : 20 p. m.]

896. The tenth meeting of the Control Council was held on October 30 with the French member presiding.

The Council discussed the law on formation, control and functions of trade unions, which had failed to obtain the approval of the Coordinating Committee on account of the unwillingness of the French Delegation to give approval now to the federation of unions on a national scale. The French member of the Council repeated his attempt to get approval of an amendment requiring special Control Council permission for national unionization.[20] Marshal Montgomery stated that delay in this matter is causing embarrassment in his zone, and asked that the urgency of the matter be brought to the attention of the French Govt in the hope they would change their position. General Eisenhower stated that with the French amendment added, the law does not change the existing state of affairs. He wished to encourage national unionism now. Marshal Zhukov asked that the French position be given out to the world press as blocking the efforts of the other three in favor of unions. In the light of the French member's promise to submit the matter again to his Govt and to have an answer by the November 10 meeting, and in view of the opinions of the other members that matter should not be given to the press while in the discussion stage, it was decided not to publish this until after the next meeting. General Eisenhower stated that he is generally of the opinion that a course of complete honesty with the press is best.

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[20] The amendment to the draft law desired by the French provided for the establishment of trade unions on a wider than zonal scale on condition that, in each specific case, their establishment should be examined and approved by the Control Council. According to the minutes of the 10th meeting (CONL/M(45) 10), transmitted to the Department in despatch 1253, November 5, from Berlin, General Koenig indicated his willingness to sign the law immediately if this amendment were included (740.00119 Control (Germany)/11–545).

The Council approved the law on the reorganization of the German judicial system,[21] and the law vesting and marshalling German assets abroad [22] (see Mission's telegrams on the prior consideration of these laws in the Coordinating Committee). The members stated that they all had misgivings as to the effect of the latter law.[23]

The Coordinating Committee had approved a paper delegating to the Economics Directorate considerable power [24] in connection with obtaining information and issuing directives. The British and French members approved and General Eisenhower suggested that the Council empower the Coordinating Committee to make any delegations within the control machinery which it may see fit. Marshal Zhukov, however, did not agree [25] and asked that the entire matter be postponed until such time as the proposed central administrations had been set up and the Economics Directorate had had further experience. This was agreed and the matter adjourned.

The main discussion was in regard to the paper on advance deliveries on account of reparations,[26] (see Mission telegram 883, October 30, 5 p. m.[27]). The US and British members stated that they were not authorized to agree to allocations of substantially more than 25% to the Soviet Union and that the Soviets should take the matter up on a governmental level if they wanted more than the Potsdam percentage.[28] They were both in sympathy with the plan to get deliveries moving as promptly as possible and promised full cooperation.[29]

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[21] Control Council Law No. 4, Berlin, 30 October 1945, *Official Gazette of the Control Council for Germany*, No. 2 (30 November 1945), p. 26.

[22] Control Council Law No. 5, Berlin, 30 October 1945, *ibid.*, p. 27. For discussion of this law in the Coordinating Committee, see telegram 869, October 28, 1 p. m., from Berlin, p. 1566; for documentation on the application of this law outside of Germany, see vol. II, pp. 852 ff.

[23] In the official minutes of the meeting (CONL/M(45)10), Field Marshal Montgomery is recorded as having pointed out "that his government still had the same objections regarding the draft before them. He had, however, been authorized to sign it." General Koenig while stating that he too was authorized to sign "recalled that the French Government likewise had objections to the text as submitted." No objections from either General Eisenhower or Marshal Zhukov are recorded. (740.00119 Control (Germany)/11–545)

[24] CONL/P(45)51, transmitted to the Department in despatch 1253, November 5, from Berlin, not printed.

[25] CONL/M(45)10 Marshal Zhukov's remarks are reproduced as follows: "He believed it useless to revise the responsibilities assigned to different Control organizations. He observed that at present there is no central German administrative agency to which the Economic Directorate might issue directives. The contemplated delegation of authority would therefore be useless." (740.00119-Control (Germany)/11–545)

[26] CONL/P(45)52 transmitted to the Department in despatch 1253, November 5, 1945, from Berlin, not printed.

[27] *Post*, p. 1364.

[28] See chapter IV, paragraph 4 of the "Report on the Tripartite Conference of Berlin", *Conference of Berlin (Potsdam)*, vol. II, pp. 1499, 1506.

[29] In CONL/M(45)10 General Eisenhower's remarks are reproduced as follows: "As soon as his Government allowed him further leeway, there would be no lack of cooperation from the U.S. delegation, because it was very important that this process of dismantling and distribution be started as soon as possible." (740.-00119 Control (Germany)/11–545)

Marshal Montgomery offered the Krupp Plant at Essen to the Soviets at once, to correspond to the US offer of two plants. Marshal Zhukov then stated that he had to insist on 50% by evaluation of the plants now listed as available for advance delivery. (The Soviets had previously asked for allocation by quantity of plants.) The basis of his insistence was that Soviet losses on an economic basis were more serious than those of any other Ally and her need is greatest; and that the Council had authority under Potsdam to make advance deliveries in any proportion it desires if the total at the end does not exceed 25% to the Soviets. General Eisenhower replied that he could not now agree to any percentage substantially greater than 25% as he had instructions to allocate 75% to the other claimant countries, but he promised to present the Soviet position sympathetically to his Government. The British member so stated also. The French member reiterated the French argument that reparations should not be considered independently of restitutions but all agreed that this consideration should not delay the commencement of advance deliveries of reparations.

The meeting then approved the Soviet paper for the rearming of the German police,[30] the British delegation having withdrawn its insistence on giving full discretion to the zone commanders.

Marshal Zhukov announced to the meeting that anti-Fascist Women's Committees are being set up in the Soviet zone to help with democratic education programs. These committees are under the Burgomeisters and former party members are excluded.[31]

The chairman announced that the first number of the official Control Council Journal will appear on October 31. It will be in four languages.

MURPHY

740.00119 Control (Germany)/11–1345 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, November 13, 1945—6 p. m.
[Received November 14—4 : 50 p. m.]

1010. The eleventh meeting of the Control Council was held on November 10, with the Russian member presiding.

The principal discussion concerned the law on formation, control and functions of trade unions, which had been discussed at the last

[30] Control Council Directive No. 16, Berlin, 6 November 1945, *Official Gazette of the Control Council for Germany*, No. 3 (31 January 1946), p. 42.

[31] For further documentation on developments in the Soviet zone of Germany and in Berlin, see pp. 1033 ff.

Council meeting (see my 896, October 31, 6 p. m.). The French member had then promised to resubmit the question of federation of German unions on a national basis to his Government and to have the answer by the November 10 meeting.

At this meeting, the French member stated that his position was in effect unchanged. He argued: (1) that the World Federation of Trade Unions wanted to send a delegation to Germany to study German unions and that this delegation should give its opinion on the matter before decision was reached by the Control Council; (2) that the question should be adjourned until the manpower directorate had discussed this question with the delegation; (3) that the French were strongly in favor of unionism and that they wished unions to be formed and to amalgamate within the zones at once; (4) that unions should be formed from the bottom up in order to be truly democratic; (5) that this is a slow process and the time for national federation is still some months off; and (6) France is only opposing the national organization for the present but not as a permanent matter.

The other members answered: (1) That unions are already organizing within each zone and need no further permission from the Control Council; (2) that the matter should no longer be deferred; (3) that a national organization is needed to coordinate union organization in the 4 zones; (4) that there is no connection between the question of national federation now and the visit of the Trade Union delegation to Germany; (5) since the French position is unchanged, it is necessary to give a statement to the press to the effect that 3 members now favor a national organization of unions and Council authorization for this is only blocked by the French position. The US member invited the British and Soviet members to meet with US manpower authorities to set up an inter-zonal organization.

After some objection on the part of the French member to the giving out of press releases in matters where the Council disagrees, it was agreed that the press should be informed by a release as suggested above. It was made clear that although the individual members could make their own statements to the press, the official release must be confined to the facts of the matter.

As to advance deliveries on account of reparations, it was decided to postpone the matter to the next Coordinating Committee meeting since neither the US nor the British members had had further instructions from their Governments as to the Soviet claim to receive 50 percent of the factories now available. The French member made a formal statement that his Government could not agree to the inclusion of looted goods in any shipments on account of reparations, even in the case of the proposed advance deliveries.

The Council also approved the law on safeguarding of documents and delivery of conformed copies.[33]

MURPHY

740.00119 Control (Germany)/11–2145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, November 21, 1945—11 a. m.
[Received 2:45 p. m.]

1066. 1. Twelfth meeting of Control Council, Russian member presiding, disposed of a short agenda. Places of General Eisenhower, Field Marshal Montgomery and General Koenig were taken by their respective deputies.

2. British representative expressed following reservations which, however, he stated he would not insist upon, with respect to draft law on punishment of war criminals and similar offenders. (See my 919 November 2, 5 p. m.[34] and despatch 1284 November 9.[35]) He held that trial by military tribunal of crimes against peace (article II, 1 B [36]) was open to objection and suggested that such trials in any event should not be held until Nuremberg verdict [37] was known. He expressed similar doubts with respect to provision regarding crimes against humanity (article II, 1 C [38]). Concerning groups or organizations declared criminal (article II 1 D [39]). British member pointed out that numbers involved may exceed 100,000, which might prove far larger than could be handled under article II, 3.[40] He suggested that pending Nuremberg decisions, zone commanders should have wide discre-

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[33] Control Council Law No. 6, Berlin, 10 November 1945, *Official Gazette of the Control Council for Germany*, No. 2 (30 November 1945), p. 31.

[34] Not printed; it reported discussions in the Coordinating Committee of the draft law on the punishment of war criminals. In the Legal Directorate prior to this discussion the British member had insisted upon obtaining the specific approval from his Government of the definitions of crimes against peace and crimes against humanity contained in the draft law. The British member of the Coordinating Committee had suggested that the draft law be passed on to the Control Council without discussion in the hopes that British reservations would be clarified by the time the draft law was considered in the Control Council. (740.00119 Control (Germany)/11–245)

[35] Not printed; this despatch transmitted the minutes and papers of the eighteenth meeting of the Coordinating Commitee, November 1 (740.00119 Control (Germany)/11–945).

[36] The draft law under discussion was considered in the Control Council as CONL/P(45)53, sent to the Department in despatch 1369, November 26, from Berlin, not printed. Article II, 1 B defining crimes against peace is the same as article II, 1 A in the law as finally enacted. See Control Council Law No. 10, Berlin, 20 December 1945, *Official Gazette of the Control Council for Germany*, No. 3 (31 January 1946), p. 50.

[37] Reference is to the International Military Tribunal for the Trial of the Major War Criminals which met in Nuremberg from November 14, 1945, to October 1, 1946. For documentation, see pp. 1151 ff.

[38] Same as article II, 1 C in the law as finally enacted.

[39] Same as article II, 1 D in the law as finally enacted.

[40] Same as article II, 3 in the law as finally enacted.

tion to determine extent to which prosecutions should take place under this clause.

Draft law was referred to Coordinating Committee for more careful study.

3. Russian chairman expressed thanks to General Clay for his statement that, recognizing the interests of other nations, US had made no claims for reparations. (See my 1049 of November 17, 5 [8] p. m.[41]) With respect to Russian claim to 50 percent on advance deliveries, British member stressed that readjustment to 25 percent figure must be made in future allocations within a short period of time. He announced that he had received bids from Norway, Yugo, Egypt and Greece which he was forwarding to Economics Directorate.

French member reiterated that while he concurred in 50 percent allocation to the Russians, his Govt had always insisted that looted material be withdrawn from such advance deliveries and that he had asked for new instructions in the light of discussion in last Coordinating Committee meeting.

Zhukov stated he personally sympathized with French member's proposal and was sure it would be considered by Coordinating Committee which will be directed to establish first list.

4. Control Council approved report on transfer of German populations [42] (see my 1049 of November 17, 8 p. m.[43]) and agreed to immediate publicity for report which will be forwarded formally to the Govts of Czecho and Poland and to the ACC for Austria and Hungary.

5. Coordinating Committee's report on German coastal and inland shipping (see my 1049 of November 17, 8 p. m.) establishing interim figure of 175,000 tons carrying capacity, was noted and its conclusions will be referred to Tripartite Maritime Commission pending further action by Transport Directorate.[44]

6. Soviet member referred to a note he had circulated to Control Council members just before the meeting protesting against the continued existence of German military units in British zone. Note, which was in sharp terms, alleged that the British were permitting the continued operation of a German army group, two corps groups, numerous local units, as well as Hungarian, Estonian, Latvian and Lithuanian formations which had fought against the United Nations. It claimed that many of the German units were carrying on military

[41] This telegram reported discussions in the Coordinating Committee November 17. During the consideration of the problem of advance deliveries on account of reparations, General Clay announced that he was authorized to accept the Soviet reservation claiming 50% of such deliveries of plants from the western zones; for pertinent extracts of the text, see p. 1390.

[42] See telegram 1147, November 30, from Berlin, vol. II, p. 1316.

[43] See *ibid.*, footnote 72, p. 1308.

[44] For documentation relating to disposition of the German Navy and Merchant Marine, see pp. 1506 ff.

training and personnel were receiving promotions. Note stressed that the British action contradicted the decisions of the Potsdam Conference and the declaration on the defeat of Germany and it proposed the despatch of a commission from the Control Council to the British zone to investigate the question of disarmament and liquidation of German armed forces. General Zhukov stressed orally at the meeting that the Soviets in their zone had not tolerated the existence of a single enemy unit.

British member declined discussion pending reference of the matter to Field Marshal Montgomery.

General Clay proposed that if the principle of a commission were accepted, such a commission should be sent to examine the disbandment of German forces in all zones and he mentioned that the US would welcome an inquiry in its zone. His proposal was approved but it was agreed to defer discussion of question to next meeting of Control Council in order to afford Field Marshal Montgomery an opportunity to comment on Soviet note.

Repeated to Paris for Angell as 132, to London as 150 and Moscow as 73.

MURPHY

740.00119 Control (Germany)/12–145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 1, 1945.
[Received December 2—1:21 a. m.]

1154. 1. At thirteenth meeting Control Council held yesterday, Russian member presiding, Field Marshal Montgomery made a vigorous rejoinder to Russian memorandum on the existence in the British zone of German armed units (see my No. 1066, November 21, 11 a. m., and despatch No. 1376 of November 22 [45]). Matter was disposed of amicably, however, as a result of comparatively moderate and conciliatory attitude adopted by Zhukov at the meeting.

2. Montgomery's statement acknowledged existence of German military administrative staffs which he asserted assisted in the work of disbandment which would otherwise have to be done by British personnel. Montgomery referred to US-British agreement under SHAEF.[46] Combined Command to treat German units as "disarmed enemy forces" rather than as "prisoners of war" who would be technically

[45] Latter not found in Department files.

[46] On April 25, 1945, the Combined Chiefs of Staff authorized SHAEF to treat members of the German Armed Forces who surrendered immediately prior to or after the cessation of hostilities as disarmed enemy forces rather than as prisoners of war. This authorization was granted as the result of a SHAEF recommendation of March 10.

entitled to the continued application of the Geneva Convention. He decided that none of the German administrative staffs were operational but were maintained under British control. With regard to ex-enemy forces in British zone, other than Germans, Montgomery said he would gladly have rid himself of the Hungarians but that their repatriation had been held up by Russian refusal to grant transit across their zone in Austria. As to sources of information besides press reports which could hardly be accepted as foundation for Zhukov's serious charges, Montgomery mentioned that he was, of course, aware that he had granted facilities to some fifty Russian liaison officers. He had seen some of their reports which were misleading on other matters, and if these officers were responsible for Zhukov's accusations, he could only say that they had abused the warm hospitality accorded them in the British zone. Montgomery expressed acceptance of Zhukov's proposal for an investigating commission providing (*a*) that it visit all four zones and (*b*) that this commission be succeeded immediately by others which would concern themselves with all matters affecting the administration of Germany in which the Control Council can properly take an interest.

In replying, Zhukov expressed his high personal esteem for Montgomery and stated that in bringing forward for discussion German military developments in the British zone, he was concerned only in asserting the Control Council's responsibility under the Potsdam Agreement for the complete demilitarization of Germany. He pointed out that Montgomery had not denied the existence of German staff units, even though they were for administrative purposes. He did not entertain any suspicion that the Field Marshal wished to wage war on Russia but he was simply insisting on the disarmament of the Germans. As regards his sources of information, Zhukov said that it is difficult these days to hide anything from eye witnesses. He thought that a series of subsequent commissions of inquiry as suggested by Montgomery would be unnecessary and that the questions which they might deal with could be properly discussed in the Control Council when the need arises.

US member (General McNarney [47]) indicated that Montgomery had failed to carry out the Potsdam instructions and should have begun by disbanding the top German military organizations. He requested an explanation of Montgomery's preference for this method and of the reasons which prevented a more expeditious means of dealing with the German armed forces. McNarney thought that the proposed series of commissions would create an undesirable organization

[47] Gen. Joseph T. McNarney had succeeded General Eisenhower as Commander of U.S. Forces in Europe, and U.S. member of the Control Council in November 1945.

for investigation and believed they should be strictly limited to matters of major importance concerning the central administration of Germany.

On McNarney's proposal, it was agreed (*a*) the British delegation should submit to the Coordinating Committee a complete account of all German military organizations in British zone, (*b*) should likewise present its plan for disbandment of these forces, including time tables and (*c*) the other delegations should also be called upon to furnish similar information.

3. Control Council adopted report providing for the establishment of the three air zones west of Berlin [48] (see my No. 1126, November 28, 8 p. m., paragraph 7 [49]). Air Directorate will be charged with the details necessary to establish these zones as soon as possible. With respect to the other proposed zones, namely from Berlin to Warsaw, Praha and Copenhagen, respectively, Zhukov gave the assurance that these other corridors across the Russian zone will be opened in due course and he said it was his desire that they should be made available as soon as possible. As regards the air corridors west of Berlin, he inquired whether it could be understood that Russian planes could also use them and he said that he would like to have landing rights at Allied terminal or intermediate ports for Russian service teams. Montgomery said he was prepared to grant the Russians all facilities for this purpose and "hospitality of the air". US member subscribed to Montgomery's proposal and these questions were referred to the Air Directorate for study.[50]

4. Control Council adopted with minor amendments, laws on (*a*) prohibition of military training,[51] (*b*) rationing of electricity and gas [52] and (*c*) seizure of I.G. Farbenindustrie property.[53] Directive on de-Nazification was accepted in principle but in view of certain

[48] For text of the report, see p. 1581.

[49] Not printed; it dealt with the 23d meeting of the Coordinating Committee and reported the adoption by that body of the Air Directorate's report. During the discussions, the Soviet member opposed the creation of the four eastern corridors. He stated since these went beyond limits of Soviet Zone, permission would require governmental decision and that he was informing his Govt. concerning latter proposals. U.S. and British members declared themselves in favor of a complete freedom of transit over Germany of aircraft of occupying powers on a reciprocal basis and General Clay declared that from now on the U.S. would match restriction with restriction. (740.00119 Control(Germany)/-11-2845)

[50] In telegram 4068, December 5, 3 p. m., from Moscow, Ambassador Harriman made the following observation on paragraph 3: "I assume that any privileges which are granted the Russians in the zones west of Berlin, including use of corridors and terminal and intermediate airport facilities, will be granted only if we have definite agreement on similar facilities from them. We have had unhappy experience in accepting general assurances such as Zhukov is quoted as having given." (740.00119 Control (Germany)/12-545)

[51] Control Council Law No. 8, Berlin, 30 November 1945, *Official Gazette of the Control Council for Germany*, No. 2 (30 November 1945), p. 33.

[52] Control Council Law No. 7, Berlin, 30 November 1945, *ibid.*, p. 32.

[53] Control Council Law No. 9, Berlin, 30 November 1945, *ibid.*, p. 34.

suggested small changes will be referred to Coordinating Committee for final approval and signature. Since minor amendments were likewise proposed in law on punishment of war criminals, this law will be sent back to Legal Directorate and following completion of the necessary work will be submitted to the respective Commanders in Chief for signature.

Repeated to London as 159, Moscow as 90.

MURPHY

740.00119 Control (Germany)/12–1145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 11, 1945—2 p. m.
[Received 7:58 p. m.]

1231. (1) Last week's agreement on the first list of plants available for reparations delivery is generally accepted as having produced a good effect, at least on the Russians (see my 1196 of December 7, 8 p. m. [*10 a. m.*] [54]) and fourteenth meeting of Control Council yesterday, US member presiding, was held in an amiable atmosphere and yielded better prospects of a settlement on restitution.[55]

(2) Stating he had sufficient latitude to solve the problem of restitution, Russian member objected that General Clay's compromise [56] was not sufficiently concrete and he referred to General Sokolovsky's offer to discuss each case of restitution separately (see mytel above and my 1176 of December 4, 7 p.m.[57]). French member said he had not received any new instructions and that in their absence he was bound by the declaration of January 5, 1943 [58] which was perfectly clear and had been accepted by other countries than France.

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[54] This telegram reported discussions at the 25th meeting of the Coordinating Committee, December 6; for extracts, see p. 1447.

[55] The subject under discussion was a report by the Coordinating Committee (CONL/P(45)65) on a definition of the term "restitution." At the 23rd meeting of the Coordinating Committee, November 27, the matter had reached a deadlock. The Soviet member insisted that restitution was "limited to property capable of identification, forcibly seized and carried away from the territory of the country by the enemy." The other members favored a definition which limited restitution "to identifiable goods which existed at the time of the occupation and which were taken out of the country by the enemy, whatever the means of dispossession." Their definition also included identifiable goods produced during the occupation acquired by the enemy by force. The deadlock could not be resolved in discussion at the 24th meeting, December 3, and so was turned over to the Control Council. For more complete accounts of these discussions, see pp. 1426–1440.

[56] At the 23rd meeting of the Coordinating Committee, November 27, General Clay suggested a definition which limited restitution. This definition is quoted in second paragraph of section numbered (2) in telegram 1126, November 28, 8 p. m., from Berlin, p. 1426.

[57] For extract, see p. 1440.

[58] Inter-allied declaration against acts of dispossession committed in territories under enemy occupation or control, *Foreign Relations*, 1943, vol. I, p. 443.

Zhukov claimed that the statement of January 5, 1943, was of a declaratory nature intended to warn criminal govts willing to make accords with the Germans. The Cont Coun was the supreme power charged with giving practical application to declaratory documents. The question of restitution was a complicated one and Fascist elements such as Pétain and Laval [59] had made voluntary agreements which required further examination. Zhukov suggested that the text to be adopted by the Cont Coun deal only with those matters which were perfectly clear and that all others be left for the Cont Coun to decide on the basis of the Sov offer to have restitution questions discussed separately in each case.

French member pointed out that January 5, 1943 declaration was signed by French authorities who had nothing to do with Pétain and Laval. He said he did not refuse to study the Russian offer but would like a concrete text. This the Soviet member agreed to furnish for the next meeting on the Coordinating Committee.

US chairman summarized the discussion by pointing out that by this next meeting the French may have received new instructions permitting them to recede from their rigid position and that the Russians had sufficient latitude to make concessions which might solve the problem. Stating "This is possible", Soviet member agreed to renewed consideration restitution by the Coordinating Committee.

(3) Control Council ratified Coordinating Committee's agreement on first list of plants available for advance delivery on reparations (see 1196 above), while accepting the French member's statement that his Govt maintained its position on looted material continued in the plants in question. Agreement will be mentioned in communiqué and it is understood the list of plants will be made available to the press.

(4) With respect to the establishment of consular offices throughout Germany (see my 1197 of December 7, 9 p. m. [*10 a. m.*][60]), Russian member stated this question went beyond his authority but that he had requested new instructions from his Govt which he hoped to receive by next meeting of Control Council on December 20. Matter was deferred for consideration at this further meeting.

(5) French member made an appeal to Allied authorities concerned to expedite deliveries of wheat to the French zone and of coal from Germany to France. Russian member pointed out that the Russian authorities were not involved, and US and British members promised all possible assistance with regard to the first and second questions respectively.

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[59] Marshal Henri-Philippe Pétain, Chief of the French State, 1940–44, and Pierre Laval, French Deputy Prime Minister and Foreign Minister, 1940, and Prime Minister, 1942–44.

[60] *Post*, p. 1012.

(6) On French suggestion Control Council is addressing a telegram of good wishes to General Eisenhower on the occasion of his new appointment.[61]

Sent Dept 1231, repeated to Moscow as 98 and Paris for Angell as 167. MURPHY

740.00119 Control (Germany)/12–2145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 21, 1945—6 a. m.
[Received December 22—6 : 20 a. m.]

1316. 1. Fifteenth meeting of Control Council yesterday,[61a] US member presiding, witnessed a heated flare-up in discussion of the Coordinating Committee's report on German units in the British zone.[62]

2. Zhukov said he agreed with the terms of the report (see my 1287, December 18, 7 p. m.[63]), but he had a statement to make. He was prepared to receive into the Russian zone transfers of disbanded personnel from the British zone. He then referred to the some 36,000 troops of other nationalities than German and the statement in the British paper that many of these did not desire to return to their homes. Zhukov said he had no such info and he requested Montgomery to check his reports "carefully and objectively".

He was of the opinion, in any event, that these troops should not be kept in the British zone.

Zhukov then stated he had info that Germans in the British zone, numbering some thousands, were being recruited in the British Army. They were made up of former German armored personnel, aviators, ground crews, engineers, chauffeurs, and Navy personnel, and the centers of recruitment were Hamburg, Kiel, Luebeck, and Muenster. With reference to Russian info that there were some 60,000 Poles in the British zone, Zhukov maintained that in Hamburg 30,000 of these

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[61] General Eisenhower became Chief of Staff, U.S. Army, November 19, 1945.

[61a] This was the final Control Council meeting for 1945. The meeting scheduled for December 30 was cancelled by agreement at the 11th meeting, November 13.

[62] CONL/P(45)70, transmitted to the Department in despatch 1607, January 2, 1946, from Berlin, not printed.

[63] Not printed; this telegram reported discussions of the problem at the 27th meeting of the Coordinating Committee, December 17. At that meeting the British member announced a plan for the disbandment of German formations in the British zone by January 31, 1946. He asked for the cooperation of the other zonal commanders to implement the plan and complained about the Russian refusal to grant transit facilities for the repatriation of Hungarians and Rumanians.

At the 27th meeting of the Coordinating Committee, the Soviet member also indicated, in connection with consideration of a proposal providing for unrestricted inter-zonal travel by Germans, that while he did not oppose the principle of free inter-zonal travel, he could not agree to its practical implementation at the present time (740.00119 Control (Germany)/12–1845).

were wearing British uniforms. His remarks were not intended to relate to Poles who had fought on the side of the British, and Zhukov said that he raised the question because the recruitment of these particular Polish units was in charge of the former Polish General Staff of the London Govt and was being handled by General Matchek,[64] the right hand man of General Anders.[65] Zhukov's personal opinion was that the recruiting and use of such units was undesirable since the British now maintained normal diplomatic relations with the Warsaw Government. In conclusion, Zhukov inquired concerning the purpose of British recruiting of Germans and other nationalities, which he said was not in accord with the primary task of occupation.

Montgomery stated he would investigate the points mentioned by Zhukov and then asked outright that the Marshal confirm that he had said that the British authorities were enlisting Germans in the British Army. Zhukov confirmed that he had made this statement and mentioned a number of places where such recruiting was supposed to have taken place. Thereupon Montgomery said "it is not true" and that he had nothing more to say. With respect to the Poles, Montgomery continued that he was not prepared to discuss in the Control Council his Govt's relationship to the Polish Govt. He recommended that the question of German units should be permitted to proceed along the lines of the report adopted by the Coordinating Committee since this seemed to offer a solution acceptable to everybody.

Zhukov said he was satisfied with the British statement in the report but that he had thought it necessary to bring up the matter of the recruitment by the British of Poles and other nationalities which had fought for the Germans, since as an immediate neighbor of Montgomery's he was "very much concerned".

The Control Council finally approved the Coordinating Committee's report, taking note of Zhukov's and Montgomery's remarks after the latter's statement that he will furnish info for the next meeting on January 10 on the points raised by Zhukov.[66]

3. With respect to the proposal for the establishment by the occupying powers of consular offices throughout Germany Zhukov stated that the Soviet Govt for the time being was not agreeable to the proposed opening of such offices (see my 1231, December 11, 2 p. m.). Zhukov repeated the words "for the time being". It was agreed that each national member should report to his Govt on the present

[64] Presumably Gen. Stanisław Maczek.

[65] Gen. Władysław Anders, Commander of the II Polish Corps.

[66] Discussion on this subject continued at subsequent Control Council meetings in 1946. Following the meeting of that body on February 11, Mr. Murphy reported in telegram 428, February 12, 1946, 5 p. m., from Berlin, that the exchange between the Soviet and British members "was marked by the obviousness of the Soviet desire to embarrass and irritate the British delegation. Zhukov, regardless of painstaking British effort to explain, persisted in stating that explanations given were unsatisfactory." (740.00119 Control (Germany)/-2-1246)

status in the Allied Control authority the proposal with a view to raising the question on the governmental level. (General Clay may possibly report this matter to War Dept, but should he not do so, the report given herewith could be accepted as a basis for our further action, after notification to the War Dept.)

4. The Control Council approved and signed the law on punishment of war crimes [67] (see my 1287, December 18, 7 p. m.[68]) and agreed to its release to the press at 6 p. m., Berlin time, December 24.

Repeated to London as 180 and Moscow as 107.

MURPHY

STEPS TAKEN BY THE UNITED STATES TO IMPLEMENT THE POTSDAM DECISIONS ON THE ESTABLISHMENT OF CENTRAL ADMINISTRATIVE MACHINERY IN GERMANY; DISCUSSIONS WITH THE FRENCH REGARDING THE SEPARATION OF THE RUHR, THE RHINELAND, AND THE SAAR FROM GERMANY

740.00119 Control (Germany)/5–2245 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 22, 1945—9 p. m.
[Received May 23—8 : 31 p. m.]

2877. From Murphy.[69] A survey by economic experts of SHAEF [70] reveals that food situation in area in Germany under responsibility of Supreme Commander [71] is critical and that only about 1200 to 1400 calories per day can be provided for urban populations during crop year 1945–1946. Uneven distribution and present inadequate handling of situation by German officials at regional and lower administrative levels have led G–5 [72] to propose the utilization of German agricultural and food officials and technical personnel by their economic control agency. Gen Clay [73] has concurred in the following recommendations.

It is proposed that a group of 40 to 50 experienced German food and agricultural officials and experts, drawn from the Reich Ministry of Food and Agriculture and Reich Food Estate, many of whom have been located, be assembled, probably at Wiesbaden, and after proper

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[67] Control Council Law No. 10. Berlin, 20 December 1945, *Official Gazette of the Control Council for Germany*, No. 3 (31 January 1946), p. 50.

[68] Not printed; this telegram reported discussions at the 27th meeting of the Coordinating Committee, December 17, concerning the final amendments to the law on war crimes. (740.00119 Control (Germany)/12–1845)

[69] Robert D. Murphy, U.S. Political Adviser for Germany.

[70] Supreme Headquarters, Allied Expeditionary Force.

[71] General of the Army Dwight D. Eisenhower.

[72] Headquarters general staff division dealing with civil affairs.

[73] Lt. Gen. Lucius D. Clay, Deputy Military Governor, Deputy Chief of Staff, and Commanding General, U.S. Group, Control Council for Germany.

screening be used by economic control agency, G–5 Division, as a source of information and to perform the following functions:

(1) Assistance in re-establishing and activating food and agricultural control agencies at regional and lower administrative levels.
(2) Planning of a production program for 1945–1946 including agricultural supply requirements.
(3) Preparation of plans for collection, distribution and rationing of agricultural products and control of prices.
(4) Collection and maintenance of essential statistical records.

While this group will initially be without executive powers it is believed necessary to create as early as possible in agreement with the Russian and French Govts a centralized German agency with responsibility for over-all planning coordination and execution of agricultural and food programs.

It has been recommended that 4 senior agicultural officers (2 Brit and 2 Amer) from SHAEF Economic Control Agency be designated initially to supervise the German administrator and his staff. Loyd Steere [75] is to be in charge and Dr. Alfons Moritz, former Ministerial Director Dept Two (Production and Supply) of Ministry of Food and Agriculture, has been suggested as possible head of German group.[76] [Murphy.]

CAFFERY

740.00119 Control (Germany)/5–2245 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 22, 1945—10 p. m.
[Received May 22—9 : 40 p. m.]

2888. From Murphy. SHAEF has asked my concurrence in a proposal to concentrate within a suitable area the various fragments of the German ministries which have been found to date. This proposal pertains primarily to archives and offices, and the top German personnel would be kept under arrest, although for intelligence purposes they also might later be concentrated near the point of collection. The area suggested as most suitable is one that would be in the vicinity of Cassel, and I personally have no objection to the proposal as it

[75] Loyd V. Steere, agricultural adviser on the staff of the U.S. Political Adviser for Germany.

[76] In telegram 3468, June 11, from Paris, not printed, Mr. Murphy reported that forty or fifty key officials of the former Reich Food and Agricultural Ministry had been located. In order to avoid the impression that a ministry was being reconstituted, small groups of these officials had been selected and taken to an assembly area north of Erfurt where they were given a preliminary program of work. They were instructed to devise a program for farm production and food utilization for 1945–46 within ten days, in consultation with Allied technical experts. (740.00119 Control(Germany)/6–1145)

might be found convenient to have the ministry centrally located in relation to the final zones of occupation.

I do take exception, however, to the reason given in a SHAEF paper in support of the proposal which is, namely, that while it is not intended during the SHAEF period to execute military government through any centralized German authority, it is clear from the meeting between the Supreme Commander and the Prime Minister [77] that at least British policy is tending towards the establishment at an early date of some German government (see my No. 2887, May 22, 10 p. m.[78]). Pending receipt of the Department's views, I intend to enter a strong reservation on this point, as I do not believe that it is in accordance with our own policy.

In the above general connection I cannot help but perceive some significance in the fact that despite SHAEF's order to Montgomery [79] to place the Doenitz government under arrest [80] as soon as possible, it has been reported to me that as late as yesterday afternoon they were still to be seen walking around the streets of Flensburg. [Murphy.]

CAFFERY

740.00119 Control (Germany)/6–1945 : Airgram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[HOECHST,[81]] June 19, 1945.
[Received June 28—3 p. m.]

A–43. The GOLDCUP [82] Operations Staff of US Group CC [83] has announced the establishment at Kassel of a Ministerial Control Center [84] at which all activities connected with the records and person-

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[77] Winston S. Churchill, British Prime Minister.

[78] *Ante*, p. 302.

[79] Field Marshal Sir Bernard L. Montgomery, Commander in Chief, 21st Army Group.

[80] Reference is to the so-called Acting Reich Government of Grand Admiral Karl Dönitz; see telegram 2911, from Paris, May 23, p. 783. Dönitz and other officers were arrested on May 23; for further information, see Forrest C. Pogue, *The Supreme Command*, in the official Army history *United States Army in World War II: The European Theater of Operations* (Washington, Government Printing Office, 1954), p. 499.

[81] The Political Adviser's office was moved to Hoechst, a district of Frankfurt-am-Main, on June 15.

[82] "Goldcup" was the code word for the operation establishing contact between SHAEF and the Soviet Central Command, and assuming the initial control over the former German ministries.

[83] The highest level military government headquarters for U.S. forces in Germany; the U.S. "element" of the Allied Control Authority for Germany.

[84] Under cover of despatch 878, September 1, from Berlin, Mr. Murphy reported some details about the Ministerial Collecting Center which was located at Fürstenhagen near Kassel. The Center covered an area of some 25 square miles, and as of August 10 some 752 tons of documents, and some 1056 personnel had been collected there. (740.00119 Control (Germany)/9–145)

nel of the various German ministries and governmental agencies can be centralized.

This center will be equipped to receive and make available for exploitation the records of the German ministries. However, in view of the fact that the Political Division, with the agreement of the Political Division, British Element CC,[85] has already established the bulk of the German Foreign Office archives in the castle at Marburg,[86] it is not deemed desirable or necessary to make use of this aspect of the facilities at Kassel. The GOLDCUP staff has approved our decision to maintain the Foreign Office archives at Marburg and to continue to send there such additional archives as are uncovered from time to time.

The center now being established at Kassel will be equipped to handle a maximum of 5,000 persons from the staffs of the various ministries. It is our intention to make use of this opportunity to assemble the major part of the Foreign Office personnel so far located, numbering perhaps 300 persons. As has been previously telegraphically reported to the Department, it has been our intention to assemble Foreign Office personnel for interrogation. All previous efforts to achieve this through SHAEF have been fruitless and the present opportunity is therefore looked upon as the solution of our problem. While Kassel is not in the immediate vicinity of Frankfurt, it will nevertheless be relatively easy of access.

A member of my staff has been sent to Kassel today to examine the facilities being prepared and to make preliminary arrangements as are necessary. The Department will be kept advised of further developments.

MURPHY

[On August 22, 23, and 24, discussions took place in Washington between French President de Gaulle and Foreign Minister Bidault and various United States officials including President Truman. These discussions dealt with various topics of interest including establishment of central administrative machinery in Germany and separation of the Ruhr, Rhineland and the Saar from Germany; for documentation, see section entitled: "Efforts of the United States to Maintain Good Relations with France," volume IV, pages 661 ff.]

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[85] The highest level military government headquarters for British forces in Germany.

[86] For documentation on this subject, see pp. 1099 ff.

740.00119 Control (Germany)/8–1045 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, August 22, 1945—5 p. m.

322. Reurtel unnumbered, August 10.[87] Dept notes that second meeting of Control Council [88] considered US proposal to make studies and recommendations respecting establishment of German administrative departments for finance, transportation, communications, foreign trade and industry.

Dept considers TERMINAL [89] agreement does not preclude establishment of department for agriculture [90] and suggests you take up proposal to establish such department with General Clay. Coordinated planning of agricultural production and distribution throughout Germany is necessary to maximum exploitation of indigenous resources, joint programming of imports and arrangements for interzonal exchange of essential commodities. Interzonal exchange of means of production will be indispensable to high agricultural output which in turn is essential to reduction of imports to minimum level.

BYRNES

740.00119 Control (Germany)/8–2345

The United States Political Adviser for Germany (Murphy) to the Chief of the Division of Central European Affairs (Riddleberger)

[BERLIN,[91]] August 23, 1945.

DEAR JIM: With reference to the query in your note of July 31,[92] I might say at the outset that there is no intention to establish central German administrative agencies except in the fields of finance, transport, communications, foreign trade, and industry. I regret the looseness of the wording of A–92,[93] July 16. It may have given the impression that a Reich Ministry for Ecclesiastical Affairs was being contemplated.

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[87] *Ante*, p. 830.

[88] August 10.

[89] Code name for the Berlin Conference, July 17–August 2, 1945.

[90] Reference is specifically to chapter II A, paragraph 9(iv) of the Communiqué of the Berlin Conference which provided for the establishment of German central administrative departments; see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 1503.

[91] The U.S. Political Adviser's office was established in Berlin, August 9, 1945.

[92] Not found in Department files.

[93] Not printed; in this airgram Mr. Murphy submitted to the Department, for checking, the names of Germans "who might be satisfactory as holders of important positions in a reconstituted Reich government." (740.00119 Control (Germany)/7–1645)

You may be interested to know that our various telegrams and airgrams for data regarding German personalities arose from the following:

Some time ago, Gen. Clay instructed all divisions and offices of the US Group CC to submit names of competent and trustworthy Germans who might be considered for advisory or administrative positions at top levels. Manpower Division was the first one to take action, and before sending the names to Gen. Clay, inquired of the Political Division for further suggestions in the way of additional names and all data we might have on hand regarding the persons proposed. Thereupon a telegram was sent to the Department (my 135, July 9, 7 p. m.[94]), and the reply received within 48 hours was so helpful that the inter-divisional committee charged with making up the overall list asked if we couldn't get similar suggestions and indications from the Department in all the other fields of governmental activities. (My 171, July 16, noon,[94] followed.)

You may appreciate that there are no records available to us today in Germany regarding the past activities of many Germans, except information obtained from German ministerial, Party and organization records that have come into our hands. The Embassy and consular records throughout Germany are mostly extinct. I have therefore put out the suggestion that before Germans are considered for senior advisory or administrative positions, unless known to be absolutely trustworthy, inquiry be made of Washington as to what information may be on hand there regarding their past activities. By clearing through the Department as we have been doing in these cases, information of all the United States intelligence agencies is brought forth through the machinery of the inter-departmental intelligence organizations.

Sincerely yours, BOB

740.00119 Control (Germany)/9–145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, September 1, 1945—9 p. m.
[Received September 1—9 p. m.]

434. Fifth meeting of the Coordinating Committee[95] took place this afternoon, with General Robertson[96] presiding.

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[94] Not printed.

[95] The Coordinating Committee was the second level in the Allied Control structure for Germany. It was composed of the four Deputy Military Governors of the occupying forces.

[96] Lt. Gen. Sir Brian H. Robertson, British Deputy Military Governor in Germany.

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The letter of the Berlin Kommandatura,[97] stating that the Berlin banks could no longer extend credit to the German railroads, and that the latter were in urgent need of funds, was sent to the Finance Directorate in consultation with the Transport Directorate. Specific instruction was sent as to the urgency of the matter and specific reference was made to the Potsdam agreements providing for central administrations of finance and transport. During the discussion, General Robertson said that British favored the financing being done on a central basis as soon as practicable. General Clay made a strong statement to effect that Potsdam decided in favor of central administrations of transport and finance; that the logical conclusion from this is that the railways be run and financed on a central and not on a zonal basis, that the armies pay the railways for their use, paying in German marks rather than in Allied occupation currency; and thus that the railways be put on a self-supporting basis. General Sokolovsky[98] raised the question of some lines incurring deficits and others making profits; he suggested that the railways be run zonally to the extent of seeing that deficits were not incurred by zones, but thought matter must be studied by experts. General Robertson suggested that in view of the immediacy of the problem, the Soviets might be requested to extend immediate financial aid as they had done in other similar matters, and that the method of eventual repayment be determined by the Financial Directorate. General Clay again stressed the Potsdam decisions; he warned against resorting to expedients without facing the fundamental decision of Potsdam in favor of central administrations. He stated that this was related to the reparations problem[99] and to other problems, and they all should be faced promptly and all together, and not some at the expense of others. General Koeltz[1] said the French view with respect to the central authorities would be stated in the Directorate.

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MURPHY

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[97] The so-called Allied Kommandatura, the inter-Allied governing authority for Greater Berlin. It was composed of the four commanders of the respective sectors of Berlin. For documentation on the activities of the Kommandatura, see pp. 1033 ff.

[98] Army General Vassily Danilovich Sokolovsky, Soviet Deputy Military Governor in Germany.

[99] For documentation on reparations from Germany, see pp. 1169 ff.

[1] Lt. Gen. Louis Koeltz, French Deputy Military Governor in Germany.

740.00119 Control (Germany)/9–645 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, September 6, 1945—noon.
[Received September 15—10 : 08 p. m.]

462. Third meeting of Political Directorate [2] held this afternoon with Mr. Steel [3] presiding.

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On matter of proposed pooling of documents and officials in connection with setting up central administrations [4] it was agreed that to begin with the proposed lists would be gotten up only in the five fields of finance, transport, communications, foreign trade and industry mentioned at Potsdam. It was also agreed that the UK and the US having the bulk of documents and personnel, should draw up preliminary lists so that the Coordinating Committee can decide on whether to start on the creation of central administrations at once. I stressed that we expect lists from the Soviets and French as soon as possible, and Mr. Sobolev [5] stated that they would be produced. It was agreed that the personnel lists would be screened to remove the more than nominal Nazis. I suggested that the Kassel area would be the most suitable place for central administrations as the bulk of material already there is great. Mr. Sobolev would offer no opinion.

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MURPHY

740.00119 Control (Germany)/9–1145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 11, 1945—9 p. m.
[Received 11 : 35 p. m.]

498. At today's meeting of the Quadripartite Committee on Food and Agriculture, the Russian representative indicated that his Gov-

[2] The Political Directorate was composed of the four Political Advisers.

[3] Christopher E. Steel, Political Adviser of the British Element, Control Commission for Germany.

[4] Telegram 342, August 22, from Berlin, reported that at the Coordinating Committee meeting of that date, the British member proposed the pooling of experienced German officials and records in order to make possible the creation of central German administrative agencies. He suggested central German departments in the fields of finance, transportation, communications, foreign trade and industry, and food and agriculture. The matter was turned over to the Political Directorate for further study. (740.00119 Control (Germany)/8–2245)

[5] Arkady Aleksandrovich Sobolev, Political Adviser to the Chief of the Soviet Military Administration in Germany.

ernment did not consider the time ripe for setting up a central German administration for food and agriculture. The Russian attitude, notwithstanding the Potsdam Agreement on pursuit of common policies and a recent instruction by the Economic Directorate to the Food and Agriculture Committee to submit a paper in regard to common policies on agriculture (in connection with which today's Soviet statement was made) may well be related to the recent steps toward land reform in the Russian zone referred to in our 478 of September 8, 11 p. m.[6] and preceding telegrams.

It is our view that a central German administration would be an important instrument in the carrying out of common policy and would be especially useful in connection with land reform measures.

MURPHY

Council of Foreign Ministers Files:
Lot M–88, CFM London Documents, Box 2058

Memorandum by the French Delegation to the Council of Foreign Ministers

C.F.M. (45) 17 13 SEPTEMBER, 1945.

CONTROL AND ADMINISTRATION OF GERMANY[7]

On 31st July last the Provisional Government of the French Republic received an invitation to participate in the Council of Foreign Ministers of the five Great Powers.[8] On the same day they received the text of an Agreement concluded between the Governments of the United States, the United Kingdom and the Soviet Union concerning "The political principles to govern the treatment of Germany in the initial control period".[9]

In replying to these two communications the Provisional Government made various reservations regarding the solutions which were mentioned as applicable to Germany. These reservations refer to the contemplated restoration of political parties throughout Germany and the setting up of central administrative departments headed by State Secretaries whose authority would extend over the whole of German territory.

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[6] *Post*, p. 1050.

[7] Paper submitted to the London session of the Council of Foreign Ministers, September 11–October 2, 1945. For documentation on the meeting of the Council of Foreign Ministers, see vol. II, pp. 99 ff.

[8] For the invitation to the French Government and the subsequent documentation on the French attitude toward the decisions of the Berlin Conference, see *Conference of Berlin (Potsdam)*, vol. II, pp. 1543–1566; and France, Ministère des Affaires Étrangères, *Documents français relatifs à l'Allemagne, Août 1945–Février 1947* (Paris, Imprimerie Nationale, 1947), pp. 7–13.

[9] *Conference of Berlin (Potsdam)*, vol. II, pp. 1481–1483.

In replying to the communication transmitting the above Agreement the Provisional Government pointed out that such measures seemed to presume a future evolution of Germany along lines as to which it was at present impossible to say whether they accorded with the interests of European peace and the actual desires of the populations concerned.

So far as they are concerned the Provisional Government fully endorse the principle stated in the opening lines of paragraph 9 of the Agreement concerning the way in which the control of Germany is to be exercised, namely that "The administration in Germany should be directed towards the decentralisation of the political structure and the development of local responsibility". They feel that to prejudge the possibilities of political disintegration in Germany is at the moment premature and will for some time remain problematical; that certain schemes for decentralisation are calculated to produce not merely administrative but also political consequences; that to divide Germany into a number of States would promote the maintenance of security in Europe if it were the result of natural evolution and not an imposed solution. They regret, therefore, that the same paragraph 9 contemplates already the possible re-establishment of a central German Government, the creation of central German administrative departments and the reconstitution of political parties throughout Germany—all of these measures which are likely to revive the trend towards a united Germany and to favour the return to a centralised German State. More especially would they regret to see the Allied authorities replacing their own control, which prejudges nothing, by that of central German administrations set up in Berlin which would look like the first sign of a rebirth of the Reich.

The Provisional Government, further, notes that under the terms of the Potsdam Report the territories situated to the east of a certain line will be handed over to the administration of the Polish State "and for such purposes should not be considered as part of the Soviet zone of occupation in Germany." Thus, these territories are henceforth not subject to the authority of the Soviet Commander-in-Chief in Germany and the Allied Control Commission, Berlin. Still less would they be subject to the authority of future central German administrations or an eventual central German Government.

The Provisional Government do not *a priori* object to such arrangements, but they must point out that this is the only step so far taken which indicates the intention of the Allied powers to alter the frontiers of Germany as they existed in February, 1938. If at the very moment such a decision is published notice is given of the imminent establishment of central German administrations with powers extending over the whole German territory left after such amputation,

these two rulings will very likely be interpreted as confirming the maintenance of German sovereignty over all the areas to which these powers would actually extend.

The Provisional Government, however, have at various times publicly stressed the paramount importance they attach to preventing the Rhineland and Westphalia ever again becoming an arsenal, corridor or base for an attack by Germany on her western neighbours. They feel that the final separation of this region, including the Ruhr, from Germany, is both indispensable in order to cover the French frontier and an essential condition for the security of Europe and the world. They consider it necessary, therefore, that if central German administrations are to be set up, it should at the same time be specified that their authority should not extend to the Rhineland and Westphalia.

In view of the importance to Europe and the world of the German problem the French Delegation would have expected to see this problem at the head of the agenda of the first meeting of the Council of Five Foreign Ministers. In view of the large number of questions on the agenda they do not propose to insist on this problem in general, or that of the future of the Rhineland and Westphalia in particular, being discussed at the first session. They are, however, obliged to state that the French representative on the Allied Control Commission in Berlin will not be empowered to agree to any action prejudging that area's future until the question here raised has been discussed by the five Ministers and decided by the Council.

LONDON, 14 September 1945.

740.00119 Control (Germany)/9–2345 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, September 23, 1945—5 p. m.
[Received 9 p. m.]

597. The ninth meeting of the Coordinating Committee was held Sept. 22 with General Robertson presiding.

. . . . . .

The British proposal to set up a central German statistical agency to serve the control authority and such central administrations as are created, was approved in principle and sent to the Economics Directorate for study and recommendation. General Koeltz stressed the

danger of such an organization as a possible means of mobilizing and asked that it be strictly controlled, and that a military adviser be attached.

As to the Transport Directorate's plan for a central transport department,[10] as provided under the Potsdam Agreement, the French delegation expressed dissent as follows: (*a*) general objection to central administration of transport; (*b*) objection to central administration of railways in particular as a crucial war potential; (*c*) if such an organization be created, it should have no directing authority; (*d*) French position had been expressed through diplomatic channels, and General Koeltz and not [*had no?*] authority to change it, however, he hoped General Koenig[11] might have new instructions by the time of the next Council meeting on October 1. General Sokolovsky stated that this had all been thoroughly studied at Potsdam and did not need more consideration. General Clay made a strong reply to General Koeltz to effect that if Control Commission can not establish central machinery, it cannot govern Germany and had better consider itself as merely a means of negotiations.[12] The Potsdam decision is already two months old and should be acted upon, and, lacking unanimous consent matter would be handled on basis of interzonal agreements. Accordingly, it was decided that the question of policy would be presented to the Council in a short document,[13] stating the French position. Meanwhile the Transport Directorate will be requested to go ahead with the work, draw plans, choose personnel, provide space, etc. so as to avoid further waste of time.

On the related question of the IA and C[13a] Directorate's plan for a central organ of communications and posts, the French reservation was less strong. General Koeltz asked that matter be sent to Council, saying that France does not consider this, as compared to railways, a war potential question. He hoped that agreement would be reached in the Council. The Directorate's plan will be sent to the Council with a request for its authority to proceed with its execution.

As to the British proposal that free circulation be permitted between all the four zones of Germany to nationals of the four powers, General Robertson explained that this meant that normal restrictions

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[10] *Infra.*

[11] Lt. Gen. Marie-Pierre Koenig, Commander in Chief French Forces of Occupation in Germany.

[12] Cf. Lucius D. Clay, *Decision in Germany* (Garden City, N.Y., Doubleday and Co., 1950), pp. 109–110.

[13] The official minutes of this meeting (CORC/M(45)9), transmitted to the Department as enclosure No. 14 to despatch 1013, October 2, from Berlin, record also that General Clay "recommended that a majority report embodying the opinion of the British, U.S., and Soviet members of the Committee be submitted to the Control Council and that the French member should submit a minority report if he so desired." (740.00119 Control (Germany)/10–245) The paper finally submitted to the Control Council on October 1 is printed on p. 841.

[13a] Internal Affairs and Communications.

would be applied, such as requiring legitimate business reasons, orders, etc. General Clay said he favored the ending of all restrictions and would permit vacation travel in all zones. He wanted the same freedom given to German officials of the proposed central administrations and to Germans with inter-zonal business. General Sokolovsky repeated the Soviet position that this proposal is premature. Accordingly, the matter was postponed to a somewhat later date, but General Clay's principle that German officials must travel was accepted and the US will submit a separate paper on this.

The British proposal that each power submit for the information of the other three powers information regarding any German zonal administrations or agencies which they may have set up and which may be of value in setting up central administrations, was approved without discussion.

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MURPHY

740.00119 Control (Germany)/10–245

Paper Submitted by the Allied Secretariat to the Control Council for Germany [14]

CORC/P(45) 69 19 SEPTEMBER 1945.

DIRECTORATE OF TRANSPORT

ESTABLISHMENT OF A CENTRAL GERMAN TRANSPORT DEPARTMENT

Report of the Directorate of Transport

1. We were instructed by CORC/P(45)2 [14a] (Final) to initiate studies and make recommendations and reports to the Co-ordinating Committee on the decisions reached by the Tripartite Conference held at Potsdam:— [15]

(i) that a Central German Administrative Department shall be established . . . in the field of transport . . . to act under the direction of the Control Council (Section III, Paragraph 9(iv) [15a]).

(ii) During the period of occupation, Germany shall be treated as a single economic unit. To this end common policies shall be established in regard to . . . transportation . . . In applying these policies account should be taken, where appropriate, of varying local conditions (Section III, Paragraph 14 [16]).

2. Our examination of this problem has disclosed that there is fundamental difference of opinion between the French Delegation on

[14] This paper was considered at the ninth meeting of the Coordinating Committee, September 22. It was transmitted to the Department in despatch 1013, October 2, from Berlin, not printed.

[14a] Not printed.

[15] See Report on the Tripartite Conference of Berlin, *Conference of Berlin (Potsdam)*, vol. II, p. 1499.

[15a] *Ibid.*, p. 1503.

[16] *Ibid.*, p. 1504.

the one hand and the Soviet, American and British Delegations on the other, concerning the functions to be exercised by the Central German Transport Department and the organization required for that purpose.

3. In the view of the Soviet, American and British Delegations the decisions of the Potsdam Conference require that the railways, highways, inland waterways and transport thereon and ports in Germany and such coastal shipping as Germany is allowed to retain, must be treated as the transport unit of Germany's economy and must be controlled as an undivided unit for the whole of Germany by the Allied Control Authority through a Central German Administrative Department to be established for the purpose.

4. Accordingly, the Soviet, American and British Delegations consider that the Central German Transport Department must not merely be required to advise the Directorate of Transport on transport policy but must be given such executive functions as are necessary to secure through an approved Departmental organization in the Zones that the orders given by the Directorate of Transport on policy matters are carried out by the various German Transport Agencies in the Zones.

5. The French Delegation, on the other hand, propose that the Central German Department, if established, shall be composed simply of advisers who will be responsible for presiding over co-ordinating meetings of technical German delegates representing, for each branch of transport and for each function, the various Occupation Zones.

6. The French Delegation consider that in view of the need for the complete disarmament of Germany, the various forms of transport and transport facilities should be organised in accordance with the objections made in the letter which is attached as Enclosure 2. For instance, the various forms of transport should be treated as follows:—

(*a*) *Railways.*

(i) In each occupation zone an independent management; carrying on the operation of the network of railways within the Zone and to this end controlling all the necessary facilities.

(ii) Only such German central co-ordinating agencies or secretariats as may be necessary for dealing with commercial, technical and financial questions affecting all Zones, and through services.

(*b*) *Ports, highways and highway transport, inland waterways and inland waterway transport.*

The functions of the Central German Transport Department, as suggested by the Soviet, American and British Delegations, could be exercised by the Allied Control Authority direct. If necessary, some German co-ordinating committees should be set up with permanent secretariats.

(*c*) *Coastal Shipping.*

Such coastal shipping as Germany is allowed to retain will need to be regulated centrally.

7. Accordingly we are unable to submit agreed proposals.

8. In Enclosure 1 are set out proposals which, in the opinion of the Soviet, American and British Delegations, are in conformity with the decisions of the Potsdam Conference.

The French Delegation reasons for dissenting from these proposals are given in Enclosure 2.

R. J. M. INGLIS (*Chairman*)
R. MARTIN (RENE MARTIN)
P. A. KVASHNIN, *Major-General*
JOHN D. HUGHES, *Col., Deputy for J. A. Appleton, Brigadier-General*

[Enclosure 1]

ORGANISATION AND FUNCTIONS

CENTRAL GERMAN TRANSPORT DEPARTMENT

Organisation.

1. There shall be established, under the control of the Directorate of Transport, Allied Control Authority, a Central German Transport Department.

2. It shall be headed by an Administrator for Transport, who shall be assisted by a Deputy Administrator at Headquarters, and five Executives:—

a. Executive for Railways.
b. Executive for Highways and Highway Transport.
c. Executive for Inland Waterways and Inland Water Transport.
d. Executive for Ports.
e. Executive for Coastal Shipping.

There shall also be Deputy Administrators in the Zones.

Orders on general transport policy will be issued to the Administrator by the Directorate of Transport. Orders concerning only one of the branches will be issued to the Executive of that branch by the appropriate Committee of the Directorate.

3. The personnel to be appointed to the foregoing posts shall be acceptable under the political principles laid down by the Potsdam Conference. The Administrator, Deputy Administrator, and five Executives at Headquarters will be selected by the Directorate of Transport for the approval of the Co-ordinating Committee. The Administrator will be required to submit nominations for the approval of the Directorate of Transport for other posts in the Headquarters of the Central German Transport Department. Personnel of the Headquarters of the Central German Transport Department shall

remain in office at the pleasure of the Directorate of Transport. The selection of German personnel for posts on the Zone level and their removal from such posts shall be subject to the approval of the Occupying Power of each respective Zone.

4. The Department shall be organised in accordance with the attached chart.[17] It will be within the discretion of each Allied Control Authority to decide whether that part of the organisation of the Central German Transport Department which is required in the Zone of that Authority shall be under the general supervision of one German Deputy covering all transport systems in the Zone, or two or more Deputies according to the requirements in the Zone.

Functions.

5. The Central German Transport Department shall be charged with the administration and organisation of work of the railways, inland waterways and inland water transport, highways and highway transport, ports, and coastal shipping. All of its acts and the exercise of all its powers shall be under the control of the Directorate of Transport.

6. It shall promulgate rules and regulations covering those transport operations that are inter-zonal and national in scope and effect. Such rules and regulations shall include provision for the establishment and enforcement of:—

a. Through freight and passenger services, and common policies on interchange of locomotives and rolling stock.
b. Rates, fares, and charges on a uniform basis throughout Germany.
c. Common policies and wages and working conditions.
d. Common policies on expenditure on capital account, and on reconstruction, repair, and maintenance in all forms of transport.

7. The Central German Transport Department, with the approval of the Directorate of Transport, shall administer and regulate the financial structure of each of the transport systems, and require full compliance with the principles it adopts; these shall be on uniform basis throughout Germany.

8. Budgets of transport agencies in the zones shall be presented to the Department, who shall be responsible for submitting them to the Directorate of Transport. No expenditure proposed in the budgets shall be incurred until approval has been given by the Directorate of Transport.

9. After approval by the Directorate of Transport, the Department shall publish its orders, directives, rules, and regulations, and shall

[17] Not printed.

transmit them to the transport agencies concerned throughout Germany. Copies will be submitted to the Directorate of Transport.

10. The Central German Transport Department shall be accountable for all its actions to the Allied Control Authority through the Directorate of Transport.

[Enclosure 2]

NOTE BY THE FRENCH DELEGATION OF THE DIRECTORATE OF TRANSPORT

CREATION OF A GERMAN CENTRAL TRANSPORT DEPARTMENT

The French Delegation opposes to the proposals of British, American and Soviet Delegations the two following reserves:

1. The French Government has not given its agreement to the decision of Potsdam Conference, specially concerning the creation of a German Central Transport Department and maintains this reserve.

2. Even if the French Government would cancel the above reserve and agree to the principle presented in the Potsdam Conference relative to the creation of a German Central Transport Department, the French Government would not recommend to the Control Commission the adoption of the text prepared by the British, American and Soviet Delegations, for the following main reasons:—

(*a*) *Regarding Railways*—The maintaining of Reichsbahn unity is not consistent with the disarmament of Germany, as France proved by her own experience when occupied by the Germans. The eventual German Central Department should therefore co-ordinate, within the extent necessary to the carrying of inter-zone and international transportations, only the action of four networks independently constituted in each zone. This system, working in Great Britain and U.S.A. and that worked in France before 1937, is entirely consistent with the principle of Economic unity of Germany.

(*b*) *Regarding Inland Navigation*—Interference of the eventual German Central Transport Department into the Control of Navigation on rivers and canals considered as international should be formally excluded.

(*c*) *Regarding Highways Transports*—A central organisation would be useless since it only concerns short distance transportations and would afford the Germans to reorganise a paramilitary system of mobilisation.

[For discussions on Control of Germany, establishment of central machinery in Germany, and separation of the Ruhr, Rhineland, and the Saar from Germany at the twenty-third, twenty-fourth, and twenty-fifth meetings of the Council of Foreign Ministers in London, September 26, 27, and 28, respectively, see volume II, pages 399, 421, and 428.]

740.00119 Control (Germany)/9–2745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

[Extract]

PARIS, September 27, 1945—6 p. m.
[Received September 28—2 : 56 a. m.]

5749. 1. René Mayer, Acting Minister of FonAff told me at length this morning (repeating what de Gaulle and Bidault have often told me before) that French are very fearful indeed of all actions tending towards setting up a central government in Germany for they are fearful that such a central government will eventually be dominated by the Russians and they will have the Soviets on their frontiers. In this connection he spoke of the recent suggestion for setting up central offices for the control of communications and transportation in Germany. The French have an almost panicky fear of anything looking toward the setting up of a central German government.

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CAFFERY

740.00119 Control (Germany)/9–2845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, September 28, 1945—2 p. m.
[Received September 29—1 a. m.]

638. Tenth meeting of the Coordinating Committee was held Sept 27, with General Robertson presiding.

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In connection with the minutes of the ninth meeting concerning the setting up of a central German Transport Dept,[18] General Clay requested that his remarks be included to the effect that, in the absence of a unanimous agreement, each zone commander is free to act as he sees fit and to enter into agreements with other zone commanders if he desires. General Robertson, while agreeing to the inclusion of these remarks, stated that he felt that this was contrary to the EAC [19] procedure where a question was referred to the four Govts if agreement was not obtained. He felt that General Clay's statement constituted, to some extent, a wedge into the solidarity of the Control Council.[20]

[18] See telegram 597, September 23, from Berlin, p. 871.

[19] European Advisory Commission.

[20] For information on the question of a central German Transport Administration discussed at the Control Council meeting October 1, see telegram 666, October 2, from Berlin, p. 842; the statement made at that meeting by General Koenig, U.S. High Commissioner for Germany, *Documents on German Unity*, vol. I (Frankfurt/Main, 1951), p. 9; and CONL/P(45) 42, a paper on the establishment of a central German transport department submitted to the Control Council October 1, p. 841.

. . . . . .

General Clay's proposal that German officials of the proposed new central German administration and Germans engaged in approved enterprises such as clergy, doctors, certain factory technicians, and certain buyers and sellers be given inter-zonal passes by the appropriate bodies in the control authority, was approved in principle. General Clay hoped that general categories could be worked out so that passes might be issued within the zones. General Sokolovsky remarked that as soon as approval was given to the central administrations, it made these communications necessary. General Koeltz raised the usual French reservation in connection with the central administrations, to which General Clay remarked that there is a tendency to "tilt at windmills" in the committee without accomplishing enough results.

. . . . . .

MURPHY

740.00119 Control (Germany)/9–2945 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 29, 1945—8 p. m.
[Received September 29—4 : 10 p. m.]

649. Refer to my No. 597, September 23, 5 p. m. and my No. 638 September 28, 2 p. m. concerning the last two meetings of the Coordinating Committee at which General Clay has taken a strong stand against the French point of view on the establishment of a central administration of transport. This matter will receive final consideration in the Council meeting on Monday, October 1. General Clay has telegraphed the War Department, dated September 24,[21] that if the French still refuse agreement on this matter he deems it essential to set up interzonal machinery with the British and Russians, and requesting authorization to do so. He believes this arrangement would be effective. General Clay fears that unless central machinery is established promptly, it will have to be established in the United States zone alone, thus creating a new artificial political unit. He is afraid this may lead to actual dismemberment.

MURPHY

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[21] Telegram CC–16567, not printed.

740.00119 Control (Germany)/10–645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, October 6, 1945—1 p. m.
[Received 2 : 25 p. m.]

5889. As reported by the press, General de Gaulle continued to make friendly and conciliatory overtures to the Germans in Mainz, Neustadt and Freiburg during the second day of his trip to the Rhineland (reference my telegram 5856, October 4 [23]). These utterances have received greater coverage than his first day's statements. It is of interest to note, however, that editorial comment is nearly entirely lacking. The impression is derived that de Gaulle's policy in going as far as he has to gain friendship for France among the Germans of the occupation zone in Germany has rather taken the country by surprise.

Occasional statements are made in Rightist circles that France can "forgive but must not forget" and concern is expressed over the extent of General de Gaulle's "generosity". The Communists have as expected taken a position of open hostility to the General's policy. It is clear, however, that the Communists are more concerned by the possibility of strengthening an anti-Soviet western Europe than by the purely Franco-German factors involved. While hammering at the necessity of Germans making reparations of all kinds and underscoring German atrocities, the main Communist underlying concern is well summarized by *Humanité* headline of today "At Strasbourg new speech of General de Gaulle in favor of so-called western 'fraternity' ".

CAFFERY

740.00119 Council/10–1145 : Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 11, 1945—5 p. m.
[Received 7 : 45 p. m.]

10623. From Dunn [24] Delsec [25] 125. On the subject of French proposals for the Ruhr and Rhineland I have today talked with Mr. Oliver Harvey, Undersecretary for European Affairs in the Foreign Office and Mr. Couve de Murville, French Deputy on the Council

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[23] Not printed; it reported statements made by General de Gaulle on a trip through the French occupation zone of Germany (740.00119 Control (Germany)/-10–445).

[24] Assistant Secretary of State James C. Dunn, who served as Deputy to the Secretary of State at the London Conference of Foreign Ministers, and remained in London some weeks after the session had terminated on October 2 in order to make arrangements for future meetings.

[25] Communications indicator used on outgoing messages from the United States Delegation to the Council of Foreign Ministers.

of Foreign Ministers. Mr. Harvey said the Foreign Office desired that conversations on this subject be conducted on a bilateral basis, Franco-British, Franco-American and Franco-Soviet. Mr. Couve de Murville will start immediately the Franco-British conversations with the Foreign Office here in London. Mr. de Murville says that their conversations with the Soviet Government will be conducted in Moscow when Mr. Alphand [26] goes there later this month or early in November. De Murville is recommending to his Foreign Office that it be suggested to the State Department through the French Embassy in Washington that conversations on the Ruhr be taken up in Paris with the American experts when they are there for the reparations meetings beginning the 22nd of this month. He says the economic aspects of the problem could be studied at that time and that the Department could perhaps arrange to have someone for the political aspects enter the conversations later or that if I am still here I might be made available for this purpose before I return to Washington.

Both Harvey and De Murville said that while, of course, they expected to have the Soviet Government brought into the conversations at a later stage they were anxious to have our three Governments go as far as we could toward coordinating our ideas before the others come in.

It seems to me that the above suggested plan probably is the best way to work this out as it avoids any question of some of the deputies discussing the matter here without including them all. Harvey and De Murville both said they would be glad to keep me informed of the progress of their talks if you thought it would be useful to do so.

You will very likely hear from the French Embassy on this subject along the above lines. GALLMAN

740.00119 Control (Germany)/10–1245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extract]

BERLIN, October 12, 1945—10 p. m.
[Received October 12—9 : 35 p. m.]

760. Principal developments of yesterday's meeting of Kommandatura were as follows:

. . . . . .

French member refused request of transport and communication directorates to prepare adequate housing for the two projected German central administrative agencies. His instructions forbade even

[26] Hervé Alphand, Director General of Economics, Financial and Technical Services, French Ministry for Foreign Affairs, and a member of the French Delegation to the Council of Foreign Ministers.

indirect consideration of problems related to establishing such agencies until French claims in Rhineland and Westphalia were satisfied. He interpreted Control Council meeting of Oct 1 (mytel 666, Oct 2 [27]) as an agreed postponement of the whole issue of central agencies and blocked any Kommandatura action until Control Council authorizes further action. US, British and Soviet members declared they would individually survey building problem in their respective sectors by way of preparation.

MURPHY

740.00119 Control (Germany)/10–1345 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, October 13, 1945—1 p. m.
[Received 1 : 45 p. m.]

767. The thirteenth meeting of the Coordinating Committee was held on October 12 with General Koeltz presiding.

. . . . . .

On several occasions during the past month the Soviet have alleged that the British have failed to supply their share of coal and food to Berlin. There have been differences in figures given and the Soviets have implied bad faith on the part of the British. Accordingly, the British member submitted a proposal alleging that the difficulty was in getting British trains through the Soviet zone to Berlin and asking for American or British control of the line between Helmstedt and Berlin. He stated that at least 16 trains a day were necessary and that an average of only 9 got through during September. The difficulty will be increased during the winter with increases of coal shipments from the Ruhr. He stated that it is necessary to get clearance all the way through from Berlin to the Ruhr so as to relate loading to train passages, and stated that the British had often had to turn back trains at Helmstedt as a result of non-acceptance by the Soviets. Finally he stated that the British could not take responsibility for supply to Berlin if they did not have control of the means of delivery. General Sokolovsky indignantly replied that after August the Soviets had accepted all the trains offered. He gave detailed figures as to the number of trains offered daily since September 1, claiming that the Soviets had been ready to accept more than the number of trains offered on each day. He stated that the British liaison officer at Helmstedt had made no complaints and that this appeared to him to be an unjust attempt by the British to get control of the railway

[27] *Ante*, p. 842.

which the Soviets need for the supply of their troops west of Berlin. It was decided to submit the problem to the Transport Directorate for study and to send a joint delegation of officers to Helmstedt to submit a daily report as to trains offered and accepted. The Department will recall that the Berlin–Helmstedt Line formerly was double tracked but by virtue of the removal of the rails by the USSR it is now only single track line. This is largely responsible for present operating difficulties and congestion.

In connection with this argument, General Clay stressed that the difficulty would be alleviated by the establishment of the German Central Administration of Transport. He asked his colleagues individually or collectively to join with the US Zone setting up a German operated inter-zonal transport administration. This would be done through the respective members of the Transport Directorate. French member stated that this would be a good plan but wanted it to be done among the Allies alone and not to involve German directions.[29] He felt that such an inter-Allied authority would alleviate present difficulties. General Clay replied that this was an onerous task and concerned merely supply of Germans by Germans and should be undertaken by them. The other members were apparently in sympathy with American member, General Sokolovsky stating that in the Soviet Zone, the control of matters below policy level was in the hands of Germans. The minutes will record that General has invited inter-zonal arrangements on this basis, both in the field of transport and communications.[30]

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MURPHY

800.602/10–1845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, October 18, 1945—3 p. m.
[Received 6 : 15 p. m.]

802. The fourteenth meeting of the Coordinating Committee took place on October 16 with the French member presiding.

[29] Cf. Clay, *Decision in Germany*, p. 110.

[30] Specifically the minutes (CORC/M(45)13) read: "He [General Clay] suggested to each of his colleagues that they should establish contact with the American zone, either individually or collectively, with a view to providing a joint transport organization. He asked that this question should be the subject of very serious consideration and that replies should be given to him at the next meeting." The minutes of the thirteenth meeting of the Coordinating Committee were transmitted to the Department in despatch 1155, October 18, from Berlin. (740.00119 Control (Germany)/10–1845)

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In the last meeting of Coordinating Committee (see my no. 767, October 13, 1 p. m.) faced with the French refusal to agree to the establishment of German central administration of transport, General Clay had asked his other colleagues in the next meeting to report whether they were willing individually or collectively to join with the U.S. Zone in setting up a German operated inter-zonal administration. Since the French were under instruction not to discuss the matter in Committee, General Clay announced that he would contact his colleagues individually in this matter outside of Committee.[31] The British and Russian members then expressed their strong disappointment that the Central German Administrations were not yet set up in compliance with the Potsdam decisions.[32] The British member commented that the fact that the powers might now act outside of the quadripartite organization was a danger signal, that the deadlock should be broken as soon as possible. The French member stated that he would report these sentiments to his Government.

MURPHY

740.00119 Control (Germany)/10–2045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts[33]]

BERLIN, October 20, 1945—4 p. m.
[Received October 21—5 p. m.]

818. The tenth meeting of the Political Directorate was held on October 18.

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On the question of pooling of non-Nazi German personnel and of documents for the setting up of central administrations, and on the US member's proposal concerning the transfer of personnel and documents from Kassel to Berlin in this connection,[34] it was decided

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[31] Consequently, General Clay withdrew his proposal from the agenda. This fact is recorded in the agreed minutes of the Fourteenth Meeting of the Coordinating Committee (CORC/M(45)14), transmitted to the Department as enclosure No. 4 to despatch 1190, November 1, from Berlin. (740.00119 Control(Germany)/11–145)

[32] See General Sokolovsky's statement as quoted in Clay, *Decision in Germany*, p. 110. The agreed minutes record that "General Clay stated that he agreed perfectly with General Sokolovsky." (740.00119 Control(Germany)/11–145)

[33] Omitted portions of this telegram report the discussion of other questions in the Political Directorate. The section pertaining to the representation of neutrals in Germany is quoted and summarized in footnote 48, p. 1000.

[34] At the ninth meeting of the Political Directorate, October 11, the U.S. member offered a proposal implementing the transfer of personnel and documents from the Ministerial Collecting Center in Kassel to Berlin; reported to the Department in telegram 756, October 12, from Berlin. (740.00119 Control(Germany)/10–1245).

that in view of the French position,[35] this whole matter is left in suspense and no action can be taken on it at present. The French member stated that his Government had submitted a memorandum as to its point of view at the London Conference.[36] As no decision had been taken on the matter, the French Government had ordered its delegates at Berlin to abstain from all discussion of the matter. The question was accordingly adjourned.

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MURPHY

740.00119 Control (Germany)/10–1245 : Telegram

Major General John H. Hilldring, Director of the Civil Affairs Division, War Department Special Staff, to the United States Deputy Military Governor for Germany (Clay)[37]

WASHINGTON, 20 October 1945—5 : 57 p. m.

War 77596. Establishment central administrative machinery is subject re CC 16567, Sept CC 1971 Oct.[38]

1. State and WD in full agreement with you that further delay in establishing central admin machinery as provided for in Berlin protocol would in fact defeat purposes of Control Council as controlling agency for Germany. It is recognized that French govt was not a signatory to and has not subscribed to Berlin protocol and that French are reluctant to accept establishment of extensive central German administration on ground this would prejudice their case for special treatment Rhineland-Ruhr area.

2. However, believed that in absence of any special arrangement for administration of western Germany, Germany must continue to be administered as an economic unit to serve the purposes of the occupation.

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[35] At the ninth meeting, as well as at previous meetings, the French member had adhered to the position that he was not authorized to discuss the question of a central administration in any of its aspects.

[36] See memorandum dated September 13, p. 869.

[37] A draft of this War Department cable was submitted to the State Department for concurrence. Attached to the draft copy in the State Department files is a memorandum of October 12, not printed, by H. Freeman Matthews, Director of the Office of European Affairs, to Benjamin V. Cohen, Counselor of the Department. In his memorandum Mr. Matthews indicates his office's approval, and requests Mr. Cohen's concurrence. Mr. Cohen in a memorandum of October 16, not printed, concurs but suggests that the following be added to the final paragraph: "it being understood that such arrangement is for administrative purposes only and is not intended to prejudge the final disposition to be made of the territories within these zones." Copy of this telegram, as it was sent, was obtained from Department of the Army files.

[38] Not printed; in this message, General Clay reported that at the Allied Control Council meeting on October 2, the French had adhered to their previous position of opposing establishment of central communication and transport agencies, or any central administrative machinery, until the Rhineland–Westphalia question had been settled. (Copy of telegram obtained from Department of the Army files.)

3. You are therefore authorized to enter into any arrangement with the Russians and British within the framework of Berlin protocol establishing central admin machinery for those 3 occupation zones. It being understood that such arrangement is for admin purposes only and is not intended to prejudge final disposition to be made of territories within these zones.

740.00119 Council/10–2245 : Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 22, 1945—7 p. m.
[Received 7:30 p. m.]

11056. Delsec 133 from Dunn. In accordance with his promise Mr. Couve de Murville last Friday [39] gave me an account of conversations he has been having during last week with the British Foreign Office on the subject of the French proposal for the Rhineland and the Ruhr. He gave me for our confidential information a copy of an outline in general terms of the French proposal, a copy of which Reinstein [40] took with him for the Dept when he left London last Saturday.[41] De Murville said that the British and French officials discussing the subject had divided into two groups, one for economic studies, the other for political aspects of the subjects; that these two groups would continue their separate studies during the present week and that there would be a general meeting of the combined groups on Friday, Oct 26. He said that I would be informed of the results of this general meeting at the end of this week. [Dunn.]

GALLMAN

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[39] October 19.

[40] Jacques J. Reinstein, Associate Chief, Division of Financial Affairs, who had been serving as economic adviser at the London meeting of the Council of Foreign Ministers.

[41] A copy of the paper under reference is in Department files under cover of a memorandum by Mr. Reinstein, dated Washington, November 5 (740.00119-Control (Germany)/11–545). A number of other papers emanating from the Franco-British discussions are also in the files. A series of memoranda are filed under a transmittal memorandum of November 8, from H. Freeman Matthews, Director of the Office of European Affairs to Benjamin V. Cohen, Counselor of the Department (740.00119 Control (Germany)/11–845). There is also a copy of a "Report drawn up as a result of the Franco-British conversations which took place in London from October 12th–26th." This nine-page report whose origin is not indicated gives a detailed French plan for the separation of the Rhine–Westphalia area from Germany. It stipulated that the region should not only be separated from Germany, but from the jurisdiction of the Control Council as well. The French plan also called for dividing the area into three separate units, each to be dealt with differently. The left bank of the Rhine was to be under permanent military occupation. The Saarland was to become a part of the French customs and currency regime, and the Saar mines were to revert to French ownership. The Ruhr district was to be under permanent international control, and the bulk of the report was devoted to details of the organization of a proposed International Ruhr Commission. (700.00119 Control-(Germany)/10–2645)

740.00119 EW/10–2545

Memorandum by the Director of the Office of European Affairs (Matthews) to the Secretary of State

[Extracts]

[WASHINGTON,] October 25, 1945.

We have had a further teletype conversation with Mr. Dunn this morning . . . .

Mr. Dunn was then told of the French Ambassador's suggestion that he stop over in Paris for two or three days to discuss the French Ruhr-Rhineland proposal. Mr. Dunn replied:

"My understanding is that the French want to talk with American economic experts before the political phases are discussed and I feel that that procedure is essential. There is not much use in discussing the political aspects until we have first had a full discussion of the economic implications of their proposal. I further understand that the French would like to discuss the economic aspects with the experts we will have in Paris for the Reparations Meeting beginning October 29.[42] I suggest we go along with that arrangement and then after receiving the report of the economic discussions we have the French Ambassador discuss the political aspects with us in Washington or if you prefer to have the French Foreign Office discuss the political aspects with Caffery. I expect to bring home a report of the Franco-British discussions up to the point they have reached when I leave here. Let me know what you think of this suggested program."

It is my understanding that you do not desire to have Mr. Angell [43] and his associates discuss these economic aspects of the matter in Paris and, if you concur, I will so inform the French Ambassador and also Mr. Dunn.

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H. FREEMAN MATTHEWS

740.00119 Control (Germany)/10–2845: Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extract [44]]

BERLIN, October 28, 1945—1 p. m.
[Received October 29—10:55 a. m.]

869. The sixteenth meeting of the Coordinating Committee took place on Oct 26 with the French member presiding. The proposed

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[42] Reference is to the Paris meeting of the Allied Commission on Reparations; for documentation, see pp. 1169 ff.

[43] James W. Angell, U.S. Representative with the rank of Minister to the Allied Commission on Reparations.

[44] The omitted portion of this telegram reported the discussion of other questions by the Coordinating Committee. The section dealing with the transfer of populations from Poland is printed in vol. II, p. 1302.

law on the formation, control and functions of trade unions had been referred back to the Committee from the Council in view of the French attitude toward unions on a German national basis.[45] The law permits and encourages formation of unions "within the whole of Germany," and states that "with the consent of Military Govt, trade unions will be permitted at a local level and allowed to federate and amalgamate in larger organizations".

The French member sought to amend this to provide that federation beyond the zonal boundaries would require the consent of the Control Council. He argued: (1) that permission should not now be given for national unions until they have been organized from the local level, and until the Council is satisfied that Nazis have been removed; (2) that this amendment does not change the substance of the proposed law. The other three members stated that they favored unions on a national basis now as a force against the reconstitution of Nazism. In view of the impasse, General Clay invited his British and Russian colleagues to consult with US Manpower authorities concerning interzonal unions.[46] It was decided to refer this matter to the governmental level and so to report to the Control Council.

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MURPHY

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[45] A directive on the formation, function, and control of trade unions had been prepared and was considered by the Coordinating Committee at its eleventh meeting, October 3. The resulting discussions were reported to the Department in telegram 682, October 4, from Berlin, not printed. General Koeltz, the French member, wanted the directive amended to show that amalgamation of unions should not extend beyond the zones and should not become national. "General Clay took strong issue on this . . . . He stated that this argument underlies the Council's reason for existence and the Four Power Government for Germany. He stated that he would take this position on each question which involved it. He stated that the principles of this directive are already accepted in the US zone and the only purpose of the directive is to make them universal in Germany. He was supported by Generals Sokolovsky and Robertson. General Koeltz then argued that unions are covered by Paragraph 10 of Section III A of the Potsdam agreement, that III A is a political article which stresses the decentralization principle. He stated that France is warmly in support of the decentralization decisions of Potsdam. This reasoning was denied by the others. It was decided to send the matter to the Legal Directorate for proper drafting for final decisions by the Council." (740.00119 Control (Germany)/10–445) Cf. Clay, *Decision in Germany*, p. 110.

The Control Council considered the trade union proposal on October 20, and being unable to reach a decision had returned it to the Coordinating Committee; see telegram 820, October 20, from Berlin, p. 846.

[46] According to the minutes of the meeting (CORC/M(45)16), transmitted to the Department in despatch 1251, November 5, from Berlin, General Clay "invited the Soviet and British delegations to join with the American delegation in order to allow the three of them to carry out the proposed measures." At one point in the debate General Clay suggested that the law be amended to provide for a national trade union organization "which may extend over Germany as a whole exclusive of the French zone." His proposal was made "in the hope that the kind of action it envisaged might prevent the disintegration of the control machinery." (740.00119 Control (Germany)/11–545)

For further consideration of the trade union question by the Control Council, see telegram 896, October 31, from Berlin, and telegram 1010, November 13, from Berlin, pp. 848, and 850, respectively. For documentation on the activities of the Soviet-sponsored Free German Trade Union League (FDGB) in the Soviet occupation zone and in Berlin, see pp. 1033 ff.

740.00119 EW/10–3145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, October 31, 1945—6 p. m.
[Received November 1—5 : 41 p. m.]

6326. When Angell and Phelps [47] made a courtesy call on Alphand latter suggested that while Reparations Delegation is here it might be opportune time for French to present on technical level in detail certain aspects of France's proposed program for control of Ruhr, Rhineland and Saar.

Alphand mentioned his conversations with British in London last week and indicated that Assistant Secretary Dunn had been kept fully informed. He added that he was going to Moscow about November 15 on number of economic matters and hopes at that time to present to Russians explanation of French Ruhr proposals. He expressed hope that prior to his departure French would have opportunity to discuss French Ruhr proposals with us here in Paris. Rueff, French reparations representative, subsequently expressed same hope. They evidently both take position that Ruhr, Rhineland and Saar are an integral part of reparation arrangement.

Chauvel [48] also spoke of this to me and said that despite fact that Dunn could not come to Paris and that neither Alphand nor Couve de Murville could proceed to Washington for discussions he believes it would be useful for our reparations people to listen to elucidation of French proposals. He indicated that French feel that their proposals from an economic viewpoint "while perhaps not perfect are at least sound and workable" and therefore that possible economic objections to overall French proposals for control of Ruhr will be removed.

While Dept (which has available memoranda on French proposal) is in best position to gauge utility of providing an audience for French on this subject Minister Angell and I agree that presence in Paris of members of Reparations Delegation including State Dept Officers who are familiar with German and general European economic problems affords an excellent opportunity to obtain more information on French proposal.

Discussions would also certainly be welcomed by French as an indication that we have not adopted a fixed adverse position prior to hearing their proposals.

We understand of course that any discussions here would be solely for purpose of receiving an elucidation of French proposal and would

[47] Dudley M. Phelps, Chief of the Division of Foreign Economic Development, and Acting Director, Office of Financial and Development Policy, was Mr. Angell's deputy.

[48] Jean Chauvel, Secretary General, French Ministry of Foreign Affairs.

not include discussions at a policy level. If Dept authorizes such discussions Alphand assumes that a formal reply would subsequently be made by US and Soviet Govts as well as by British indicating whether they would be prepared to consider proposal further. If their decisions were in affirmative, French would propose a quadripartite conference at the technical level.

Sent Dept 6326, repeated London 179 for Dunn and Berlin 183.

CAFFERY

740.00119 Control (Germany)/11–345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 3, 1945—4 p. m.
[Received 5 : 25 p. m.]

6383. Gen. de Gaulle asked me to come to see him this morning to explain again the French point of view in regard to the setting up of any sort of central govt in Germany. He began by saying that whoever dominates Saxony and Prussia also dominates Germany; that any central govt set up in Germany would inevitably fall into the Russians' hands; that the setting up of a central govt would inevitably tend to the restoration and strengthening of Germany; that France in no event would be a match for a revived Germany within the Russian orbit; that France could not fight Germany under those conditions either alone or with the aid of the British Empire and the US; that a revived Germany would certainly eventually invade France; that France would succumb and all Europe would be Russian. "Besides" he added "we have a lot of Communists here." He said "you are far away and your soldiers will not stay long in Europe. It is hard for you to understand the difference: it is a matter of life and death for us; for you, one interesting question among many others." "The British" he remarked "lack courage and are worn out. We can expect nothing from them in the way of facing the Russo-German combination."

I endeavored to set out the point of view of our military authorities in Germany. He said "I know that for them the setting up of a central administration would make things much easier: Germany would be much easier to handle and to govern, but I repeat for us it is a matter of whether or not France is to continue to exist as an independent nation." He denied that France had made any commitment in regard to taking any part in a central administration. "We were not at Potsdam. A Germany within her 1936–1937 frontiers was once envisaged but since that time big slices have been handed over to the Russians and Poles."

He then went on to speak of the Ruhr and the Rhineland and set out again his often repeated arguments for internationalization of the Ruhr and the setting up of some sort of Rhineland state. He pretended that he could not understand why we have not agreed on this. "Even with Russian participation" he said "it is better to do these things than to do nothing at all."

Then he went on to say "Why not set up separate states, Bavaria, Baden, Hesse-Cassel, Hesse-Darmstadt, and Hanover. After those states are set up if they want to federate well and good—that is an entirely different approach to the problem."

"You are mistaken" he said "if you believe you can prevent the Russians from dominating a German central govt. They have all the useful weapons at hand and they are not over-scrupulous as to how they would use them. For instance, there are Communists in our zone and in yours and in the British. Do not forget how many Communist Deputies there were in the *Reichstag* before Hitler."

He made some observations about how little coal was coming out of Germany and criticized the British for their inertia and inactivity in getting coal out of the Ruhr mines.

He remarked on my leaving that he intended to write a letter to the "Doyen d'Age" of the recently elected Assembly just before the Assembly meets November 6 "turning in his powers".

CAFFERY

740.00119 EW/11–545

Memorandum of Conversation, by the Chief of the Division of Central European Affairs (Riddleberger)

[WASHINGTON,] November 5, 1945.

Mr. Berard, Counselor of the French Embassy, called this morning to inform the Department officially of French intentions respecting conversations between the two governments on the Rhineland-Ruhr. The substance of his remarks is set forth below:

(1) Mr. Dunn has been completely informed of developments in London (Anglo-French conversations) and has received copies of all documents which have been "established" as a result of these conversations.

(2) This material constitutes the French plan for the Rhineland-Ruhr region.

(3) Mr. Couve de Murville will arrive in Washington within several days where he will describe the French ideas in detail and will supply any explanations desired. Mr. Berard said that the French Government thought certain misunderstandings had arisen respecting the French proposals and that these misunderstandings had been reflected

in the Control Council in Berlin. Mr. Couve de Murville will attempt to make clear the French position on this entire matter.[49]

(4) The French Government would be highly appreciative if instructions could be given to the United States reparations delegation to listen to what the competent services in Paris have to say on the economic aspects of the Rhineland-Ruhr question. These would be strictly informal exchanges in which the reparations experts could ask any questions and cable the information to Washington. Such an arrangement would not in any way prejudice the holding of the basic conversations here in Washington.

I told Mr. Berard I would try to give him an answer to paragraph 4 as soon as possible.

JAMES W. RIDDLEBERGER

740.00119 EW/11-645

Minutes of Meeting of the Secretaries of State, War, and Navy, Held at Washington, November 6, 1945, 10:30 a. m.

[Extract[50]]

Present: The Secretary of State
The Secretary of War,[51] accompanied by Assistant Secretary of War Mr. McCloy and Colonel McCarthy[52]
The Secretary of the Navy[53] accompanied by Lieutenant Colonel Correa[54]
Mr. Matthews

. . . . . .

[49] In telegram 6430, November 6, from Paris, Ambassador Caffery reported a further conversation with Mr. Chauvel on Couve de Murville's projected visit. In the conversation Chauvel "expressed the hope that this visit might serve to clear up 'certain misunderstandings which have arisen, particularly in Berlin, on the French position.' He said that 'the question of Germany's western frontiers, the Rhineland and the Ruhr should be treated on a governmental level and therefore should be examined on a diplomatic level elsewhere than Berlin.' He expressed 'sincere regret that a certain amount of bitterness has apparently arisen between the French and American delegations at Berlin because of their different views on the German problem.'" (740.00119 EW/11-645)

Ambassador Caffery further reported in telegram 6573, November 13, from Paris, that Couve de Murville was authorized by his Government to commit France "to participate in central administrative organizations for Germany if the Ruhr and Rhineland are excepted from this central control." (740.00119-Control (Germany)/11-1345)

[50] The omitted portions of this minute deal with the discussion of other subjects by the Secretaries. The section dealing with the transfer of responsibility for the administration of Germany from military to civilian authority is printed on p. 999.

[51] Robert P. Patterson.

[52] Col. Charles W. McCarthy, U.S.A., Secretary of the State-War-Navy Coordinating Committee.

[53] James V. Forrestal.

[54] Lt. Col. Mathias F. Correa, U.S.M.C.R., Special Assistant to the Secretary of the Navy.

Attitude of France on the Allied Control Council of Germany

Mr. Patterson said that he understood that General Clay had talked to Mr. Byrnes [55] about the French tactics of blocking everything that comes up in the Control Council tending toward the establishment of any central German agencies. He said that General Clay believes that the French have no right to obstruct the work of the Council and that irrespective of the decisions on the question of separating the Ruhr and Rhineland he felt pressure should be brought on the French to cooperate in the establishment of central agencies in accordance with the provisions of the Potsdam Agreement. He said that the whole system of Allied Control Council administration was in danger of breaking down and read from a paper outlining the present situation. Mr. Byrnes pointed out that the French are very touchy owing to the fact that they had not been invited to Potsdam and did not feel themselves in any way obligated by the decisions taken by the three powers there. He agreed, however, that some action would have to be taken. By way of illustration of the difficulties he read a State Department cable just received from Ambassador Caffery [56] giving de Gaulle's very strong views on the vital necessity to France of not creating a centralized Germany and in favor of separating the Ruhr and Rhineland.

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740.00119 EW/10–3145: Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 8, 1945—1 p. m.

5204. Urtels 6326 and 6327, Oct. 31.[57] For Amb and Angell. French Emb here has formally advised Dept that Couve de Murville will arrive soon to undertake discussions on the French proposals for the Rhineland–Ruhr. French Govt understands these conversations will be held in Washington but has requested that Angell be authorized to listen to what the competent services in Paris may have to say and to ask any questions he may desire. These would be strictly informal exchanges by which the reparations experts would merely pass on any info which might be of interest. It would not in

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[55] Ambassador Murphy and General Clay were in Washington November 1–9 for discussions with the State and War Departments of matters relating to military government and Control Council policy in Germany. No record of these discussions found in Department files.

[56] See telegram 6383, November 3, 4 p. m., from Paris, p. 890.

[57] Telegram 6327 not printed. This telegram, from Mr. Angell in Paris, reported that in a recent conversation Assistant Secretary of State Dunn had thought it desirable to proceed with exploratory discussions regarding the economic aspects of the French position (740.00119 EW/10–3145).

any way prejudice the holding of the basic conversations in Washington.

Under these conditions, Dept has no objection to hearing informally what the French officials may have to say. We consider, however, that the basic discussions will be in Washington and that any exchanges in Paris are purely informal.

BYRNES

740.00119 Control (Germany)/11–1645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 16, 1945—7 p. m.
[Received November 17—5 : 45 a. m.]

12033. We have today received from Foreign Office copy of agreed record of Franco-British discussions on Ruhr and Rhineland (Embassy's 11579, November 5 [58]) and are sending copies to Paris, Moscow and Berlin. As Dunn took back French record and as copies of agreed record have been sent to British Embassy Washington [59] for and taken to Washington by French negotiators we will not telegraph summary unless requested. We have been promised copies of two additional annexes: a British statement on French economic memorandum and a French counterstatement as soon as they are ready. Foreign Office reiterates that agreed record makes clear conversations were designed merely to elucidate French proposals and that no British view concerning their substance was expressed.

We are told that agreed record is now before Bevin with request for instructions as to how he wishes matter handled from here on. Preliminary and tentative Foreign Office thought is that the proposals bristle with difficulties but that this is true of whole subject of control of Germany's military economic potential and would be true of any other proposals for dealing with Ruhr and Rhineland. They are accordingly prepared to give these proposals serious consideration. They believe proposals open to serious economic objections not so much with respect to Ruhr as to Germany as a whole but are prepared to consider whether political advantages would be sufficient to offset them. One question said to have been in minds of both sides but to have been carefully kept out of record in view of prospect that it would eventually be shown to Russians was that of having Russians participate in administration of territory so far west so strategically located and so industrially important. French thought is stated to be that administrative body would be very small and would not include

[58] Not printed.
[59] See footnote 41, p. 886.

Russians who would be represented only on larger advisory body. British realize this unlikely to satisfy Russians. British also feel that control of German industry would be ineffective unless control of separate industries were supplemented by some form of political control over such areas as Ruhr.

As to problem of Irredentism they sympathize with French statement that Germans will be discontented with any possible settlement of Germany and will inevitably harbor feelings of revenge and that best solution is to deprive Germany by [*of?*] means of giving that desire for revenge practical expression in new outbreak of aggression.

Sent Department as 12033, repeated to Moscow as 389, Paris as 736 and Berlin 296.

WINANT

740.00119 EW/11–1845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 18, 1945—1 p. m.
[Received 8 : 45 p. m.]

6676. From Angell 64. Informal discussion was held with French on November 15 on economic questions related to proposed separation Ruhr-Rhineland from Germany. French Government represented by Alphand, De Courcelle, and others. Present for US were Abramovitz, Howard and Schurr. Memorandum covering conversations will reach you via air pouch.[60] For the most part, French exposition follows lines already revealed in reports of Anglo-French conversations. Following points made by Alphand clarify and amplify previous reports:

1. Areas to be separated, including Saar, Rhineland and Ruhr, should be disconnected from administrative control of ACC[61] immediately.

2. French willing that part of potential Ruhr export surplus be used to help finance necessary imports of rest of Germany during transitional period. Also France proposes that dollars continue to be demanded for sale of part of Ruhr exports. Alphand firm in view, however, that part of Ruhr exports and part of exports of rest of Germany should be transferred on reparation account regardless of existence of foreign trade deficit in rest of Germany. He considers that present arrangement which requires payment for only 80% of value of exports has settled question in principle.

3. French state unequivocally that scope of capital removals to be made from Ruhr area would continue to be governed by Potsdam formula even if area is internationalized. They are aware of severe

[60] Sent to the Department as enclosure to despatch 3720, November 19, from Paris; not printed.

[61] Allied Control Council.

economic consequences in area. They would offer employment in French coal mines and other industries to unemployed Ruhr residents. Such employment presumably temporary during French labor shortage, but this point not clear.

4. French agree that rest of Germany would face severe foreign exchange situation in short and long run. Willing to contribute part of Ruhr foreign exchange surplus to rest of Germany for limited transitional period only. Thereafter rest of Germany forced to make necessary adjustments. French agreed to compare US and French estimates of magnitude potential foreign exchange deficit of rump Germany at future meeting, probably November 19. [Angell.]

CAFFERY

740.00119 Control (Germany)/11–2045

Report on the Franco-American Conversations Held in Washington, November 13–20, 1945, Concerning the Future Status of the Rhineland and the Ruhr [62]

[WASHINGTON,] November 20, 1945.

In the course of the meeting of Foreign Ministers in London the French Delegation circulated on September 14th, 1945 a memorandum [63] setting out its views on the steps of being taken with regard to the control and administration of Germany.

In this paper the French Government recalled that it had been informed on July 31st of the text of the arrangement reached at Potsdam between the American, British and Soviet Governments regarding the "Political Principles which would govern the treatment of Germany in the initial period of control." [64] The French Government had since that date expressed reservations about this agreement. These reservations concerned particularly the decision to re-establish forthwith German central administrations set up in Berlin which seemed like the first manifestation of a rebirth of the Reich.

Moreover, the French Government had observed that in the terms of the Potsdam communiqué, the territory situated to the east of a certain line would be handed over to the administration of the Polish Government and would immediately be removed from the authority of the inter-allied Control in Berlin and from the authority of future German central administrations. The French memorandum, without raising objections *a priori* against an arrangement on these lines,

[62] Authorship not indicated on file copy of report, but at the third meeting of the French Delegation with officers of the Department of State, held November 19, 1945, it was decided that Mr. Berard of the French Delegation and Mr. Riddleberger of the Department of State would draw up the report on the conversations (740.00119 Control (Germany)/11–1945).

[63] *Ante*, p. 869.

[64] See *Conference of Berlin (Potsdam)*, vol. II, pp. 1543–1566; and France, Ministère des Affaires Étrangères, *Documents français relatifs à l'Allemagne, Août 1945-Février 1947* (Paris: Imprimerie Nationale, 1947), pp. 7–13.

drew attention to the danger that this arrangement might be interpreted as confirming the maintenance of German sovereignty over the rest of Germany.

The French Government, which has on many occasions given public notice of the importance which it attaches to the future of the Rheno-Westphalian region in particular, asked the Council of five Ministers of Foreign Affairs that, pending the settlement of a definite status for this area, it would be laid down that the area would be withdrawn from the authority of German central administrations if these were later set up.

This proposal was laid before the meeting by M. Bidault, Minister of Foreign Affairs, on September 14th, 1945. It was agreed that a study of the whole of the questions raised by the French memorandum would be pursued through diplomatic channels.

The French Government asked the Governments concerned to state their views on the procedure to be followed in order to carry out this decision.

The British Government suggested on October 8 that in the first stage the conversations should be carried out by the French Government separately and directly with each of the three other Governments. It was agreed that these first conversations would have no other object than to inform each of the three Governments of the French Government's views, without involving commitments on either side.

Exchanges of views took place in London from the 12th to the 16th of October at the British Foreign Office, of which Mr. James C. Dunn was informed as Deputy of the Secretary of State at the Council of Foreign Ministers.[65]

The French Government at the same time expressed to the American and Soviet Governments, through its Ambassadors in Washington and Moscow, its desire to conduct similar conversations with them.

Mr. Couve de Murville was sent by the French Government and entrusted with the task of explaining to the Department of State the point of view of the French Government. In the course of meetings, which were held from the 13th to the 20th of November, this point of view has been described in detail as set forth below, on the basis of documents drafted in London (which were communicated to the American authorities) as well as by supplementary explanations which were given by Mr. Couve de Murville in the course of these conversations.

The French point of view.

The main preoccupation of the French Government is security. After the last war nothing was done to infringe the integrity of Germany and the measures of security which were taken, i.e. military

[65] See telegram 11056, October 22, 7 p. m., from London, p. 886.

occupation, were only planned for a limited period during which there was in fact no chance of Germany becoming a danger to peace. The maintenance of German integrity implied the maintenance of a military Power whose energies were inevitably directed towards revenge and the recovery of territories which Germany had lost as a result of the war. This error must not be repeated.

In the opinion of the French Government, the security of Europe and of the world demands that Germany should lose the free use of the war potential represented by the industry and the resources of the Rheno-Westphalian area. It is also desirable that these rich resources should be utilized in the general interest. Moreover, the security of the west demands that the Rhineland countries should not be able to reconstitute an avenue, an arsenal and the starting point for an attack directed against France and more generally against the western powers. To meet these preoccupations, the French Government does not propose to have recourse to territorial annexation but to exclude from now on the activity of any central German authority from the Rhineland and the Ruhr and to establish in these areas a régime conducive to the objectives indicated above.

Two general principles can at this stage be set out:

(1) Whatever may be the details of the final arrangements, it is most important that a decision of principle should be taken immediately to the effect that these territories should be permanently separated from Germany and that this should be made perfectly clear to the inhabitants by a public declaration. This decision implies that the areas in question would be removed from the authority of the Allied Control Council in Berlin at a date which remains to be fixed but which should be within the shortest possible time.

(2) These territories should not constitute as a whole a single entity either politically or economically. Different regimes must be worked out for each of the areas involved.

(*a*) *Left bank of the Rhine.*

Adequate military forces must be permanently stationed in the German territories on the left bank of the Rhine, including perhaps some bridgeheads on the right bank.

Insofar as this occupation is intended to constitute a covering force for France itself, i.e. up to and including Cologne, it would be for France to see to the military organization of the left bank of the Rhine, perhaps in conjunction with Belgium or Luxembourg.

Further north the problem is not of such direct interest to France but rather to Belgium, Holland and to the United Kingdom if the latter considers it appropriate. The object of the Forces of occupation will be primarily strategic. These forces will constitute the outposts of the general defence system of all territory west of the Rhine.

The Rhineland should not form part either of Germany or of France and must be subjected to permanent military occupation. The establishment of a definite status for this area in accordance with these principles will depend on the development of local conditions. There may be a single State subjected to inter-Allied military occupation

or there may be two or three States each occupied by the troops of different Allied Powers.

Subject to their accepting the presence of Foreign garrisons and refraining from militarisation and from attempts to rejoin Germany, the Governments of the State or States to be created in the Rhineland would be free to manage their own affairs.

(*b*) *The Saar.*

The Saar mines, whose ownership was granted to France by the Treaty of Versailles [66] and was regained by Germany in 1935,[67] must become once more French property, with the corollary that the territory of the Saar should be included in the French customs and currency system, since the economies of France and the Saar are almost entirely complementary. The final form of government of the territory would be decided in due course. French military forces should be stationed there permanently.

(*c*) *The Ruhr.*

The Ruhr area consists of the coal mines and of the factories associated with them. It has a population of about 5 million inhabitants.

The French Government considers that in order to ensure that the natural and industrial resources of this area shall no longer be exploited for military purposes but rather in conformity with the general interest of humanity, it is essential to treat the area not as part of a State or even of a large territory but as a political entity independent from Germany and subjected to an international political and economic régime.

All the countries concerned should participate in the organization of this régime; the States particularly concerned should participate in the selection of the members of the Government, the other interested Powers in some other way.

The local administration should be appointed, so far as possible, by the local population which could also, in due course, participate in the functions of Government.

An international force would be stationed in the territory and its integrity should be guaranteed by all the Powers concerned.

The Ruhr territory would be open to the trade of all countries. It would be served by the international waterway of the Rhine and would in the opinion of the French experts probably be prosperous. There would be no objection to the Ruhr exporting part of its production to the rest of Germany provided, of course, that these exports did not include any kind of war material. The Governing Commission and the Powers which were in a position to direct the Commission's activities could orientate the production of the Ruhr in any direction which seemed desirable. In particular they could take all necessary measures to ensure that the Ruhr did not unfairly compete with other areas with a similar range of production.

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[66] For section IV, articles 45–50 relating to the Saar Basin in the Treaty of Versailles, signed June 28, 1919, and notes on these articles, see *Foreign Relations*, The Paris Peace Conference, 1919, vol. XIII, pp. 162–182.

[67] See *ibid.*, pp. 179–180.

The principles of economic disarmament which may be drawn up by the Control Council would be applied in the Ruhr territory in the same way as in Germany. Part of the probable surplus in the Ruhr trading accounts could perhaps be used for a certain period as part-payment for necessary supplies imported into Germany on the basis that such supplies may be calculated by the Control Council.

The mines and the most important industrial enterprises would be expropriated and turned into an international interest. The exploitation of these mines and enterprises and of the mines belonging hitherto to the Reich should be taken over by international public utility undertakings. The interest of the workers should be safeguarded.

It has been made clear by the French experts that the French proposals have not been put forward on economic grounds and that the decisions to be taken depend essentially on political considerations. These questions are dealt with in greater detail in a French memorandum and in British and French comments which are attached to this report.[68]

Such are the outlines of the French proposals concerning the organization of the Rheno-Westphalian area.

The question has been raised of the date at which these arrangements should be put into effect. The French view was that while it is important to agree, as soon as possible, that the whole of these areas should be separated from Germany, there is not the same urgency in coming to a detailed decision with regard to the future status of the Rhineland.

The Ruhr, on the [other?] hand, raises urgent problems, notably with regard to coal production which interests many Powers. The implementation of the Ruhr régime should be undertaken immediately and could be carried out in stages beginning with economic measures.

The International Régime in the Ruhr.

Detailed study was undertaken of the nature of the régime envisaged for the Ruhr with the following results;

(1) *Establishment of the Régime.*

The international régime of the Ruhr should be laid down by a decision of the four Powers in occupation of Germany. Belgium, Luxembourg and Holland, as Powers directly concerned, should later be invited to associate themselves with this decision.

(2) *Objectives.*

This decision shall specify that the object with which this régime is established is to ensure that the natural and industrial resources of the Ruhr are no longer exploited for military purposes but in conformity with the general interest of humanity.

[68] Not attached to file copy.

(3) *Area.*

The territory subjected to this régime shall be as small as possible and should include particularly the coal basin and the principal industries associated with it. The limits of the area covered by this definition are shown on a map drawn up by the French experts.

(4) *Separation from Germany.*

The régime envisaged involves the complete and permanent separation of the territory from the German Reich and the establishment of the territory as an entity in international law to be named the Ruhr Territory. The inhabitants of this territory who possessed German nationality would lose it and would have the right to become citizens of the Ruhr Territory. They could, on the other hand, within a period to be fixed opt for German nationality on condition that if they did so they left the Ruhr Territory.

The Governing Commission or an authority appointed by it for this purpose would lay down rules governing the entry into the Ruhr Territory of all persons who left it on the arrival of the forces of the United Nations or who at that date were not habitually resident there. For the future, conditions for the acquisition and loss of Ruhr Territory nationality would be decided by the legislative authorities of the Territory.

(5) *Governing Commission.*

The question was asked whether the Ruhr should be governed by a body set up through the United Nations Organisation or by a group of States acting outside the Framework of the United Nations Organisation.

The view was expressed, so far as the French representatives were concerned, that the conception of trusteeship could not be applied to the Ruhr and that it would be better to put the régime under international control established by a special agreement between the Powers concerned.

It is clear that the instrument setting up the new régime should be registered with the United Nations Organization.

The government of the Territory should be entrusted to a Governing Commission composed of nine members corresponding to the following list of ministerial departments:

Political
Interior
Finance
Justice
Education
Transport
Posts and Public Works
National Economy
Labour and Public Health.

The members of this Commission should be appointed by majority decision of the Powers directly concerned. Their appointments should be terminable in the same fashion. They would be appointed for five years and be replaced by rotation. Retiring members would be eligible for re-election. The Commission would decide the functions of each of its members and those which it would carry out itself. The head of the Commission would be appointed by a majority decision of the Powers directly concerned. He would act as the executive of the Commission.

The character of a political régime drawn up on these lines would be determined by the fact that the Governing Commission was entrusted with a political mission with the object of maintaining international security. The members of the Governing Commission would be appointed by certain Governments acting collectively and would not be regarded as the representatives of these Governments but as the members of a collective body whose functions were of international concern.

It is contemplated that in due course the local population might participate in the exercise of government.

(6) *Powers of the Commission.*

The Commission should have in the Ruhr Territory all the powers of government. Consequently, it could take all legislative and administrative measures which it might judge necessary. It could in particular maintain or modify administrative institutions. It would appoint and dismiss officials and magistrates, some of whom might if necessary be recruited among nationals of foreign countries.

Justice would continue to be administered by the courts existing in the Ruhr Territory at the entry into force of the new régime except that a new Supreme Court would be substituted for the Reichsgericht of Leipzig. The Governing Commission would be able to modify existing judicial arrangements.

As a consequence of the separation of the Ruhr Territory from the German Reich the Governing Commission would take all necessary measures for the replacement of the Reich by the new territory particularly as regards the ownership of goods which were the property of the Reich and it would take all measures necessary for the complete separation of public services such as railways and posts from those of the Reich.

(7) *Gendarmerie, Police and Customs.*

The Governing Commission should see to the organization of a *Gendarmerie* and of a police force of the Territory which could be recruited on the spot and would function under its authority.

It would similarly provide for the frontier police whose personnel would at first be partly recruited outside the Territory. A customs

administration would also be necessary whose personnel would be in the main recruited locally except for the high officials.

(8) *Armed Forces.*

In order to ensure internal security in the Ruhr Territory the States directly concerned would put at the disposal of the Governing Commission a military force, whose numbers have been estimated at 50,000, which would be stationed permanently in the Territory.

The upkeep of this force would be paid for by the Territory.

The different contingents would be placed under a single command.

The Commander-in-Chief would be appointed by the Governing Commission in rotation among the generals of the States mentioned in par. 1 of this section and after consultation with the Governments of these States. He would be directly responsible to the Governing Commission.

Air forces (about ten fighter-bomber squadrons) could be put at the disposal of the Governing Commission without being stationed in the Territory.

These armed forces and the persons attached to them who were in possession of an identity document issued by the military command and all those employed by these forces or in their service should be liable only to the military jurisdiction of the force.

All persons accused of a crime against these forces or members of them could be tried before the military courts of these forces.

The Governing Commission would be the only authority capable of declaring martial law. The nature of such martial law would be decided by the legislature of the Territory.

(9) *Foreign Relations.*

The United Nations would be able to appoint consuls in the Ruhr Territory. It would be for the Governing Commission to grant them an exequatur.

The Governing Commission could arrange for the protection of Ruhr citizens and interests abroad by appointing consular agents who could be nationals of the territory in which they were to function and at a later stage by the appointment of career consuls.

The Governing Commission could also entrust this protection to one of the Powers indicated in Section 5 above.

The Governing Commission would take the necessary steps to arrange for the independent participation of the Ruhr Territory in technical and administrative international unions and commissions and to negotiate economic treaties affecting the Territory.

(10) *Supervision and guarantee of the status of the Ruhr Territory.*

The supervision of the application of the Ruhr regime would be carried out by the Governments who signed the instrument setting it up (See Section 1 above).

These Governments would receive each year an annual report from the Governing Commission on the manner in which its functions had been carried out, and on the situation of the Ruhr Territory.

These Governments would see that the Governing Commission's activities were in conformity with the objective set out in Section 2 above.

These Governments would work out the directives to be given to the Commission.

They would be entitled to receive claims concerning the Ruhr Territory which might be submitted through diplomatic channels and to deal with them in such manner as seemed suitable.

The above mentioned Governments would guarantee the integrity of the Ruhr Territory and would ensure respect for its status. The scope of this guarantee would be in conformity with the provisions of the United Nations Charter.

The Governments which signed the arrangement setting up the Ruhr Territory would draw up from time to time a list of States which should receive copies of the annual report of the Governing Commission by virtue of their importance either as importers or purchasers for the economy of the Ruhr.

The signatory Governments would receive the observations of these States on the report and could invite one or more of these States to take part in their discussions on this subject.

General Observations

The French proposals are based generally on the idea that the only satisfactory way of ensuring that Germany is never again in a position to wage a war of aggression is to remove from German control the mineral and industrial resources of the Ruhr. If Germany is deprived both of Silesia and of the Ruhr she would almost certainly not again present a danger to security.

The proposals with regard to the occupation of the Rhineland are complementary to the proposals with regard to the Ruhr, the establishment and stability of the international regime for the Ruhr being facilitated by the occupation of the Rhineland, in view of the geographical situation of the two areas. The object of the proposals is to deprive Germany of an area which she has more than once used as a base for invasion. It is not intended that the Rhineland should be intensively occupied. The important thing is that the Allies should have the facility of stationing troops on the Rhine over its whole length.

It would be of great importance to estimate the reactions of the population both in the Ruhr and in the rest of Germany to the intro-

duction of proposals on the above lines but it is practically impossible to do so in advance.

The French view is in general that the Germans will be discontented with any possible settlement of Germany and will inevitably harbor feelings of revenge. It is only by removing the Ruhr from the control of Germany that these feelings could be prevented from assuming practical expression in a new outbreak of militarism and aggression.

If the proposals were to be introduced, the sooner this could be done the better since in the present state of Germany less violent reactions would be expected than when the Germans had recovered to a greater extent.

The administration of the Ruhr would have to be carried out in such a way as to make the new regime as attractive as possible to the inhabitants. This would involve, e.g. allowing them a higher standard of living than the rest of Germany, but it is not intended that the programme of removal of plant for reparations from the Ruhr Territory should be modified if these proposals are put into effect. It would also naturally be desirable to allow the inhabitants of the Ruhr as much freedom as possible in running the affairs of the territory, but it would be most undesirable to hold out any hope to them that they might eventually become independent of international control.

The introduction of the French proposals would not enable the Powers occupying Germany to reduce their forces immediately in case the separation of the Ruhr and the Rhineland might lead to local unrest in Germany. But it would enable the occupying Powers to reduce the duration of the occupation of the rest of Germany, since Germany would, without the Ruhr and the Rhineland, be unable to develop her military power. (This does not take account of the other purposes of occupation, such as the reeducation of the German people and the installation of a democratic government.)

The most dangerous thing would be if a new regime were set up in the Ruhr on the lines of the French proposals and then at a later stage, owing to disagreement between the Controlling Powers or for some other reason, the regime were abandoned. For if this resulted in the reincorporation of the Ruhr Territory in Germany the latter would, at a stroke, reacquire her richest industrial area in a state of far greater prosperity than if it had never been separated.

Supplementary Observations

(*a*) The American representatives inquired whether, in evolving a plan for separation from Germany, it was possible to (1) combine the Ruhr and the Rhineland in one state, or (2) form an independent state of the Ruhr rather than establish an international regime.

It was pointed out on the French side that a state comprising the Ruhr and Rhineland, with a population of about 15,000,000 inhabitants and disposing of enormous resources, would constitute a powerful state which would be difficult to control and which would inevitably tend to unite again with Germany, once the latter had recuperated. Furthermore, it was emphasized that the Ruhr was not a political entity and possessed none of the characteristics (population, traditions, common aspirations, etc.) which constitute the basis of an independent state. Finally, the French Government considered it would be right that the richest region of Europe should never again be allowed to become an instrument of war, but should be used, under international control, in the interest of common welfare.

(*b*) The question was raised by the American participants as to the economic effect of separation of this region on the Central Germany that would remain. The opinion of the French delegation was that considerable economic resources would remain to a Central Germany sufficient for its peace-time economy. As Germany was over-industrialized, the removal of the highly industrialized Ruhr would not be of such consequence for the remnant Germany as might have been anticipated. Furthermore, the French plan envisaged the maintenance of important economic relations between the Rhineland-Ruhr regions and the rest of Germany, including the use of Ruhr export surpluses initially to pay for necessary German imports.

(*c*) The American representatives inquired what the relationship would be between the governing body of the Ruhr and the organization which would be over it in which additional states would participate. The reply was given that the precise form could not be worked out until the views of the three governments were known. Presumably, the participating states would agree on the general policy to be pursued.

(*d*) Inquiry was made respecting the ownership of Ruhr mines and large industrial plants and also respecting development corporations. The French delegation replied that (1) these properties should be taken away from the former owners, among whom are found the Prussian state and war criminals, in order that they can be removed from German control and utilized for the common good; (2) with this end in view, development corporations especially for coal and steel should be established; (3) the shares of these corporations should be given to Allied countries participating in the regime or with a claim to German reparations.

Other questions asked during the course of the conversations gave an opportunity to the French representative to develop in more detail the views of his Government as expressed in this report.

751.00/11–2045

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] November 20, 1945.

Participants: The Secretary of State
Couve de Murville, Political Director of the French Foreign Office

Mr. de Murville called to see the Secretary at 11:30 a. m. They discussed briefly the trouble de Gaulle is having in forming his Cabinet and the Secretary said he understood how difficult it would be to find an appropriate post for the head of the opposition party.

The Secretary inquired about Mr. Bidault and told Mr. de Murville of his high regard for him, stating he is courageous, intelligent and energetic. The Secretary asked to be remembered to him.

The Secretary mentioned the Council of Foreign Ministers and said that it did not look as though the Council would meet again soon, but that we are still in touch with the Russians on the principal issues and there is still hope for compromise.

The situation in Germany was brought up and Mr. de Murville said that was the very thing he wishes to discuss. The Secretary said the U.S. had agreed to go ahead with the currency, transportation and administrative systems and he did not want to be in the position of not fulfilling our agreement. The Secretary said he expected to communicate with the British and Russian Governments to advise them that the French did not feel they could go along, and express the willingness of the U.S. to go along and install the plan in the other three zones if they wish to.

The Secretary mentioned reparations and said he was not fully informed on this, but it was his recollection that the Commission was to have started its work by Dec. 15th. Mr. de Murville said the work was already under way and that the Soviets have already been given many plants—the Krupp and some others. The Secretary remarked that this is probably all they can move anyway, and that we have had no complaint about reparations.

With regard to restitution,[69] Mr. de Murville said France would want what was taken in France, but did not object to what was being given to other countries.

Mr. de Murville outlined to the Secretary the French proposal for Western Germany—which he said he had discussed fully with Mr. Dunn—and expressed the view that the French disliked having the Russian influence so near to the French frontier. If the decision reached at Potsdam with regard to control of Germany is carried out, it will prejudice the future chances of changing later on to a plan more

[69] For documentation on this subject, see pp. 1169 ff.

agreeable to the French. Mr. de Murville mentioned that the French had received no counter-proposal to their proposal and urged that the Secretary give their plan consideration.

The Secretary said he would talk with Mr. Dunn about it, that he is willing to go into it to see if it is feasible and give him an answer.

740.00119 EW/11–1845 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 21, 1945—4 p. m.

5429. For Angell, No. 42. On basis of OSS [70] study reurtel 6676 [71] from Angell 64 we estimate additional deficit imposed by Ruhr-Rhineland separation of order of RM 1645 million at 1936 prices. We feel French proposals in fact require either scrapping Potsdam reparations formula or rapid if not simultaneous rebuilding with foreign capital of rump Germany. Only industries in rump area capable of providing exports for long run independence envisaged are machinery and chemicals. Russian removals from that area have almost certainly compromised already necessary long-run level. Although discussions here have not been concerned with economic detail, French appear to underestimate role of Ruhr as capital export area within Altreich which position was normally balanced by internal invisible items (e.g., government and banking services) which would be denied under proposed scheme. This is for your information in technical exchanges and is not to be given the French as Dept view, which has not been formulated on this issue.

Discussions here have been in broad terms with French tendency to admit existence of difficulties but to regard them as soluble and of secondary importance as compared with alleged security advantages. U.S. role in discussions has been purely exploratory designed to elicit basis for report to Secretary. For your guidance head-on meeting of views is reserved for later meeting of major powers.

BYRNES

740.00119 Control (Germany)/11–2145

The Secretary of War (Patterson) to the Secretary of State

WASHINGTON, November 21, 1945.

DEAR MR. SECRETARY: You will recall that at our meeting on November 6 I urged that the War Department be informed of the State

[70] Office of Strategic Services.
[71] Dated November 18, p. 895.

Department attitude toward the French proposal to internationalize the Ruhr–Rhineland. I also urged that the French Government be pressed to agree in the Allied Control Council to the establishment of German central administrative machinery, as called for by the Berlin Protocol.

The Berlin Protocol requires the Allied Control Council to complete by February 2, 1946 determination of industrial capital equipment unnecessary for the German peace economy and therefore available for reparations.[72] It is manifestly impossible for the Office of Military Government to negotiate and agree with the other members of the Control Council upon these matters in the absence of guidance from the United States Government concerning the areas of Germany for which a peacetime economy is to be planned. If the Ruhr and Rhineland are not to constitute an integral portion of the German economy it is essential that the Office of Military Government be so informed immediately in order that decisions concerning reparations removals may be made in the light of that fact.

I understand that you have invited representatives of the French Government to discuss the Ruhr–Rhineland question in Washington. However, I hope that you will find it possible immediately to provide the War Department with the policy as to the geographical limits of Germany which would guide the Office of Military Government in making decisions with regard to reparation removals.

With respect to the refusal of the French to agree with the other members of the Control Council to establish German central administrative machinery, I urge that the Department of State bring to bear upon the French Government all requisite pressures in order to effectuate the mandate of the Berlin Protocol. I am of the opinion that unless such agencies are established promptly, there is grave danger of a breakdown of the provisions of the Berlin Protocol with respect to treatment of Germany as an economic unit. Should the French continue to impede development of central German agencies, particularly in the fields of finance, transport, communications, foreign trade and industry, the very basis of the quadripartite administration in Germany might well be jeopardized.

I was gratified that in our meeting of November 6, 1945 you agreed that some action would have to be taken. I should very much appreciate receiving advice from you concerning the steps which are being taken by the State Department to bring about the desired result.

Sincerely yours, ROBERT P. PATTERSON

[72] Section III, paragraph 5 of the Potsdam Protocol; see *Conference of Berlin (Potsdam)*, vol. II, p. 1486.

740.00119 EW/11-2445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 24, 1945—9 a. m.
[Received November 26—9:45 a. m.]

6779. From Angell No. 80. Discussion of economic problems Ruhr–Rhineland separation on November 19 and 20 centered on effect of separation on rump Germany. On basis of OSS study we presented view that separation would have most serious consequences German balance of payments. We offered view informally that additional deficit would be between RM 1500 and 2000 million in 1936 prices even if pre-war exports of chemicals and machinery were maintained. We raised question whether this would not, in French view, involve radical revision of reparation program.

Reply was made that situation of rump Germany would certainly be serious but on basis French figures additional deficit would approximate RM 500 million and might be further reduced by exports of surplus electricity. In addition, French stress fact that potential Ruhr surplus will be available to aid rump Germany in transition period.

Difference in estimates due chiefly to French view that rump Germany will have food surplus for export. Discussion of figures leads us to conclude French estimates seriously in error.

Memorandum detailing French estimates reference rump Germany transmitted to us November 22 and airpouched to you. Additional French material with regard to Ruhr industry and trade promised and may be subject of another meeting.

General tenor of French statements consistent with that indicated in urtel 5429 (for Angell No. 42). In particular, French argue that separation need have no serious effect on reparation removals. Alphand, however, stated that French position is attempt to meet anticipated Russian insistence that Potsdam formula be strictly applied. French would be glad to see this formula relaxed, assuming Rhine–Ruhr separation, if other powers agree.

We concur in your conclusions that separation of Rhine–Ruhr area in terms conceived by French would be inconsistent with applications of Potsdam reparations formula to rump Germany [Angell.]

CAFFERY

740.00119 Control (Germany)/11–2445 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, November 24, 1945—6 p. m.
[Received November 25—10: 58 a. m.]

1092. 1. The twenty-second meeting of the Coordinating Committee. Russian member presiding.

. . . . . .

3. In absence of a central German transport agency, US and Russian members considered certain proposals of the Transport Directorate as premature which would have set up a system for the exchange of information on roads throughout Germany and would have provided for the issuance of uniform directives to the railroad administrations. French member explained that the question of central agencies was being dealt with on a governmental basis and that he had no information on results of discussions in London and Washington.[73] General Clay stated that the failure to establish a central transport agency had resulted in a severe economic set-back and had reduced the quantities of coal available for liberated areas. He declared US was prepared to enter into tripartite agreement for the establishment of central administrations.[74] Russian member made the important statement that he was unable to negotiate such a separate agreement since the Potsdam decisions called for central organs for all four zones. Consideration of report was indefinitely deferred. Similar views were expressed with respect to a proposal for the establishment of a statistical agency. It was withdrawn from the agenda.

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MURPHY

740.00119 EW/11–2845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 28, 1945—11 a. m.
[Received November 29—12: 30 a. m.]

6860. Discussing Couve de Murville's trip to the US, Chauvel said that not only had the trip been useful as a means of presenting the

[73] Cf. Clay, *Decision in Germany*, p. 110.

[74] The agreed minutes of the meeting (CORC/M(45)22), transmitted to the Department in despatch 1413, November 29, from Berlin, record General Clay as pointing to the readiness of the U.S. delegation "to commence negotiations on the establishment of a Central German Transport Department for three zones, emphasizing that delay in the establishment of this agency would to a certain extent hinder the restoration of German economy." (740.00119 Control-(Germany)/11–2945)

French views on Ruhr and Rhineland to the US, but that the very searching questions which State Dept officials had posed had obligated the French further to clarify their own thoughts on German question. He readily admitted that thus far French have been concentrating their thoughts on Ruhr and Rhineland rather than on the over all German problem. Furthermore they have been looking at question purely from security point of view and he said have not given sufficient consideration to the economic consequences of their proposals.

As a result of the memoranda which de Murville brought back with him, particularly the questions raised by the Dept, Chauvel has directed Saint Hardouin [75] to prepare a detailed report which in addition to answering some of our questions is designed to ascertain in what spheres lack of central administration for all Germany hampers and makes more difficult the administration of FR zone.

Sent Dept 6860; repeated Berlin 228; London 838.

CAFFERY

740.00119 EW/11–3045 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 30, 1945—midnight.
[Received December 2—11:12 a. m.]

6913. From Angell No. 100. A final meeting held November 27 on economic aspects Ruhr–Rhineland separation. Present for France, Alphand, Couve de Murville, Rueff.

a. US conferees expressed concern over effect of separation on rump Germany. Particular attention was called to apparent French error in supposing rump Germany would be food surplus area rather than serious deficit area as US estimates suggest. Point was also made that reparation removal program would require radical revision. Difficult to envisage any substantial removals from rump Germany. Removals from Ruhr also might need reduction because of necessity to procure by foreign exports or domestic production goods and services formerly procured in Germany.

b. Alphand replied that French view of effect of separation was less pessimistic. It appeared clear however French conferees are prepared to give more serious attention to these problems in future.

c. French conferees were asked whether they had considered attainment of security objectives in western Germany by measures involving less drastic economic rupture. Alphand appeared to consider present French proposals on economic side essential to success of plan. Couve de Murville gave impression that substantial modification present

[75] Marie Jacques Tarbé de Saint-Hardouin, Political Adviser to the Commander in Chief, French Forces in Germany.

proposals was possible in direction of maintaining economic bonds between western and central Germany. US conferees explained that such modification would necessarily involve customs and monetary questions and also extremely difficult problems of management of Ruhr industries.

2. Following general points are made in connection with technical discussions.

a. Technical conversations with French experts have resulted in no further elucidation of their views beyond points included above and in earlier messages. French analysis of economic effects on rump Germany and of economic problems of independent Ruhr has not proceeded as far as existing Washington studies. French do not appear to be prepared at present time to go deeply into economic aspects of subject. Hence, we intend to discontinue further discussion unless otherwise directed.

b. In our view, greatest difficulties caused by plan are effects of separation on standard of living, and possible capital removals from rump Germany. On assumption that commodity exports from rump Germany to outside world (including separated areas) continue on pre-war basis, we estimate probable foreign trade deficit between RM 1.0 and 1.5 billion after allowing for maximum reduction of imports of textiles, coal and food. Deficit would be increased by RM 1.1 billion were Germany deprived of plant and equipment required to produce exports of chemicals and machinery at 1936 level. On the other hand, were exports of these commodities allowed there probably could be little or no removal of plants in these industries.

c. On assumption that commodity exports from rump Germany continue on pre-war basis, basic difficulty in balancing rump Germany's foreign balance is loss of invisible exports to Ruhr–Rhineland. This suggested that an alternative plan for Ruhr–Rhineland to meet French objectives and avoid foreign balance difficulty would need to be sought along lines of permanent occupation and economic management without disturbing fiscal, customs, monetary and financial ties with rest of Germany.

d. We urge that any further negotiations on subject of Ruhr–Rhineland be held at earliest possible moment since it is possible to envisage satisfactory determination of extent and character of capital removals without decision on disposition of these territories.

e. We suggest initiation of general study of effect of separation on removals possible from Ruhr, Rhineland and rump Germany respectively with special attention to foreign trade aspects.

Repeated to USPolAd as 231 for Murphy as from Angell No. 21. [Angell.]

CAFFERY

740.00119 Control (Germany)/12–345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 3, 1945—7 p. m.
[Received December 4—12 : 24 p. m.]

6950. The question of the Rhineland and the Ruhr continues to agitate public opinion in France and the Nationalist and pro-de Gaulle press has given considerable attention to the recent reports of Mr. Byron Price [76] and General Eisenhower [77] which blame France for blocking efforts to create certain central organizations in Germany. President Truman's press conference of November 30 [78] in which he referred to possibility of revising Potsdam Agreement is interpreted with alarm in many circles as forecasting a move by US to eliminate "veto" for any one power on ACC in Berlin. There is also tendency to consider drop in coal shipments from US and Ruhr as pressure tactics.

It is of considerable significance that Socialist leader Leon Blum in midst of important debates on nationalization of credit devotes his leading editorial in *Populaire* of December 2 to "Franco-American tension". Close summary of this article follows.

Blum refers to "serious reports" from US which may increase tension between France and that great Republic. He points out that this tension contrary to predictions from certain circles is not the result of important place given to Communists in new Govt nor of plans for nationalization of certain industries but is connected with German affairs. American Govt and American people, says Blum, blame France for blocking measures for setting up certain central administrations in Germany which other three Allies consider essential to prevent chaos developing from present disorder.

Chief argument of French Govt, continues Blum, is: "The centralization plan comes out of Potsdam. We were not invited and consequently we will have nothing to do with it." Blum considers this reasoning is hard to defend. France naturally must reserve her right to criticize and question any decisions in which she did not

[76] Byron Price, the former U.S. Director of Censorship, visited Germany as President Truman's personal representative to survey the relationship between the U.S. forces of occupation and the German population. See the "Report of Byron Price to the President," November 9, 1945, Department of State *Bulletin*, December 2, 1945, p. 885.

[77] In his third report on military government in Germany, released to the press November 1, General Eisenhower attributed the failure to achieve a unified system of administration for Germany to the unwillingness of the French to agree to the establishment of central administrative agencies; see *New York Times*, November 1, 1945, p. 1, col. 4.

[78] At his press conference on November 29 the President urged the modification of the Potsdam Agreement to prevent a single occupying power in Germany from nullifying the control decisions of the other three powers, *ibid.*, November 30, p. 1, col. 8.

take part but she must not consider all such decisions as necessarily wrong and inacceptable.

Blum also questions tactics of Couve de Murville in Washington which he describes as attempting to trade French abandonment of its veto in Berlin for acceptance by US of French views on Rhineland and Ruhr. Such tactics may harm rather than help French chances of achieving its aims.

Blum then argues that administrative centralization of Germany should be studied on its merits. He feels that all difficulties in Germany arise from fatal mistake of creating four zones of occupation instead of setting up a joint Allied occupation. (Emb No. 3832, June 25.[79]) The Allied Control Commission in Berlin is the only corrective to the harmful system of separate zones and France should do everything in its power to facilitate its work until such time as the Security Council of UNO [80] can take over. In this matter as in all others only internal organization can offer real solution.

While Communist press has given little attention to problem discussed above it has naturally supported Potsdam Agreement and indicated its disapproval of French attitude at Berlin in opposing wishes of "Big Three". Question of separate Rhineland state has been completely ignored and no clear opinion has been expressed on interna[tional]ization of Ruhr.

CAFFERY

740.00119 Control (Germany)/12–545

Memorandum of Conversation, by James W. Riddleberger, Chief of the Division of Central European Affairs

[WASHINGTON,] December 5, 1945.

Mr. Berard, Counselor of the French Embassy, came in this morning to discuss the next steps with respect to the French proposals for the Rhineland–Ruhr. He said that Mr. Alphand was now in Moscow to carry out the same mission which Mr. Couve de Murville had done in London and Washington. The French Embassy here had no information respecting the outcome of these discussions but would inform me when anything was received. It was anticipated that the conversations in Moscow would not take over a week.

Mr. Berard then said that the French Government was of the opinion that when the conversations in Moscow had been completed a four-power meeting should be held to discuss this question in the light of all the information and explanations that had now been provided. The French Government did not envisage a meeting necessarily on

[79] Not printed.
[80] United Nations Organization.

the Foreign Minister level but would very much like to have it held in Paris. It hoped that the American Government would agree to this procedure and suggested that perhaps it would be possible to designate the respective Ambassadors in Paris as representatives to such a meeting. Experts on the various questions involved could no doubt be attached to the representatives in such manner as each government deemed appropriate.

Mr. Berard said that the French Government would like to have this meeting as soon as possible after the conclusion of the Moscow conversations and that General de Gaulle hoped the American Government would give its sympathetic and immediate consideration to this proposal.

I told Mr. Berard that I thought Mr. Couve de Murville had suggested approximately the same procedure to Mr. Dunn during the course of the conversations here. Mr. Dunn had been called away rather suddenly and we consequently had not as yet given consideration to the question of the possible meeting. I said that we were also awaiting the outcome of the French discussions in Moscow. Therefore, we had not as yet taken up the question of the meeting, but in view of the French suggestions that I would bring it to the attention of the Secretary at once. I told Mr. Berard that after discussions here we would communicate with him again.

740.00119 Control (Germany)/12–645 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 6, 1945—6 p. m.

5705. Please inform Bidault that, as I recently indicated to Couve de Murville, this Government is determined to stand by the Agreement made at Potsdam concerning the setting up of centralized administrative agencies in Germany, with special regard to transportation and currency; and that if the agreement can be implemented in no other way we will, with great reluctance, agree to having the agencies in question operate in the Russian, British and American zones. We hope this will not be necessary.[81]

BYRNES

[81] In telegram 7070, December 8, from Paris, Ambassador Caffery reported that he had informed Mr. Bidault as instructed. "His only reply was to manifest much distress and to repeat what he and de Gaulle have so often said before that they are convinced that the setting up of centralized administrative agencies in Germany will inevitably lead to the eventual setting up of a Soviet dominated central government in Germany." (740.00119 Control (Germany)/12–845)

740.00119 Control (Germany)/12–1045

The Secretary of War (Patterson) to the Secretary of State

WASHINGTON, December 10, 1945.

DEAR MR. SECRETARY: On November 21, 1945 I pointed out to you the importance of bringing to bear all requisite pressures upon the French Government in order to effectuate the mandate of the Berlin Protocol with respect to the establishment of central German administrative machinery. Since the dispatch of my letter, the Report of Mr. Byron Price has been circulated by the President to the Secretaries of State, War, and Navy. You will note that Mr. Price recommends that the "full force and prestige of American diplomatic power" be used to break the present deadlock in the Allied Control Council for Germany.

I should like, therefore, to emphasize again the urgency with which the War Department views this matter and I renew my recommendation that all channels open to the State Department in the political and economic fields be used to exert pressure upon the French Government to cooperate in the development of central German agencies, particularly in the fields of finance, transport, communications, foreign trade and industry. I should like to suggest as well that full publicity be given to such efforts in order to mobilize the support of American and world public opinion behind such efforts.

Sincerely yours, ROBERT P. PATTERSON

740.00119 Control (Germany)/12–1145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 11, 1945—6 p. m.
[Received 8:10 p. m.]

7115. There is increasing concern in all French circles over the tension which has arisen between France and the United States concerning the question of centralized administrations in Germany. Upon the conclusion of Couve de Murville's visit to Washington the French press led the public to believe that the United States had not adopted a definite position of opposition to the French views on the separation of the Ruhr and the Rhineland from the rest of Germany if a workable arrangement could be found, and that we would be willing to sit down at a four power conference to examine the French proposal prior to dealing with the central administration question. In the light [of the?] recent press presentation, however, the French now believe that the United States is taking the lead in trying to persuade a reluctant Britain and a reluctant Russia to set up central administrative organizations immediately in the three zones, thus excluding France.

This belief has, of course, been greatly encouraged by statements attributed to various British officials published in the French press to the effect that the British are anxious to adopt no policy or program in Germany which does not have French approval. Furthermore, concerning the forthcoming Big Three meeting in Moscow [82] the French press has given wide publicity to statements by British officials that "the Big Three meeting was a result of Washington's initiative and that Britain will see to it that no matters are discussed at Moscow which affect French interests". The implication that Bevin will pose in Moscow as the defender of French interests, has thus been pointedly made.[83]

The Soviet views on the French proposals on the Ruhr and Rhineland, as indicated by the French Communist organ *Humanité*, have for the past several weeks been reserved but not hostile although the French policy in blocking central administrations in Germany has been mildly criticized as contrary to the Potsdam Agreement. In the past several days there have been significant phrases in several articles hinting that Moscow does not oppose the principle of internationalization of the Ruhr. (The Rhineland is not mentioned.) This morning, however, the Soviet stand is considerably clarified by the following front page headline in *Humanité:* "In Germany Joukov [84] is against the establishment of a central administration without France". The article then quotes Associated Press despatch stating: "Joukov has informed General Clay at Berlin that he cannot accept the United States proposal announced recently by Mr. Byrnes to establish in Germany a central Tripartite Govt excluding France. Marshal Joukov stated that the Committee did not have the authority to take such a decision. Montgomery for England adopted the same position." (Also *Humanité*'s leading editorial this morning on the coming Big Three meeting at Moscow devotes great space to proving that the Big Three and particularly Russia have always in past

[82] Reference is to the interim meeting of the Council of Foreign Ministers at Moscow, December 16–26, 1945; for documentation, see vol. II, pp. 560 ff.

[83] In a memorandum of conversation of December 11, Mr. James W. Riddleberger reported that Mr. Berard, Counselor of the French Embassy, told him that "The French Government now thought that Mr. Bevin, the British Foreign Secretary, was more and more inclined to favor the French proposals. Berard thought that in the British Foreign Office there still remained a faction which would oppose the French proposals on the old and historic British principle of supporting the weak and opposing the strong on the Continent. He thought, however, Bevin was now inclined to go along with the French ideas." Mr. Riddleberger observed in his memorandum: "I listened to all this without comment." The purpose of Mr. Beard's visit had been to leave with the Department a summary of French press reaction to the Secretary's recent statement on central German agencies and French opposition thereto. (740.00119 EW/12–1145)

[84] Marshal of the Soviet Union Georgy Konstantinovich Zhukov, Commander in Chief, Soviet Forces in Germany, and Chief of the Soviet Military Administration in Germany.

meetings tried to improve France's international position. The Joukov statement above is cited as evidence that Russia has no intention of isolating France.)

Thus by the presentation of the alleged Russian and British views on the German question, the French are being led increasingly to believe that while Great Britain and Soviet Russia are sympathetic to the French views on Germany, the United States alone is strongly opposed to them and is doing everything it can to make Britain and Russia oppose France.

Sent Dept 7115; repeated Moscow 434.

CAFFERY

740.00119 Control (Germany)/11–2145

The Acting Secretary of State to the Secretary of War (Patterson)

WASHINGTON, December 12, 1945.

MY DEAR MR. SECRETARY: In reply to your letter of November 21, 1945, I am now in a position to give you additional information respecting the French proposals on the Rhineland–Ruhr regions.

A series of meetings with the French delegation, lead by Mr. Couve de Murville, were held during the period from November 13 to 20, 1945. In the course of these conversations the French representatives developed their views and replied to a number of questions put to them by officials of this Department. At the end of the meeting, a joint report was prepared, a copy of which I take pleasure in sending you with this letter.[85] You will observe from the report that no definite statement of the American attitude on these proposals was given to Mr. Couve de Murville while he was here.

It is readily apparent from the report that the French proposals would involve a reexamination of the Potsdam Declaration and its possible amendment. This Government could obviously not agree to any unilateral action on its part which would change the Potsdam Agreement. This point of view was made clear to the French delegation and well understood by them.

By agreement in the Council of Foreign Ministers in London, the French Government was to be given the opportunity of presenting its views in London, Washington and Moscow. The proposals have been presented in London and Washington, but I believe that the discussions in Moscow have not been completed. The Department of State does not desire to express a definite opinion on this question until the French Government has completed its conversations and until the American Government has had an opportunity to discuss the

[85] Report dated November 20, p. 896.

matter with the other signatories to the Potsdam Agreement. Therefore, I cannot at this time give a categorical answer to paragraph 3 of your letter of November 21.

With respect to the establishment of central administrative agencies in Germany, I believe that the War Department has already authorized the American representative on the Control Council to carry out the Potsdam decision with or without the participation of the French.[87] The French delegation was informed in the course of conversations in Washington that this Government was obligated to implement these decisions and was not disposed to change its position.

I think, therefore, that the American representative on the Control Council should be instructed again to urge the adoption of the Potsdam decisions on the establishment of central administrative agencies as soon as the French conversations in Moscow have been completed.

Sincerely yours, DEAN ACHESON

740.00119 Control (Germany)/12–1545

Memorandum by the Deputy Director of the Office of European Affairs (Hickerson) to the Chief of the Division of Central European Affairs (Riddleberger)

[WASHINGTON,] December 15, 1945.

It has been learned from an unmistakably correct source that the French Ambassador in Moscow has reached the conclusion and has reported to his Government that the position of the Soviet Government in regard to the Ruhr has not changed since Potsdam; that is, the Soviet Government favors "a regime of internationalization of the Ruhr under the control of the four occupying powers, the regime in question to remain German."

JOHN HICKERSON

740.00119 Control (Germany)/12–1645 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 16, 1945.
[Received December 16—4:15 p. m.]

1277. French officer has hinted that his delegation on the Control Council has received new instruction which apparently would authorize it to agree to the establishment of German central agencies on the condition that the competence of such agencies would not extend to the Ruhr and Rhineland. This officer seemed upset by Secretary Byrnes' last statement on the subject and was apprehensive that hard

[87] See War Department telegram War 77596, October 20, p. 885.

and fast decisions might be taken at Moscow before the new French position could be stated and developed.

According to this officer, it had never been fully explained to the French at Washington and elsewhere that the other three powers intended the Control Council should operate with strong authority and that the German agencies should be "weak" and simply serve administrative ends; the French had thought "the reverse was meant". The French officer emphasized his Government's continued attachment to the principle of decentralization [88] and he referred to the anomalous situation existing in the French zone which failed to comprise the territory of a single integral German state (land).[89]

Repeated to Moscow as 104.

MURPHY

740.00119 Control (Germany)/12–1845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 18, 1945—9 p. m.
[Received 10:31 p. m.]

7242. A friendly Foreign Office Official tells me in confidence that when Alphand saw Molotov [90] several days ago to discuss French proposals for the Ruhr and the Rhineland, Molotov took no definite position but told Alphand that while Russia is sympathetic to French desire for security he would have to study the memorandum which Alphand had given him. In so far as the Ruhr is concerned, Molotov expressed no direct opposition to the idea of internationalization but made it clear that Russia's primary concern is that the Ruhr should not in any way serve to bolster a western bloc to which the Soviets are definitely opposed. My informant implied that Molotov also made

[88] Throughout the month of December the French Representatives in the Allied Control Authority for Germany adhered to their position of opposition to all attempts to create any type of centralized government agency for Germany. At the twenty-fourth meeting of the Coordinating Committee, December 4, the French member opposed the reestablishment of the German patent office and caused the question to be withdrawn; reported to the Department in telegram 1176, December 4, from Berlin (740.00119 Control (Germany)/12–445). At the twenty-eighth meeting of the Coordinating Committee, December 22, the French member expressed reservations when the question of the establishment of a central German department for communications and posts was considered; reported to the Department in telegram 1323, December 22, from Berlin, not printed. Telegram 1323 read in part: "In reply to General Clay's question, British member said he was not empowered to discuss tripartite agreement for the setting up of a central postal agency. General Clay pointed out that in view of continued French opposition, there was no need of referring the matter to the Control Council and he requested that mention of the French position be made in the communiqué issued after the meeting." (740.00119 Control (Germany)/12–2245)

[89] For documentation on the creation of the French zone of occupation in Germany, see *Conference of Berlin (Potsdam)*, vol. I, pp. 597–606 and vol. II, pp. 1001–1006.

[90] Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.

it clear that should the Ruhr be internationalized Russia would expect to participate actively in not only the International Control Commission but in the administration of the Ruhr. Molotov concluded his conversation with Alphand by saying that the Soviets would study the French proposals.[91] Foreign Ministry interprets this to mean that Molotov will take this matter up at the Big Three Conference in Moscow before making a reply to the French.

In connection with the French proposals for the Ruhr and Rhineland, officials in the Foreign Ministry say they are considerably upset over a telegram from Berlin stating that General Clay has informed General Koeltz that the United States has decided to proceed with a central administration for the three zones (US, British and Soviet) as soon as possible: that the British have agreed to go along with us on this matter if the Soviets agree: and that "the first thing Secretary Byrnes will take up in Moscow is the question of a central administration for the three zones". The French allege that this last statement "would seem to contradict assurances given that questions relating to French interests will not be discussed at Moscow". The Foreign Ministry requested informally whether we had any information tending to confirm the statement attributed to General Clay. We replied that we had heard nothing about it.

Sent to Department as 7242; repeated to Moscow as 451.

CAFFERY

740.00119 Control (Germany)/12–2845

The Secretary of War (Patterson) to the Acting Secretary of State

WASHINGTON, December 28, 1945.

DEAR MR. ACHESON: I received your recent undated letter [92] in reply to my letter of November 21, 1945, in which I urged the State Department to bring all requisite pressures to bear upon the French Government in an effort to obtain their cooperation in implementing the mandate of the Berlin Protocol concerning the establishment of central administrative machinery in Germany.

I have read with interest the report on the Franco-American conversations which you were good enough to inclose in your letter, and I have noted your statement that the French delegation is currently discussing the subject of the Ruhr-Rhineland regime in Moscow.

With respect to my request for guidance from the State Department concerning the areas which will be left to Germany and for which a

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[91] In telegram 7365, December 27, from Paris, Ambassador Caffery reported further information from a friendly Foreign Office official. On the last occasion when Alphand saw Molotov the latter informed him "that before the Soviet decision could be made the Russians 'would have to consult the British to ascertain the British views.'" (740.00119 Control (Germany)/12–2745)

[92] Reference is presumably to Mr. Acheson's letter of December 12, p. 919.

peace-time economy must be planned, I note your statement that you cannot, at this time, give a categorical answer. In this connection, I invite your attention to a memorandum prepared in the Department of State, entitled "The Reparation Settlement and the Peacetime Economy of Germany",[93] which was transmitted to me by the Secretary of State on November 30, 1945. In paragraph 4 of that memorandum, the State Department advised that, for the purpose of determining the industrial capacity of the peace-time German economy, "it should be assumed that the geographical limits of Germany are those in conformity with provisions of the Berlin Protocol, i.e., those of the Altreich, less the territory east of the Oder-Neisse line". This guidance has been transmitted to the Office of Military Government for Germany. In the light of the comment in your letter that you cannot give a categorical answer to the War Department concerning this important matter, I should appreciate confirmation of the guidance furnished in the memorandum transmitted by the State Department on November 30, 1945.

In accordance with the last paragraph of your letter, the War Department will be pleased to transmit appropriate instructions to the Office of Military Government for Germany after receipt from you of advice that the French conversations in Moscow have been completed. However, as I pointed out in my letter of November 21, 1945, and again in my letter of December 10, 1945, in which I called to your attention the recommendation of Mr. Byron Price that the full force and prestige of American diplomatic power be used to break the present dead-lock in the Allied Control Council for Germany, the War Department is gravely disturbed by the danger that continued refusal of the French Government to agree to the establishment of central administrative machinery in Germany may result in a breakdown of the provisions of the Berlin Protocol with respect to treatment of Germany as an economic unit.

Sincerely yours, ROBERT P. PATTERSON

740.00119 Control (Germany)/12–1045

The Acting Secretary of State to the Secretary of War (Patterson)

WASHINGTON, January 12, 1946.

MY DEAR MR. SECRETARY: A reply to your letter of December 10 was deferred for the reason that my letter of December 12, 1945 on the subject of the French proposals for the Rhineland-Ruhr region evidently crossed your communication to me. In the meantime, I have received your letter of December 28, 1945 on the same subject.

[93] Released to the press on December 12, and printed in Department of State *Bulletin*, December 16, 1945, p. 960, and in Department of State, *U.S. Economic Policy toward Germany* (Washington, Government Printing Office, 1948), p. 93.

For your information, I may say that the French proposals were not discussed during the recent Moscow meetings and therefore there has been no further progress on this matter in so far as the American Government is concerned. M. Alphand, who was sent to Moscow by the French Government to present its proposals to the Soviet Government, had not concluded his conversations there at the time of the conference of the three Foreign Ministers. I have now learned that these conversations have been concluded.

The French Government has requested that a meeting of the four occupying powers of Germany be held in Paris in the near future for the purpose of considering the French proposals after having been discussed in London, Washington and Moscow. The Department of State has not replied to this invitation as the Moscow conference intervened.

As the French representative has concluded his conversations in Moscow, I regard it as probable that at the forthcoming meetings in London [94] informal conversations between the four Governments concerned may take place. The French Government has not to date urged this Department for a reply to its proposal for a meeting in Paris. I shall not fail to inform you of any developments that may arise in this question of the Rhineland-Ruhr.

With respect to the third paragraph of your letter of December 28, 1945, I can confirm the guidance furnished in the State Department memorandum of November 30, 1945 respecting the geographical areas of Germany for the purpose of determining the industrial capacity of the peacetime German economy. Unless and until there has been a modification of German frontiers, this Government must necessarily base its policy on the Potsdam decisions and earlier agreements respecting the occupation of Germany.

In reply to the concluding paragraph of your letter of December 28, 1945, I should like to remark that the American Government has made its attitude altogether clear with respect to the present deadlock in the Control Council for Germany on the creation of central German agencies. The American position was explained with force and clarity to Mr. Couve de Murville at the time he presented the French proposals in Washington. However, the Agreement on Control Machinery for Germany stipulates that the decisions of the Control Council must be unanimous.[95] You will no doubt recall that at the

[94] Reference is presumably to the First Session of the United Nations General Assembly, held in London, January 10–February 14, 1946.

[95] For text of the agreement between the United States, the United Kingdom, and the Soviet Union on control machinery in Germany, signed at London November 14, 1944, and text of the amending agreement between the three signatory powers and the Provisional Government of the French Republic signed at London May 1, 1945, see Department of State, Treaties and Other International Acts Series No. 3070, or *United States Treaties and Other International Agreements*, vol. v, (pt. 2), pp. 2062–2077.

time when this agreement was being negotiated in the European Advisory Commission in London, the War Department was emphatic in its insistence on this principle,[96] which was, with the approval of the Joint Chiefs of Staff, subsequently included in the agreement.

It should also be recalled that under Article 1 of the Agreement on Control Machinery "Supreme authority in Germany will be exercised . . . by the Commanders-in-Chief of the armed forces of the U.S.A., the U.K., the U.S.S.R. and France, each in his own zone of occupation, and also jointly in matters affecting Germany as a whole . . .".[97] It seems to the Department of State, therefore, that if it is not possible to obtain unanimity in the Control Council on the question of central German agencies, it would still be possible to create these agencies in the zones controlled by the signatories to the Potsdam protocol. It was for this reason that the American Representative on the Control Council was authorized to carry out the Potsdam decision with or without the participation of the French.

It is still the opinion of the Department of State that the American Representative on the Control Council should be instructed again to urge the adoption of the Potsdam decisions on the establishment of central administrative agencies.

Sincerely yours, DEAN ACHESON

DEVELOPMENTS OF ADMINISTRATIVE AND POLITICAL SIGNIFICANCE RELATING TO THE UNITED STATES ZONE IN GERMANY[98]

740.00119 Control (Germany)/1–1045

The United States Political Adviser for Germany (Murphy) to the Chief of the Division of Central European Affairs (Riddleberger)

VERSAILLES, January 10, 1945.

DEAR JIMMIE: There has been a slight delay in receiving your letter of December 4[99] as it was mislaid during my absence from London.[1]

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[96] For documentation on the negotiation of the control agreements in the European Advisory Commission, see pp. 1 ff.

[97] Omissions indicated in the original communication.

[98] For documentation concerning participation by the United States in the work of the European Advisory Commission, which established the zones of occupation in Germany, see *Foreign Relations*, 1944, vol. I, pp. 100 ff.; also *ante*, pp. 1 ff. Documentation relating to the U.S. zone in Germany is contained in *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vols. I and II.

[99] This letter, not printed, dealt with several topics. The most pertinent in the present context described the disinclination of the War Department to agree to Murphy's having a large office separate from the Control Council organization. Mr. Riddleberger inquired if Murphy had any strong feelings as to whether his [Murphy's] staff should be in a separate office under him or in the Political Division of the Control Council. (HICOG Files; 1944–49: Ambassador Murphy Correspondence)

[1] The U.S. Group, Control Council for Germany, was located in the London area, where it had been activated during October 1944. This body was the U.S.

(Footnote continued on p. 926)

I am certainly most grateful to you for all the helpful interest you have taken in getting this little show of ours started in life. Things are now much better on the London end. My principal disappointment is our failure to get one of the officers now at AFHQ,[2] . . . during these past weeks for duty at SHAEF Main, in France. What has been needed there is an experienced officer who knows the ways and wiles of a large headquarters, specializing on the German business, so that he could be on tap at all times that SHAEF takes decisions regarding Germany. This has been practically every day. SHAEF refers the least possible to Washington and the CCS [3] because sometimes CCS may take months to answer. That's just fine but as the pattern of policy may thus be laid by day to day decisions in the MG [4] field, PWD [5] matters, etc., a member of my staff should be here when I am on the other side. On January 20 the advance echelon of the US Group CC moves over here and some of our personnel will move with the advance party. I spend as much time as possible here but when in London all I have here is a corporal. . . .

Now, about the War Department's objection to giving me a large office which will be separate and apart from the Control Council establishment, it seems to me that the approach is wrong. I would never have emphasized the need of a "large" office. Obviously WD [6] would shrink from that one. All I have said is that there is need for the Department to have its own channel of communication between it and its principal representative in Germany. The position of Political Adviser you will recall is placed in the organization outline of the tripartite control machinery on the top level, as distinguished from the Political Division—one of the 12 divisions.

Most certainly the UK, USSR and France will insist on their Political Advisers having direct communication with their FOs.[7] They have done so in all other areas. The first thing that the Russians did on arriving in Italy was to set up their own radio link with the FO in Moscow.[8] I wouldn't talk about size. If we have our own communications privilege, then obviously we shall need staff. Cipher

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(Footnote continued from p. 925)

planning agency for Germany and was intended to become the top echelon U.S. Military Government headquarters. It included State Department personnel in its political affairs subdivision. For reference to further information on the mission of U.S. Group, Control Council, see bracketed note *infra*. Mr. Murphy was Director of the Political Division, U.S. Group, Control Council.

Mr. Murphy also had an office in Versailles by virtue of his role as Political Adviser to Supreme Headquarters, Allied Expeditionary Force (SHAEF, Main).

[2] Allied Force Headquarters.

[3] Combined Chiefs of Staff.

[4] Military Government.

[5] Psychological Warfare Division.

[6] War Department.

[7] Foreign Offices.

[8] For documentation pertaining to the interest of the Soviet Union in developments relating to the overthrow of the Fascists, and Italy's surrender and recognition as a co-belligerent, see *Foreign Relations*, 1943, vol. II, pp. 314 ff., *passim*.

clerks alone will amount to eight or ten at least I imagine. You go on from there and build as you go. If on the other hand, you engage with the WD in discussion about TO,[9] the matter is placed on a military basis and you won't get anywhere. The Department's representative must be on the top level, as well as in the lower bracket and we must fight any tendency to put us entirely in a subordinate position. Unconsciously some army people will do that; others may do it consciously. Don't forget that there may be a tendency on the part of some officers to eliminate civilian participation as far as they can.

It should be remembered too that the Political Division of the CC will be a staff section whose communications should pass through the commanding officer in charge. That means technically that if the latter did not approve the transmission of a given item, he could prevent its transmission. Naturally I don't believe that would happen and certainly with our present relationship in the Group with General Wickersham, the Acting Deputy in charge, there is absolutely no difficulty, but we must guard against the future possibility.

I shall be perfectly happy to work out this problem on the spot and would prefer that no large issue be raised with the WD at this time about it. But, on the point about an independent communications channel between the Department and its chief representative we should be adamant. I am told that OWI [10] has raised the same question about its representatives, but I think they are in a different category and the Department, as the senior governmental agency, is definitely an exception to the regular rule about channels.

Military developments have thrown out of gear many tentative schedules including our own. In certain respects, looking at the progress made in planning and the personnel available for the American participation in the control machinery—I don't refer only to the State Department personnel but also army and navy, the delay in that connection may be considered an act of charity.[11]

. . . . . .

Yours ever, BOB MURPHY

[For information regarding the mission of the United States Group, Control Council for Germany, see message from the Commanding General, European Theater of Operations, United States Army, to

[9] Presumably, Tables of Organization.

[10] Office of War Information.

[11] In a reply dated February 20, Riddleberger said that discussions were still going on with the War Department over the whole question of civilian personnel. The State Department, he also indicated, was prepared to insist on Murphy's right to communicate freely and independently with it, although no difficulty had arisen over this point so far. (HICOG Files; 1944–49: Ambassador Murphy Correspondence)

Brigadier General Cornelius W. Wickersham, Acting Deputy, United States Group, Control Council for Germany, January 15, 1945, page 171.]

740.00119 Control (Germany)/2–1145

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 138 [VERSAILLES?] February 11, 1945.
[Received February 20.]

SIR: I have the honor to inform the Department that US Group CC was approached, through SHAEF, by the 12th Army Group concerning the latter's proposal that two military districts in the U.S. Zone be set up instead of the four which are based on existing Wehrkreise as originally planned. Under this proposal the two Wehrkreise into which Bavaria is divided would be combined into a single military district ("District A"), and the other two Wehrkreise, which include the states of Hessen, Hessen-Nassau, Württemberg and Baden, would be combined into a second military district ("District B"). Each military district would be under an Army rather than a Corps command.

The interested Divisions of US Group CC were circularized for their opinion regarding the 12th Army Group proposal, and their views were incorporated into a report to General Wickersham, a copy of which is enclosed.[12] Reference is made in this report to the comments submitted by the Political Division. The complete text of these comments, which may be of interest to the Department, is as follows:

"1. It appears that the question of whether there should be a 4 or a 2 district organization of the U.S. Zone is a matter to be determined primarily by military considerations, although the U.S. authorities in Washington would doubtless be interested in the political results particularly as they affect the program of decentralization in Germany.

2. Under either arrangement apparently Bavaria would be a unified district for military government purposes, which is believed to be desirable from the standpoint of fostering possible Bavarian autonomy.

3. If the 2-district plan is adopted on military grounds, it is believed that certain special steps should nevertheless be taken to encourage decentralization within the district to the west of Bavaria. This western district might be found fairly unwieldy for military government purposes and the populations are not held together by the same degree of local feeling as the Bavarians. It is therefore suggested that within the single district which would be set up for military administrative purposes, autonomy and decentralization might initially be fostered by placing Württemberg, Baden, Hessen and Hessen-Nassau

[12] Not printed; this memorandum presented the four principal views expressed in the U.S. Group, Control Council, on the proposal and concluded that there were no objections from that body to the suggested arrangement of military districts.

each under separate military government administrations. If consistent with military procedure this arrangement would seem to be desirable from a political point of view." [13]

Respectfully yours, ROBERT MURPHY

740.00119 Control (Germany)/2–2445

The United States Political Adviser for Germany (Murphy) to the Director of the Office of European Affairs (Matthews)

PARIS, February 24, 1945.

DEAR DOC: I think you will be interested in the enclosed paraphrases of a telegram of February 20 [14] from General Hilldring [15] in the War Department to Generals McSherry [16] and Wickersham, as well as a reply from General McSherry for General Hilldring sent on February 22.[17] These concern a misunderstanding under which General Hilldring seems to be laboring to the effect that SHAEF officers regard the future Control Council as an advisory rather than a policy determining and operating body and that the U.S. zonal authorities would use their own judgment whether they would accept and follow agreed policy established in the Control Council, and also that the U.S. Zone would be run as a separate entity. All of this relates to the post-defeat period. Bedell Smith [18] took vigorous exception to Hilldring's telegram. General McSherry denies that such a situation prevails.

I don't know what is at the root of General Hilldring's misunderstanding but it might be interesting for Jimmie Riddleberger to look into it. General Hilldring has written several letters on the subject to different officers here and apparently persists in the notion that American officers in London and at SHAEF are either sabotaging or misconstruing JCS 1067.[18a] I don't know where General Hilldring

[13] In despatch 151, February 13, from London, Ambassador Murphy informed the State Department of SHAEF approval of the proposal to have two rather than four military districts in the U.S. zone (740.00119 Control (Germany)/2–1345).

[14] Paraphrase of War Department telegram WX 40618, not printed.

[15] Maj. Gen. John H. Hilldring, Director of the Civil Affairs Division, War Department.

[16] Brig. Gen. Frank J. McSherry, Deputy Assistant Chief of Staff, Civil Affairs Division (G–5), Supreme Headquarters, Allied Expeditionary Force.

[17] Paraphrase of War Department telegram S–79987, not printed.

[18] Lt. Gen. Walter Bedell Smith, Chief of Staff, Supreme Headquarters, Allied Expeditionary Force.

[18a] Reference is to the directive issued by the Joint Chiefs of Staff to General of the Army Dwight D. Eisenhower, Commander in Chief of the United States Forces of Occupation, regarding the Military Government of Germany. The first version of this document, dated September 22, 1944, is printed in *Foreign Relations*, The Conferences at Malta and Yalta, 1945, p. 143. Subsequent revisions leading to issuance of the directive in May 1945 are covered in documentation on "Participation of the United States in the work of the European Advisory Commission," part III, *ante*, pp. 369–533, *passim*. For the April 26 version of the directive (IPCOG 1), see p. 484; for the text as released to the press October 17, see Department of State *Bulletin*, October 21, 1945, p. 596.

is obtaining his information but it seems to be baseless from what I have been able to learn in London and at SHAEF. Naturally there have been numerous discussions of the meaning of JCS 1067 in committee meetings but always with the purpose of arriving at a better understanding of the language and with a desire to implement the policy.

Yours ever, BOB MURPHY

740.00119 EAC/2–545 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

[Extract]

WASHINGTON, February 28, 1945—7 p. m.

1527. SfAmb from Dunn.[20] Please request your military adviser to make available to you War Department cable no. WARX 40618 of February 20[21] to Eisenhower for McSherry repeated to SHAEF Rear for information for Wickersham from Hilldring. This cable discusses the questions raised in your 1278, February 5, 11 p. m.[22] respecting an apparent divergence of views which has arisen in recent months over American participation in the control of Germany. The replies to the War Department cable cited above are contained in SHAEF Main telegram S–79987, February 22 to War Department[21] repeated to SHAEF Rear for Wickersham and telegram RR–16236 of February 23 from SHAEF Rear to War Department.[23]

These War Department cables will help to eliminate any misunderstandings that may have arisen. Furthermore the War Department is in entire agreement with the necessity of strengthening the authority of the Control Council as to nationwide policies and overall directives. This policy of central, coordinated administration and control was agreed upon by the heads of the three Governments at the Crimean Conference.[24]

. . . . . .

[Dunn]
ACHESON

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[20] Secret for the Ambassador from Assistant Secretary of State James C. Dunn. A note in the handwriting of H. Freeman Matthews, Director of the Office of European Affairs, indicated that this message had also been approved by Assistant Secretary of War John J. McCloy.

[21] Not printed; for substance, see *supra*.

[22] *Ante*, p. 405.

[23] Not printed; in this telegram General Wickersham indicated to General Hilldring that reports received in the War Department of a misconception of the role of the U.S. Group, Control Council, were not correct and that there was no need for further clarifying instructions from the Joint Chiefs of Staff. (Copy obtained from the Department of the Army files.)

[24] Reference is to part II of the Communiqué issued at the end of the Yalta Conference; see *Conferences at Malta and Yalta*, p. 970.

740.00119 Control (Germany)/3–1045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, March 10, 1945—9 p. m.
[Received March 11—1 : 10 a. m.]

2525. From Heath.[25] Attention Ambassador Murphy. General McSherry of G–5 SHAEF and Colonel Kutz [26] of G–3 SHAEF met in United States Group CC this morning with regard to their criticism of the basic plan of United States Group CC as assuming too prominent a role for Control Council, and the United States group, as against the Zone command's responsibility, control and freedom of action. After discussion with General Wickersham, however, agreement was reached that there should be no conflict between United States Group CC and Military Government and other divisions of SHAEF, but they would reconcile all differences through close consultation and cooperation. (Reference my 2325 of March 7, 1 p. m. and Department's 1785 of March 8, midnight.[27]) On General McSherry's plea, however, that in the initial state it would be necessary to have all orders pass through the military command of the zone, both by reason of the presumed impairment of normal German governmental channels and in order to prevent any sabotage of military government, it was agreed that paragraph 17 of the group's basic plan be revised to specify that only military channels of communication would be used until further instructions had been received. Previously this provision contemplated direct communication on technical matters between the United States element and the Control Council and Military Government of other officers of the United States zone.

General McSherry withdrew some of the criticisms of the basic plan of the group which were quoted in my telegram under reference. It was agreed that a staff study would be made to perfect liaison and cooperation between the American element of the Control Council of which United States Group CC is the nucleus (and the staff of the zone commander). The whole incident was never a conflict between [*concerning?*] the authority of the Control Council whose supremacy in matters affecting all Germany General McSherry thoroughly realizes, but was a difference as to the extent and manner to which United States Group CC should develop plans for the application of policy in the Control Council period. The point in General

[25] Donald R. Heath, Counselor of Mission on the staff of the United States Political Adviser for Germany (Murphy).
[26] Col. C. R. Kutz, Post Hostilities Planning Subsection, Operations and Training Section (G–3), SHAEF.
[27] Neither printed.

McSherry's and Colonel Kutz's letters [28] that the United States Group CC plan should not go into the question of administration of the zones, but should confine itself to Council Control of the central German agencies was abandoned at the conference. [Heath.]

WINANT

862.00/4–945

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 226 [VERSAILLES?] April 9, 1945.
[Received April 17.]

SIR: I have the honor to transmit herewith a copy of a thoughtful memorandum [29] prepared for General McSherry of G–5 Division, SHAEF, by Lt. M. M. Goodsill, USNR, on the subject of certain defects of Military Government in the Aachen area and steps which might be taken to correct these defects. The complaints on which the memorandum comments were contained in certain PWD reports.

The Department will be interested in noting that according to the memorandum, Military Government has concentrated to a great extent on establishing "efficient", functional administration. In the process, mistakes have been made in the appointment of Nazis or other Germans with bad past records and in general insufficient consideration has been given to the de-Nazification objectives of the Allies. Lt. Goodsill comes to the conclusion that in addition to the drafting of clearer and more detailed directives on de-Nazification, the extent to which local German political action will be permitted, and other subjects, it will be necessary to give to Military Government officers a considerable amount of education on the fundamental ideas of our policy toward Germany. There has been too much concentration on functions and administration and not enough on policy.

The memorandum discusses also the necessity of permitting left wing and democratic elements of the German population to make a start at organizing themselves and securing representation in local government, where the field is now too often given as a monopoly to conservative and right wing elements in appointing public officials.

While the memorandum covers only the situation in a very small occupied area, I believe it is significant as foreshadowing on a small scale the political problems which will confront us in the near future on a vast scale.

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[28] Reference is to two memoranda submitted to the U.S. Group, Control Council, by General McSherry and Colonel Kutz, neither printed; copies were transmitted to the State Department in despatch 212, March 15, from London, also not printed.

[29] Not printed.

The necessity of supplying more adequate political guidance to Military Government detachments is receiving our careful attention. Advantage is being taken of the current visit of Assistant Secretary of War McCloy to emphasize the need on the part of the lower echelons of Military Government officers in the field for more personal guidance than is afforded by the mere transmission of written directives filtering down through regular Army channels. The need for more prompt reporting from the Military Government detachments in the field is also emphasized in order that corrective measures where necessary may be taken promptly.

In view of the nature of the assignment of the Department's personnel to US Group CC, I wish particularly to ask that this report be given only the most limited circulation within the Department and that its contents should not be discussed with any outside department or agency in Washington.

Respectfully yours, ROBERT MURPHY

740.00119 Control (Germany)/4–1245

The United States Political Adviser for Germany (Murphy) to the Assistant Secretary of State (Dunn)

[VERSAILLES?] April 12, 1945.
[Received April 20.]

DEAR JIMMY: You may be interested in the attached secret memorandum of April 11 prepared by Major General Lucius Clay together with a chart which sets forth his latest thinking on the organizational features of the American side of Military Government in Germany.

There is also enclosed the final draft [30] of a paper setting forth the outlines of the relationship between the Joint Theater Staff and the US Group Control Council (Germany) when Combined Command has terminated.

All of this has come to a head with the arrival here of General Clay coincident with the visit of Jack McCloy. I must say that I do not detect a movement anywhere to detract from the over-all authority of the Control Council in favor of the Zonal Command.

It will be noted that General Clay has devised the title of "Deputy Military Governor" and in that capacity he would be in charge under the Commanding General (General Eisenhower) and the latter's Chief of Staff (Lieutenant General W. B. Smith) of all Military Govern-

[30] Not printed; for a report on the paper issued April 29, 1945, by Headquarters, European Theater of Operations, United States Army (ETOUSA), defining the relationship of the Deputy Military Governor and the US Group, Control Council (Germany) to the Theater Staff, see despatch 351, May 10, from Mr. Murphy, p. 938.

ment features on the American side including the American Element of the Control Council and G–5 of the Zonal Command as well.

There appears to be as yet no final determination who will be designated to serve as the American member of the Coordinating Committees under the Commanding General.

All the best to you,

Yours ever, [ROBERT MURPHY]

[Enclosure]

Memorandum by Major General Lucius D. Clay

[VERSAILLES?] 11 April 1945.

1. A chart is attached [31] herewith which shows the relationship of the Deputy Military Governor and the US Group Control Council to the Theater Staff which has been accepted in principle and is to be worked out in detail.

2. Under this arrangement the Deputy Military Governor would be adviser to the Chief of Staff and the Commanding General for Military Government within the US Zone of Occupation. For those functions pertaining exclusively to Military Government he would work directly through the G–5 Staff Divisions with the several command echelons.

3. In his capacity as Deputy to the Commanding General, he would represent the latter on the Coordinating [Committee of the?] Control Council, and would sit in all important meetings of that Council. He would be in direct charge of the US Group, assisted by a deputy who would remain constantly in Berlin.

4. In the initial stages the work of the Group Council will necessarily be devoted to developing working arrangements between the several Zones of Occupation. These working arrangements will undoubtedly be expanded and enlarged until some over-all governmental control machinery has been effected. As this takes place, the center of gravity of government may be expected to shift from the several Zones to Berlin. The proposed arrangement is sufficiently flexible to permit this shift. Moreover, it provides at the same time for full coordination between the Zone and the Group Council in Berlin.

5. G–5 Sections would continue their present responsibilities for the staff supervision of Military Government functions and would take over as military needs decrease functions now resting in other Staff Divisions. As an example, G–4 is now pushing war production in Germany. As the need for production for war ceases, the responsibility for controlling production for other purposes in the plants now devoted to war production would shift to G–5.

[31] Not printed.

6. Civilian personnel will be brought gradually into the G–5 Staff Divisions, which would be built up to become operating units if and when the governing of Germany shifts from military to civilian control.

7. Eventually, when responsibility for government is shifted to civilian agencies, the Deputy Military Governor, the Group Council, and the G–5 Sections could be carved out of the military command, leaving the latter intact to provide a complete framework for continued control of German government.

740.00119 Control (Germany)/4–1445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 14, 1945—9 p. m.
[Received April 15—11 a. m.]

1881. From Murphy. Following summarizes impressions obtained by Heath and Morris[32] from week's tour of occupied Germany bounded by Frankfurt, Kassel and Cologne areas.

The most serious current Military Government problem is that of displaced persons who are being collected and housed in many improvised camps in some cases under hardly tolerable conditions. Army's main concern has understandably been with offensive operations but it is beginning to solve urgent transportation problem involving repatriation of west European nationals. Providing sufficient transportation can be arranged and our troops meet Russian forces in near future thus permitting direct transfer of Russian nationals I believe this problem can be solved relatively quickly. Meanwhile it keeps Military Government personnel and even some combat troops from undertaking other important tasks. The serious political and humanitarian implications of this acute problem are receiving the urgent attention of the Allied High Command. We may however expect some vigorous complaint from the Russians and possibly other Allies over present treatment of their displaced nationals. Incidentally Russians are by far the most difficult to handle in view of their greater tendencies towards looting of and violence towards Germans. For this and other practical administrative reasons I believe our military authorities have taken the only course in, wherever possible, concentrating and temporarily virtually confining displaced persons.

The second serious situation is that Military Government detachments are badly undermanned; averaging probably only half minimum strength they have insufficient facilities and inferior standing vis-à-vis the combat and supply units. For months SHAEF's Civil Affairs

[32] Brewster H. Morris, Secretary of Mission on the staff of the United States Political Adviser for Germany (Murphy).

Division has tried without success to obtain sufficient personnel. With the termination of hostilities this situation should be remedied. Meanwhile existing Military Government detachments are contending manfully with their tasks and achieving fair success.

One minor problem facing certain detachments is that of occasional looting and vandalism not only by displaced persons but by troops despite the army and divisional orders that have been issued. I do not want to exaggerate these regrettable occurrences which are but a small incident of the total picture and undoubtedly a purely temporary phenomenon of the hostilities.

The destruction by aerial bombardment in the large cities such as Cologne and Kassel can scarcely be exaggerated. Nevertheless a percentage of the population continues to live in the large cities. Smaller cities which were bypassed or speedily captured present fewer or even no scars of war. The countryside generally presents an entirely peaceful picture with farmers engaged in spring plowing and cultivating. The population's general attitude is that the war is undoubtedly lost but contrary to some newspaper reports German people are not cringing but bear the difficulties of their present existence with rugged spirit.

In spite of Himmler's [33] propaganda for the werewolves [34] there were only one or two reports of apparent Nazi underground activity in the area visited. Many Germans have accepted active and advisory positions in Military Government without much immediate fear of reprisals. Nevertheless we must shortly provide more adequate protection for them. Otherwise Nazi underground will find many easy targets.

There was no evidence of real political organization apart from the Nazis in the sections visited.

In the Aachen District an experienced Social Democrat has just been named Acting Regierungs President and is trying to see to it that people are put into essential occupations and fed at least until new crops appear in his district. In Frankfurt Acting Bürgermeister Holbach a former *Frankfurter Zeitung* news editor is supported by an advisory council representing the Catholic and Protestant churches, the Communist Social Democratic and Center Parties, a Jew and representatives of I G Farben and Metallgesellschaft concerns. This council was the idea of the local American Military Government officer. An urgent need there and elsewhere is to proceed from a purely local (Land and Stadtkreis) to at least a district Regierungsbezirk Administration since certain localities have surpluses of food or other

[33] Heinrich Himmler, Chief of the German Elite Guard (SS) and of the Secret State Police (Gestapo), also Minister of the Interior.

[34] Secret underground organizations planned by certain Nazi leaders for opposition to the occupying powers.

essential supplies while in others dangerous shortages might quickly develop.

In general the picture is one of establishing preliminary control and denazification. There must be quantitative and qualitative additions to Military Government staff before really adequate control can be established. [Murphy.]

CAFFERY

740.0011 E.W./5–145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 1, 1945—5 p. m.
[Received 9 : 24 p. m.]

2252. From Murphy. SHAEF joint intelligence committee analyses the attitude of the bulk of the German population thus far as apathetic and docile. It is considered that there is no large scale security problem for the immediate future. No serious act of sabotage has been reported against the vast masses of Allied war material and dumps or against Allied pipe lines and communications. In many cases German civilian population and even field commanders have disobeyed orders to destroy installations.

On the other hand the German people seem utterly unrepentant and sunk in inconceivable ignorance of the deeds of their leaders and the hatred with which Germany is regarded in Europe. They are also indifferent to the plight of foreign workers and displaced persons and manifest arrogant indignation at the suggestion that Germany was responsible for the war and that she should now suffer for her misdeeds. The average German realizes that Germany is militarily defeated but does not admit that she is conquered. Many regard themselves as liberated from the horrors of war imposed on them from above for which they consider themselves not responsible. Children give the V sign to Allied troops and in Duisburg and Essen United States troops were received with cheers. During 10 years of Nazi rule Germans have acquired the habit of shutting their eyes as to what went on in the next street. Few admit knowledge of concentration camps and SS atrocities and they disown responsibility. They seem generally only too anxious to help military government and to rehabilitate their towns. In their eyes the only crime Germany has committed is to lose the war.

Many profess ignorance of events during the past years stating the belief that United States declared war on them and that Great Britain and France were plotting for years to attack Germany. They are grieved when foreign workers loot their goods and have to be fed. Even the Archbishop of Münster [35] is quoted as referring to all dis-

[35] Clemens Graf von Galen, Bishop of Münster.

placed persons as Russians and demanding that the Allies should afford Germany protection from these "inferior peoples."

Among the educated groups there is already gloating over difficulties confronting the Allies in their dealings with the Russians and it is clear that they will do all they can to poison Allied-Russian relations and play one off against the other. So far churches show no signs of taking initiative though individually priests have served temporarily in most of small communities as burgomeisters. Herr Zapp, late of notorious Transocean propaganda service in the United States and recently head of the Section for American Affairs in the German Foreign Office, now captured, said that he thought little could be expected from Protestant pastors or even from Catholic priests.

Nazi threats seem to have had little effect on German officials working for the Allies. The assassination of the Mayor of Aachen [36] caused no resignations and no further werewolf incidents have been reported.

Most acute problem still that of the displaced persons of whom over a million are in charge of the Allies. Temporarily food supplies are holding out. [Murphy.]

CAFFERY

740.00119 Control (Germany)/5–1045

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 351 [VERSAILLES,] May 10, 1945.

SIR: I have the honor to transmit herewith a copy of a paper issued from Headquarters of the European Theater of Operations on April 29, 1945, on the subject of "The Relationship of the Deputy Military Governor and the US Group Control Council (Germany) to the Theater Staff." [37]

From a study of this document, it is apparent that the many difficulties which have surrounded the question of the relationship of the Control Council to the Theater (Zone) Staff have been satisfactorily resolved so far as preliminary planning goes. By combining in the person of Lieutenant General Clay the three offices of Deputy Military Governor, Deputy Chief of Staff, and Commanding General of US Group CC, the Theater Staff as well as the US Group CC would come under the coordinated control of one person. Thus it is anticipated (see Par. 6 of the enclosed paper [38]) that if SHAEF is

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[36] Franz Oppenhof, non-Nazi Mayor of Aachen, had been killed by three German parachutists in uniform in late March.

[37] Not printed.

[38] Paragraph 6 anticipated that if SHAEF was terminated prior to the establishment of the Allied Control Authority "the US Group Control Council (Ger-

dissolved before the Control Council begins to operate,[39] the US Group CC will be regarded as the forward echelon of the staff of the Commanding General of the European Theater of Operations. In such case the development of policy for application in the U. S. Zone will be the responsibility of the Deputy Military Governor through the US Group CC and in coordination with other staff divisions.

Similarly, even after the establishment of the Control Council, the US Group CC, working under the Deputy Military Governor, will develop American policies for presentation to the Control Council and for application in the U. S. Zone when not superseded by agreement of the Allied control authority. (See Par. 9*c*.[40])

The troublesome question of channels of communication between US Group CC and German officials on the one hand and US Group CC and the Theater Staff on the other has been resolved in a rather liberal spirit by authorizing direct communication as well as the use of theater command channels. (See Pars. 9*d*, 9*c*, and 12.)

It is my belief that the arrangements specified in the enclosed paper will satisfactorily coordinate the efforts of the several groups which will be concerned with the development of policies and their execution in the U. S. Zone of occupied Germany and will remove all suggestion of friction or competition between such groups. This Mission was consulted in the drafting of the paper.[41]

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many) is the forward echelon of the staff of the Commanding General U[nited] S[tates] A[rmy] F[orces], E[uropean] T[heatre of] O[perations], which will act on matters relating to the establishment of Allied Control Authority in Germany. The Deputy Military Governor will represent the Commanding General, USAF, ETO, and will supervise the US Group Control Council (Germany) in maintaining contact with the other national components for the Allied Control Authority. Pending the establishment of the Allied Control Authority, the development of policies for application in the US Zone, consistent with US views, will be the responsibility of the Deputy Military Governor utilizing the US Group Control Council (Germany) and coordinating with other staff divisions."

[39] SHAEF was dissolved on July 14. The Allied Control Council held its first formal meeting on July 30; for a report on this meeting, see telegram 234, July 30, from Murphy, p. 820.

[40] Paragraph 9*c* reads: "Pending agreement on a multipartite basis, development of policies for Germany consistent with approved US views is the responsibility of the Deputy Military Governor using US Group Control Council (Germany) and coordinating the Theater staff divisions. Policies so developed, when approved by the Commanding General, USAF, ETO, will be utilized by the US Group Control Council (Germany) in its negotiations with the representatives of the other occupying powers and will govern activities in the US Zone, unless superseded by agreement of the Allied Control Authority."

[41] In a letter to Mr. Murphy, May 25, James W. Riddleberger expressed the Department's satisfaction with the above proposals. He said that concern over the possible lack of coordination between US Group CC and the Theater Staff had been allayed. "We are particularly pleased with the dual role of the Deputy Military Governor in the scheme and hope that the policy of personal union of corresponding offices in the US Group CC and the Theater Staff . . . will be extensively put into practice." (740.00119 Control(Germany)/5–2545)

In reply, Mr. Murphy reported to Mr. Riddleberger on June 21 that General Eisenhower had given his final approval to the proposals. "There are, of course, certain features of this relationship which may not work too smoothly in the beginning. As matters stand now, military government in the zone still rests with G–5 [Civil Affairs Division] ETOUSA. General Clay is Deputy

(Footnote continued on p. 940)

In view of the nature of the assignment of the Department's personnel to US Group CC, I wish to suggest that this report be given only limited circulation within the Department and that if its contents are discussed with any outside department or agency, reference to source be avoided.

Respectfully yours, ROBERT MURPHY

740.00119 Control (Germany)/5–1245 : Airgram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[VERSAILLES?] May 12, 1945.
[Received May 22—11 a. m.]

A–17. There is given here below for the Department's information the substance of instructions recently issued by SHAEF to the 21st, 12th and 6th Army Groups. These instructions order the rapid establishment of German administrative staffs on regional as well as local levels.

The real purpose of Military Government in Germany is not to take over and carry out the responsibilities of government with Allied military personnel but to set up controls over German Government which will make sure that the functions of government will be carried out by German personnel and civil agencies, excluding those who have, because of close Nazi ties, been removed.

It becomes even more imperative, with the cessation of hostilities, to re-establish German administrative functions doing away with the past political control of such functions.

To bring this about, the following are desired:

1. Regional Teams of Military Government should be activated and employed immediately where such teams have not yet been established, and given the mission to re-establish, at the regional level, the German administrative machinery.
2. It is particularly important that German administrative machinery be set up to permit the handling, in an effective way, of immediate problems at the regional level, to include effective utilization of available transport, distribution of food, and the re-establishment of industrial production to take care of military needs and to provide the minimum essential civil requirements in Germany.
3. Consideration must be given, in re-establishing German administrative machinery, to the most likely boundaries between Zones of Occupation; and re-establishment of these administrative functions

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(Footnote continued from p. 939)

Military Governor and has, you will note, the responsibility of securing coordination directly through the Assistant Chief of Staff, G–5, using both normal command and technical G–5 channels. The Chief of Staff of the Commanding General will, however, exercise a certain command authority in that connection. This relationship will have to be worked out in practice. Colloquially speaking this boils down to the problem of who will be the boss of G–5 ETOUSA." (740.00119 Control(Germany)/6–2145)

should permit a separation of administrative responsibility between the respective Zones of Occupation (when established) as the Allied Armies retire to their respective zones.

4. Boundaries of responsible military units should, to the full extent feasible with Army administration, be adjusted to conform to the regional administrative boundaries for Military Government, and to the regional administrative boundaries of the German administrative units.

5. It is essential, in order that the German administrative units may operate with the greatest efficiency possible, that those restrictions which do not permit inter-area travel and communication be lifted to the full extent consistent with military security. As these restrictions are lifted, responsibility for carrying out the functions of civil government under the orders of Military Government and subject to such spot-check system as may be instituted by Military Government, should be exchanged to German administrative agencies.

6. In order that this may be effected, the German administrative agencies so re-established should be given encouragement, and permitted to communicate inter-regionally through the established offices of Military Government, and these latter offices should be given authorization to communicate directly with each other, regardless of the Military Commander to which they are responsible, on problems of civil government.

7. Far more personnel than can be made available from military sources will be required for the successful government of Germany, and it can be carried out only through the prompt creation of qualified German staffs under such controls as will insure, for the treatment of Germany, the full execution of the presently established policies.

MURPHY

740.00119 Control (Germany)/6–345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, June 3, 1945—2 p. m.
[Received 7 : 45 p. m.]

3268. From Heath. The matter of permitting political activity in Germany with respect to which the Supreme Commander possesses discretionary authority under CCS 551[42] was discussed in a G–5 SHAEF meeting today in view of questions that have been raised by Mil Govt detachments in the field. The present prescriptions by which these detachments are governed are contained in the SHAEF Directive for Military Govt in Germany prior to defeat or surrender of Nov. 9 (despatch No. 73, Jan 17, 1945[43]) and by para 100 of the *Handbook*.[44] These are being followed in the US area in the sense of

[42] For text of this document, see memorandum by the U.S. and U.K. Representatives to the European Advisory Commission, May 15, 1944, *Foreign Relations*, 1944, vol. I, p. 217.

[43] Not printed.

[44] Reference is to the *Handbook for Military Government in Germany* (1944), prepared in SHAEF.

prohibiting all forms of political activity and to extent indeed that in Munich a notice was posted forbidding any political organization specifying that anti-Fascist organizations were included. On the other hand some detachments in other areas feel that renewal of political activity should be permitted.

G–5 officers feel that it is still too early to allow this by SHAEF instruction. They point out that most of the detachments have not had sufficient experience and that the situation with regard to political movements is as yet too uncertain. At our suggestion however G–5 will consider requesting the detachments to make a survey of the problem with a view to obtaining their opinions as to advisability of renewed political activity (excluding of course Nazi activity) and the consequences that might be expected to follow. It was felt this would have the additional advantage of making detachment officers conscious of the questions they may ultimately have to face in handling political groups. With respect to trade unions G–5 feels that these should be kept as non-political as possible at the beginning and it is studying the question of providing guarantees for this purpose as well as for the purpose of excluding union racketeers. Incidentally there are indications that Brit in some of their areas are following line of paragraph 2 of their counter-proposal to our JCS 1067 [46] which subject to considerations of military security permits political activity but forbids public meetings and demonstrations.[47] [Heath.]

CAFFERY

740.00119 Control (Germany)/6–345

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 456 [FRANKFURT?] [48] June 3, 1945.
[Received June 12.]

SIR: I have the honor to transmit for the Department's information a copy of a directive from Headquarters, European Theater of Opera-

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[46] For text of British counter-proposal, see p. 521.

[47] For a subsequent report on the question of banning political activity in Germany, see airgram 63, June 28, 1945, from Murphy, *Conference of Berlin (Potsdam)*, vol. I, p. 472.

[48] During the latter part of May and the first part of June, the Political Division of U.S. Group C.C. was moved in stages from Versailles to Hoechst, a district of Frankfurt-am-Main. Mr. Murphy's own office was moved to SHAEF in Frankfurt. This move was necessitated by the gradual closing down of SHAEF Headquarters in Versailles, and the transfer of the American element to Frankfurt, where it became Headquarters, U.S. Forces in the European Theater (USFET) after the dissolution of SHAEF on July 14.

tions, United States Army, dated May 24, 1945,[49] setting forth the organization for the Military Government of the United States Zone and other areas in Germany in which United States forces are deployed.

The purpose or mission is stated to be the establishment of an organization to apply and administer efficiently approved policy to the Military Government of Germany and to establish the allocation of responsibility within that organization. The plan is to be made effective when Combined Command is terminated and prior to that time it is to be developed as far as practicable without violating existing SHAEF policies.

Within the United States Zone in Germany it is the Theater Staff of the Commanding General, USAF, ETO, which is charged with the execution, implementation and supervision of approved United States and Allied control authority policy. Specifically, within the Theater Staff, G–5 is directed to develop basic policies for, to prepare directives and instructions for, and to supervise for the General Staff, activities pertaining to Military Government control in liberated countries and pertaining to Military Government control and supervision generally over the German civil government within the United States Zone in Germany. In the exercise of these controls and supervision, the fields of activity are:

(1) Local Government, German civil service, public safety, public health, postal services, education and religious affairs.
(2) Public finance, public and private financial institutions, foreign exchange, accounting and auditing, currency and financial intelligence.
(3) German courts, Military Government courts and prisons.
(4) United Nations displaced persons, German refugees and German welfare agencies.
(5) Economic affairs, including supplies for civilian needs, production of food, trade, labor, local civilian road transport and, except as assigned to G–4, production, transportation and communication.
(6) Restorations and reparations, property and preservation and restoration of monuments, fine arts and archives.

In view of the nature of the assignment of the Department's personnel to US Group CC, I wish to suggest that this directive be given only limited circulation within the Department and that if its contents are discussed with any outside department or agency, reference to source be avoided.

Respectfully yours,

For the Ambassador:
DONALD R. HEATH
Counselor

[49] Copy of directive not printed; the directive itself was dated May 13, and the covering memorandum transmitting it to the Commanding General of the 12th Army Group was dated May 24.

740.00119 Control (Germany)/6–1245

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 474 [FRANKFURT?] June 12, 1945.
[Received June 19.]

SIR: As of interest to the Department, I have the honor to enclose a copy of a communication to SHAEF from the U.S. Military Government Detachment at Heidelberg transmitting a report [50] drafted by a German informant which seeks to demonstrate the success of Russian propaganda in Germany.

This report develops logically the propaganda advantage which the Russians at present enjoy and for this reason is worthy of careful study. While nothing is known here concerning the reliability of the German author of the report, it will of course be realized that the arguments he stresses are just those which many Germans would readily employ in playing the Russians off against the Americans and the British. Nevertheless the problem he deals with is recognized as a most serious one and is being closely followed by the Psychological Warfare Division of this headquarters which may shortly transmit its conclusions and suggestions to higher authorities in Washington.

It may be mentioned that less glowing reports of conditions in the Russian area are being brought back by Germans who have recently come across the Allied lines. These are gaining circulation slowly and, of course, do not have the same widespread effect as the Russian radio propaganda from Berlin.

Captain Haskell's [51] covering letter contains several points of interest, in particular his account of Russian action in explaining to the Germans that the Allies and not the Soviets were responsible for the bombing of German cities. Note has been taken here of Captain Haskell's statement that "a dangerous surge toward communism in the Russian sense has taken place in the last two weeks." This assertion is not considered to be generally valid as regards the Allied area of occupation, but a close watch of political trends in this direction will be kept by the Intelligence Branch of G–5, SHAEF.

Respectfully yours, ROBERT MURPHY

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[50] Neither printed.
[51] Capt. E. H. Haskell, Commanding Officer, Military Government Detachment, Heidelberg.

740.00119 Control (Germany)/6–1345

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 476 [FRANKFURT?] June 13, 1945.
[Received June 26.]

SIR: I have the honor to transmit for your information a copy of a memorandum prepared by Major Harold Zink on the basis of a visit to a number of Military Government detachments in Bavaria. Major Zink represented the Political Division on a survey party sent out under the joint auspices of the US Group CC and SHAEF to observe the operation of Military Government in Bavaria, especially on the Regierungsbezirk and Land levels.

The survey party, headed by Mr. Lewis Douglas and Major General O. P. Echols, had excellent facilities placed at its disposal and received the fullest cooperation from the Military Government detachments in the field. It spent eight days, with morning, afternoon, and evening sessions on the survey and discussed Military Government problems with approximately one hundred officers, both in group meetings and in individual conferences.

Upon the conclusion of its fieldwork the survey party reported directly to Lt. General L. D. Clay, Commanding General of the US Group CC and Deputy Chief of Staff of SHAEF. It recommended that Military Government be freed from tactical interference below the Army level at the earliest possible time, that experts be sent to make a detailed study of the financial situation, that a commission be sent to Bavaria to oversee and coordinate the denazification program, and that greater effort should be made to acquaint the Military Government detachments with American policies in regard to various aspects of Military Government.

I believe that the attached memorandum may serve to furnish considerable information on a number of problems now confronting Military Government which are of concern to the Department.

Respectfully yours, ROBERT MURPHY

[Enclosure]

Extracts From a Memorandum From Major Harold Zink to Donald R. Heath, Reporting on a Survey of Military Government in Bavaria, 27 May–3 June 1945

[VERSAILLES?] 10 June 1945.

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Generally speaking the party encountered a most cooperative attitude. Some reference was made to the time consumed in receiving Congressional parties, with the implication that visitors in general

were becoming a nuisance, but the reception accorded this particular party was such that it seemed that the visit was welcomed as being of real assistance. A certain reticence on the part of the Military Government detachments was noticeable; thus when the offer was made by Mr. Douglas of the loan of specialists from the US Group CC to assist the detachments in meeting their problems, little or no response was forthcoming, despite the reiterated pleas for additional personnel.

2. *General.* The general impression made by the several Military Government detachments in Bavaria was favorable; indeed it was my own feeling in the light of contact with the personnel of the detachments in the past that they are doing a remarkably good job, having recovered more than could be reasonably expected from the low morale occasioned by the long delay in using their services and other factors. The level of the various detachments varies somewhat as is to be expected, with the RB [52] detachment at Augsburg perhaps least effective and the Land detachment at Munich probably the outstanding group. More than the variation among the various detachments is the degree of difference among the members of a single detachment. Some of the individual members impressed the survey party on the basis of their grasp of the problems they are charged with handling, their able leadership, their sound judgment, and their general personal qualities. Others, on the other hand, seemed to have a very slight idea of what they were trying to do, lacked force, and in general seemed inadequate. It is obviously difficult and unfair to judge on the basis of the comparatively brief contact which the survey party had, but some strengthening of the detachments is probably desirable. On the whole, the members of the detachments have little knowledge of German institutions and culture beyond what they have acquired during their training and that is not especially impressive. It would be very valuable if some members at least could possess such background, but the supply of such persons is not large anywhere and particularly limited in the Army. It would be unrealistic to expect any considerable change in this particular, though it might be feasible to see what could be done about securing a single officer with such background for the larger detachments. Col. Chamberlain of the US Group CC, who is at present assisting the Munich Stadtkreis detachment in meeting a more or less acute public safety problem, remarked on the difficulty of proceeding without knowledge of the general political picture in Bavaria over a period of ten years or more and asked for the names of Germans who could be relied on for such information. If we have no officers of our own available with such knowledge, such sources will have to be depended on, but a few experts in our own services to check any such

[52] Regierungsbezirk.

information would be exceedingly valuable. Most of the detachments are distinctly understaffed at least for this initial period when so much is required in the way of organization and additional personnel would be helpful. Some headway is being made in meeting this lack by attaching surplus officers from tactical units to the detachments.

The detachments in the Third Army are confronted with a partial failure on the part of the tactical units to recognize the role of Military Government. The result is that tactical commanders, even down to company level, go so far as to remove Bürgermeisters or order the appointment of German officials. The new directive[53] setting up technical channels for Military Government below the Army level, if put into effect shortly, should correct this situation. The Seventh Army is already distinctly Military Government conscious, offers full cooperation to Military Government detachments, and has already put the above directive into effect.

3. *Establishment of German Governmental Machinery.* It is probable that Military Government has proceeded more rapidly than was generally expected. At least in many quarters there was an opinion that the operations of Military Government, insofar as they involved setting up German governmental agencies, would be limited to the Landkreise and Stadtkreise during the first few months. However, a few weeks saw the Regierungsbezirk coming into the foreground more or less everywhere and at present the Land Bavaria is in the process of being organized. The opinion has been expressed that due caution should be used in going ahead too rapidly. Moreover, some have interpreted the recent activity in the direction of establishing RB and Land governmental machinery as dictated more by the impatience of Military Government personnel than by actual necessity or prudence. It was the unanimous judgment of the survey party that there is real justification for setting up the German governmental system as far as the Land level, at least to the extent that machinery for handling food, finance, transportation, and probably health, welfare, labor, education, and public safety is concerned. Both food and finance are very serious problems which cannot possibly be handled with any degree of adequacy on the Kreis level. The survey party found that the initial steps in setting up RB governments are being undertaken throughout Bavaria. A Minister President has been named for Land Bavaria[54] together with a Food Director; it is expected that heads of the ministries of Interior, Finance, Education and Religious Affairs, and Economics will be chosen shortly—in the meantime the Minister President is handling the affairs of some of these. A Vice Regierungspräsident has been named at Regensburg

[53] Reference here is apparently to the directive reported on in despatch 456, June 3, from Murphy, p. 942.

[54] Fritz Schaeffer.

and a Regierungspräsident at Ansbach; at Augsburg such a selection was expected within a few days. A great deal remains to be done before any effective German governmental machinery on the RB and Land levels can be expected. Virtually all of the key administrative posts remain to be filled, since their former occupants were Nazis and hence are not available. A certain number of lower and intermediate civil servants are either already functioning or available, but much remains to be done before anything like full staffs can be operating with vetted personnel. The survey party had the opportunity of talking to the Minister President and Food Director of Land Bavaria, the Regierungspräsident of Ansbach, and the Oberbürgermeister of Regensburg. It is obviously difficult to appraise officials on the basis of such contacts, even when a common language is used; the use of an interpreter adds considerably to the hazard. In general these German officials are advanced in age and consequently lack the vigor and resilience that are to be expected at an earlier age. It may be wondered how they will stand up under the terrifically difficult problems which they will be called upon to handle. Yet it is almost inevitable that men of this age group be selected because of the contamination of younger men with Nazi associations. Several of these German officials at least seemed more than a little in the toils of the spirit of German bureaucracy and hence were inclined to think in terms of the past rather than of future requirements. This is unfortunate and will complicate the successful operation of the Military Government program, but it is certainly not surprising. Whether Germans of younger age and less traditional and restricted outlook can be found even after every avenue has been explored is a big question. The present selections are probably as satisfactory as can be expected under the initial circumstances.

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5. *Political Problems.* . . . In no case did we receive any more than passing reference to political problems. It may be that the detachments are not sufficiently conscious of the local situation and that political problems actually are pressing. Our contacts were not such that we were in a position to judge, though we certainly gained the impression that most of the officers had reasonably good local knowledge. In Augsburg it was stated that some local political organizations asked to be permitted to recommend persons for office. They were told that they could not be recognized as parties, but that any lists of names they furnished would be received and indeed welcomed. Such lists were supplied. It was reported that in a few instances political groups had to be informed that no meeting could be permitted at this stage. But there was no indication of any urgency in this field. It should be stressed that the situation is developing rapidly and that such problems may become acute before long. Here

again the lack of familiarity on the part of Military Government officers of German political history is a handicap. In those instances where a detachment has an officer responsible for political intelligence there was little evidence that much was being done. Usually such an officer has several other duties which receive his major attention. There seems to be real need to establish some sort of political reporting which will be available to the Military Government officers. At present they do not receive reports even from G–2 [55] and OSS. It does not seem probable in the opinion of the survey party that the detachments themselves can be relied on for any organized system of political reporting. In this connection it may be noted that the Catholic hierarchy seems to be distinctly fearful of leftwing activity and tends to lump Social Democrats, Communists, etc. into a single category. The Catholic bishop of Regensburg was outspoken in denunciation of all of these groups and expressed the fear that they would become potent because of the strict policy followed by the United States in contrast to that of the USSR; he remarked on the influence of the Russian broadcasts reporting on the higher food ration, the opening of amusements, the more friendly treatment accorded Germans, etc. in Berlin.

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740.00119 Control (Germany)/7–545

Memorandum by the Secretary of State to President Truman

[WASHINGTON,] July 5, 1945.

This Government's policies for treatment of Germany are set forth in two basic documents—a general directive to the U.S. Commander in Chief regarding military government of Germany, and an instruction to the U.S. representative on the Reparation Commission.[56] A general directive for Austria has also been prepared by an Informal Policy Committee on Germany [57] consisting of representatives of State, War, Navy, Treasury and FEA, reflect the substantial measure of agreement which has been reached among the executive departments on basic policies toward Germany and Austria. Such agreement was accomplished through a process of thorough discussion of the many questions of basic policy which are involved. This process of extended interdepartmental deliberation, while appropriate in the formulation of basic policies, is not well adapted to

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[55] Intelligence Section.

[56] See pp. 484 and 1222, respectively.

[57] See directive to Commander in Chief of U.S. Forces of Occupation regarding the Military Government of Austria, designated IPCOG 9/2, dated June 23, 1945, *Conference of Berlin (Potsdam)*, vol. I, p. 337.

the handling of the day-to-day questions which are now arising in increasing volume.

It is of pressing importance that we establish in Washington an operating mechanism which can rapidly and efficiently provide guidance to the American Commanders in Germany and Austria and to our representatives on such Allied bodies as the Reparation Commission and the European Advisory Commission. Unless such a mechanism is established, we shall be seriously hampered in our negotiations to develop agreed Allied policies toward Germany and Austria.

Accordingly, we recommend that the Department of State and the War Department be authorized to carry out, pursuant to basic policies determined by you, the necessary direction of our activities and negotiations pertaining to treatment of Germany and Austria. The Department of State, by reason of its responsibility to you for carrying out the foreign policy of the United States, would deal primarily with the policy aspects of the questions which will arise. The War Department, by reason of the military responsibility for control of Germany and Austria, would deal primarily with the executive and administrative aspects of such questions. Any proposed modifications in basic policy would be submitted to you for consideration.

The above recommendation would terminate the existing Informal Policy Committee on Germany. It would be the responsibility of the Department of State to consult with other civilian departments and agencies on matters of appropriate concern to them.

I will appreciate being informed whether you approve the above recommendation.

I am informed that the Secretary of War, who is at present out of the city, has discussed this matter with you in person and agrees with the above recommendation.

740.00119 Control (Germany)/7–2145

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 673 FRANKFURT, July 21, 1945.
[Received August 6.]

SIR: I have the honor to transmit a memorandum by a member of my staff on observations on the situation in Munich, together with an appendix on the views of leading Social Democrats in Munich. This material throws some further light on potentialities for political action and the balance of forces in Bavaria, though naturally no accurate

appraisal of popular support for the tendencies discussed can be made at this time.

Respectfully yours, ROBERT MURPHY

[Enclosure]

Memorandum by Mr. Brewster Morris, Secretary of Mission, Office of the United States Political Adviser for Germany

[FRANKFURT,] July 16, 1945.

During the recent visit to Munich of Captain Richey [59] and myself we had an opportunity to talk to a great many Germans, including ordinary workers and other civilians, political leaders and Germans employed in the Military Government administration.

As regards the present ban on political activity, we were interested to note that except for the Communists (Free Germany group) who are vociferous in demanding that political activity be permitted, practically all other Germans we spoke to favor the present ban. In so doing, they argue that the German people have many more vital activities to concern themselves with at present, in particular the provision of food, housing and the like, and also that following over twelve years of no political activity, the average German is at present totally unprepared for it. In other words, life must first get back to normal.

These views are interesting, though in considering them from the point of view of American policy, we should of course bear in mind the fact that political activity is now being permitted in the Russian Zone, and presumably with a view to giving dominating power to only one group, the Free Germany Movement.[60]

My own opinion is that, though we need not worry about this problem of political activity in the immediate future, there are other more serious reasons for concern. The present economic and social dislocation, and particularly the suffering and possible chaos which will probably develop in the next year or two, particularly next winter, together with our negative, hesitating policy toward Germany, including the field of propaganda, may well tend to swing large masses of the German people to the extreme political camps of both Right and Left. At the same time Russian propaganda will probably continue to paint a rosy picture, giving promises of hope for the future, all of which will help accelerate this movement.

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[59] Capt. Homer G. Richey was a member of Mr. Murphy's staff.

[60] For documentation relating to political activity in the Soviet zone, see pp. 1033 ff.

As regards Russian propaganda, I was interested to note that although many Bavarians still listen with great eagerness to the Berlin broadcasts and to propaganda apparently disseminated by local Communist circles, some news of the really difficult conditions in the Soviet Zone is beginning to filter into Bavaria, brought back by returning civilians and German soldiers.

Following my observations in the Munich area, I should like to go on record as advocating a relaxation in our present non-fraternization policy. As reported General Smith [61] has just submitted a report to General Clay on the Military Government of Bavaria under the direction of Colonel Keegan, with particular reference to the problems of denazification, appointments of Germans, and public relations, including the American press.[62]

As regards the Bavarian Freedom Action Committee (FAB), local Military Government authorities believe this movement is now pretty well under control. As a matter of fact, its two leaders are secretly doing some work for Military Government, in the field of denazification and helping round up SS [63] troops in the mountains.

Though the Werewolves appear to be quiet as yet, one or two leaflets have been turned into CIC [64] warning Germans not to cooperate with Military Government and signed by "Adolf Hitler Freikorps." I am attaching a short report [65] on the views of the local leading Social Democrats, and also preparing a separate report on the local Free Germany group.

BREWSTER MORRIS

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[61] Brig. Gen. Luther Smith was Chief of G–5 Section, U.S. Group, Control Council.

[62] In telegram 164, July 14, 10 p. m., from Hoechst, Mr. Murphy reported that, due to press criticism of the Military Government in Bavaria, General Clay had appointed an investigating board to inquire into the situation. Brewster Morris, of Mr. Murphy's staff, had been chosen a member of this board and summarized its findings for Murphy. Concerning denazification, the Military Government authorities had failed to carry out effectively the relatively radical policy directive under which they were to operate. Regarding the new appointments of German officials in Bavaria, the various religious faiths had been fairly represented; Communists and Social Democrats were represented more by accident than by design. Finally, the board felt that the public relations of Col. Charles E. Keegan, Head of the Regional Military Government, had not been adequately handled, thus leaving him and his administration open to criticism, often based on ignorance of the enormity of Military Government problems. (740.00119 Control (Germany)/7–1445)

[63] Schutzstaffeln, Elite Corps (Black Shirts) of the Nazi Party, used for military and police purposes.

[64] Counter Intelligence Corps.

[65] Not printed.

740.00119 Control (Germany)/7–2445 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

HOECHST, July 24, 1945—6 p. m.
[Received 8:30 p. m.]

212. This office is not a "separate establishment" in Germany as stated in the Dept's No. 138 of July 19, 6 p. m.[66] In effect there will be two offices, that of "United States Political Adviser, US Group Control Council (Germany)" at Berlin "United States Political Adviser, US Forces European Theater (USFET)" at Frankfurt. These offices come under, respectively, the American element of the Control Council and the American Theater Command. When consular offices are opened in Munich, Stuttgart, Frankfurt and Bremen, they will be independent offices as far as the Dept is concerned but by Military Government in Germany they will be considered as under the supervision of the Office of the United States Political Adviser.

The need of opening consular offices in other zones is as great as in the American area and perhaps greater in view of political reporting. As to the feasibility of opening offices in the other zones, it is believed that there will be little difficulty, if any, with the British and French, but based on the history of our efforts to open Consulates in Russia, we can expect difficulty in the latter's zone.

With regard to the use of consular titles, especially in connection with citizenship and notarial services, it is believed that the title will be necessary in view of the pertinent US and state statutes. In this connection see my cable No. 205 of July 23, 1 a. m., 1945,[67] concerning the opening of four Consulates in Germany. What "venue" should be used in notarizing documents?

While some time in August the Office of the Political Adviser, US Group Control Council will move in entirety to Berlin, at the present time the bulk of the staff is still at Hoechst (Frankfurt) with only a small staff at Berlin.[68] Consideration will also be given to establishing a Consulate in the Berlin US zone to care for consular services.

MURPHY

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[66] Not printed; the portion of the telegram relevant here reads: "As your office is now a separate establishment in Germany and in view of contemplated opening of consular offices in the American zone, Department would appreciate receiving your recommendations regarding (1) an appropriate name for your office (2) feasibility of opening and need for offices in other zones and (3) use of consular titles and performance of consular duties by officers stationed in Germany." (740.00119 Control (Germany)/7–1945)

[67] Not found in Department files.

[68] In telegram 279, August 8, from Frankfurt, Mr. Murphy reported that effective August 9 the Office of Political Adviser, U.S. Group, Control Council (Germany) would be moved to Berlin where the Headquarters of U.S. Group C.C. was opening. Mr. Murphy added: "This move entails the greater part of my staff but I shall, of course, contrive to maintain a portion of staff at theater

(Footnote continued on p. 954)

740.00119 Control (Germany)/7–3045

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 722 FRANKFURT, July 30, 1945.
[Received August 22.]

SIR: I have the honor to transmit herewith copies of an OSS report [69] setting forth the views of Konrad Adenauer [70] on the Allied occupation policy and of ways in which its execution may be improved.

Adenauer stresses the importance of uniform policies for the government of all zones, and the need for a quick revival of transportation to alleviate the threatened food shortage. To accomplish our mission in Germany he declares that we must set the kind of example we expect to be followed, and that some hope of a modest living, together with opportunities for amusement and education, must be offered the Germans to prevent their further moral and intellectual disintegration.

It is believed that these views, coming as they do from a prominent anti-Nazi and, on the whole, a sympathetic exponent of our point of view, will be of considerable interest to the Department.

Respectfully, ROBERT MURPHY

The Commanding General, United States Forces, European Theater (Eisenhower) to the War Department [71]

FRANKFURT, 7 August 1945—9:30 a. m.
[Received August 8.]

SC–6037. 1. The Report of the Tripartite Conference at Berlin includes provisions that "all Democratic political parties with rights of assembly and of public discussion shall be allowed and encouraged throughout Germany" and that "subject to the maintenance of military security the formation of free trade unions shall be permitted".[72]

(Footnote continued from p. 953)

headquarters in Frankfurt in my capacity as Political Adviser to Commanding General USFET. As the Dept. is aware, Military Govt in the American zone is under command of USFET at Frankfurt. This, of course, requires the attention of our office which operates in daily consultation with G–5 [Civil Affairs Division] USFET." (740.00119 Control (Germany)/8–845)

[69] Not printed.

[70] Oberbürgermeister of Cologne.

[71] Copy of this telegram obtained from the Department of the Army files. This military telegram was directed to the Commanding Generals of the Eastern and Western Military Districts and sent for information to the Adjutant General, War Department, and the U.S. Group, Control Council.

Telegram 274, August 8, 6 p. m., from Frankfurt, directed the attention of the Department of State to this military telegram (740.00119 Control (Germany)/8–845).

[72] Quotations are taken from section III, paragraphs 9 (ii) and 10 of the Report; for texts, see *Conference of Berlin (Potsdam)*, vol. II, pp. 1503–1504.

2. You will accordingly permit, upon application, the formation of Democratic political parties to engage in political activities at the Kreis level. Section III of the directive of this headquarters, dated 7 July 1945, "Administration of Military Government in the U.S. Zone in Germany", is modified accordingly.[73]

3. You shall also grant permissions to form trade unions in accordance with the conditions specified in Amendment Number One to SHAEF Military Government Technical Manual for Labor Officers, 1 August 1945. The requirement of submission to this headquarters of requests for permission to form trade unions contained in such Amendment number 1 and in par. 1*b* of Part 4 of section XV of the directive of 7 July is hereby withdrawn.

4. You shall also authorize, upon application, public meetings for either of the foregoing purposes, subject to the necessity for maintaining public order and military security.

5. Authority to carry out these provisions shall be delegated by you to Kreis Military Government Detachments, except that you will delegate authority to permit formation of any trade unions only to Military Government Detachments with a labor officer, and of trade unions with jurisdiction beyond a Kreis, only to Regional Military Government Detachments.

6. Reports shall be made to this headquarters of all political parties and trade unions authorized and of any denial of applications for permission to form political parties, or trade unions or to hold public meetings as authorized by this directive.

7. The directive of 7 July 1945, amendments and supplements thereto, the SHAEF *Handbook for Military Government*, and the *Military Government Technical Manuals* are removed from the restricted classification.

8. Detailed amendments to the directive of 7 July 1945 are in progress of preparation to reflect changes in policy resulting from the Tripartite Conference at Berlin.

9. Please acknowledge and advise USFET when your instructions have reached all MG Detachments.

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[73] A copy of this directive was enclosed with despatch 626, July 13, from Mr. Murphy, neither printed. Section III prohibited political party activity until authorized by USFET Headquarters. No political party was to have any part in determining Military Government policies, but local Military Government officials were to encourage "the formation of small advisory groups composed of representatives of ascertained anti-Nazi views . . ." Such groups were expected to prove helpful in development of democratic processes (740.00119 Control (Germany)/7–1345).

728–099—68——61

740.00119 Control (Germany)/8–1545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 15, 1945—4 p. m.
[Received August 17—7 : 30 a. m.]

305. The following are my comments on the questions raised in Department's 214, August 2, 6 p. m.: [74]

For practical purposes, the title of my office has no direct importance to the functions expected of me by the Department, and I prefer not to raise this question with the military at this time but shall do so at the first opportune moment. There is no reason why it should not be referred to [as?] "American Mission to Germany" for administrative purposes.

Officers assigned to my staff should be commissioned as Secretaries of Mission and will be interchangeable between the US GCC (Group Control Council) office in Berlin and PolAd (Political Adviser) office, USFET (United States Forces European Theater), Frankfurt. Those assigned specifically to the Consular Section at Berlin should be given dual status, that is, both Diplomatic and Consular. To avoid misunderstanding with the military, the Consul General in Frankfurt should not be accorded diplomatic status. His functions will be separate from those of the PolAd's (Political Adviser's) office at USFET (United States Forces European Theater), Frankfurt.

It is assumed that the US Political Adviser will exercise supervisory consular functions through the senior consular officer attached to his immediate staff in Berlin.

I have informally discussed with my colleagues, the British Political Adviser,[75] the question of opening Consulates in our respective zones and agree that care must be exercised regarding the titles which would be used for the consular officers in preliminary stage. Under present abnormal conditions consular representatives are dependent on the military authorities for practically every facility, communications, transportation, housing and food. Housing particularly is in short supply. The Control Council has not as yet considered the question of foreign consular representation in Germany but until it does it is desired to avoid publicity referring to the offices which the British and ourselves propose to open in our respective zones as Consulates.[76] Strang and I believe that a designation such as a "Representative of

[74] Not printed; in addition to the questions it raised, which are dealt with below, it authorized the reopening of Consulates in Stuttgart and Bremen, and Consulates General in Frankfurt and Munich, as well as a Consular Section in Berlin (740.00119 Control (Germany)/7–2345).

[75] Sir William Strang.

[76] For documentation on negotiations regarding the representation of foreign countries in Germany, see pp. 1084 ff.

the Political Adviser" would be satisfactory temporarily. We could thus start at once assembling, organizing and training consular personnel and setting up offices in Munich, Frankfurt, Stuttgart, Bremen and Hamburg which would perform the customary consular functions. When the time comes for their formal opening as Consulates and Consulates General, they would be fully equipped to assume their responsibilities.

I would appreciate the Dept's advice regarding the availability of consular personnel for Munich, Frankfurt, Stuttgart, Bremen, Berlin and Hamburg.

MURPHY

740.00119 Control (Germany)/8–1845

Memorandum by the Assistant Secretary of State (Dunn)

[WASHINGTON,] August 18, 1945.

The Secretary informed me this morning that on July 16th at Potsdam the President approved of the termination of the Informal Policy Committee on Germany, and the substitution therefor, in order to provide for expeditious dealing with questions which come up in connection with the carrying out of the duties of the control council, of a committee composed of representatives of the State Department and the War Department, with the secretary of this new group to be appointed by the State Department and to be responsible for seeing that matters connected with Germany are dealt with promptly and efficiently. The Treasury Department, the Navy Department, and the Foreign Economic Administration should be notified of the termination of the Informal Policy Committee on Germany.[77]

JAMES CLEMENT DUNN

740.00119 Control (Germany)/8–2045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 20, 1945—8 p. m.
[Received August 20—2 : 03 p. m.]

328. In line with General Eisenhower's policy of promoting the introduction of civilian elements into the Military Government organization the Assistant Chief of Staff,[78] G–5, USFET, has requested me to assign an officer to the western and eastern military district headquarters at Heidelberg and Munich respectively. These officers will

[77] Marginal handwritten note by Assistant Secretary Dunn opposite the final sentence of the memorandum reads as follows: "This should be done *informally*. J C D".

[78] Brig. Gen. Clarence L. Adcock.

act as local advisers on policy and Military Government affairs reporting to our office at Frankfurt.

MURPHY

740.00119 Control (Germany)/8–3045

Memorandum by the Secretary of State to President Truman

WASHINGTON, August 30, 1945.

On July 16 at Potsdam you approved a memorandum reading substantially as follows:

". . . [79] that the Department of State and the War Department be authorized to carry out, pursuant to basic policies determined by the President the necessary direction of our activities and negotiations pertaining to treatment of Germany and Austria. The Department of State, by reason of its responsibility to the President for carrying out the foreign policy of the United States, would deal primarily with the policy aspects of the questions which will arise. The War Department, by reason of the military responsibility for control of Germany and Austria, would deal primarily with the executive and administrative aspects of such questions. Any proposed modifications in basic policy would be submitted to the President for consideration.

"The above recommendation would terminate the existing Informal Policy Committee on Germany. It would be the responsibility of the Department of State to consult with other civilian departments and agencies on matters of appropriate concern to them."

In order to make certain that my understanding on this matter is clear, and that we have a formal indication of your approval for our records, I would appreciate it if you would indicate your approval below.

JAMES F. BYRNES

Approved: Harry Truman.

740.00119 Control (Germany)/8–3145

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 896 FRANKFURT, August 31, 1945.

[Received September 20.]

SIR: With reference to my despatch 626 of July 13 forwarding a copy of the directive of July 7 [80] regarding the Administration of Military Government in the US Zone in Germany, I have the honor to enclose a copy of a circular instruction dated August 27 [81] issued

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[79] Omission indicated in the original memorandum.

[80] Neither despatch nor directive printed, but for the substance of section III of the July 7 directive, see footnote 73, p. 955.

[81] Not printed.

by Headquarters, USFET, amending certain sections of the July 7 directive.

These amendments were made to bring the July 7 directive into accord with the decisions of the Potsdam Conference, and it is suggested the Department will wish to give them close study. Particular attention is invited to amended Section III of the directive (Encl 2 attached circular [82]) which lays down the policies and procedures to be applied with respect to the revival of authorized German political activity in the US Zone. The amended Section III was prepared in consultation with me.

The Department will also find of interest the provisions of the following numbered paragraphs of the USFET circular directive:

Paragraph 3, on questions of policy relating to decentralization, the development of local responsibility and the progressive reintroduction of local self-government.[83]

Paragraph 9, on coordination between the Länder with respect to uniformity of civil service regulations, procedures and operations.[84]

Paragraph 7, stating that all practical measures will be taken to reopen all eight grades of the elementary schools by not later than October 1, 1945.

Paragraph 8, providing that any member of the German clergy engaging in unauthorized political activity should in principle be treated in the same manner as any other person guilty of such activity.

Paragraph 9*b*, stating that the resumption of the civilian postal service in the US Zone should be conducted to facilitate coordinated operation, under central control, of the Reichspost for all of Germany.

Paragraph 12, regarding trade union activity.[85]

The Department will also be interested in the amended Section I of the July 7 directive in which is set forth a re-statement of the

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[82] Not printed. In brief, the amended section III authorized local Military Government officials to permit formation of democratic political parties on the Kreis level. For a fuller analysis of this question, see J. F. J. Gillen, *State and Local Government in West Germany, 1945–1953* (Office of the U.S. High Commissioner for Germany, 1953), pp. 5–7.

[83] This paragraph provided that: "*a.* The Administration of affairs in Germany should be directed towards the decentralization of the political structure and the development of local responsibility, with a view to the eventual reconstruction of German political life on a democratic basis. *b.* Local self-government shall be restored throughout Germany on democratic principles and in particular through elective councils as rapidly as is consistent with military security and the purposes of military occupation. . . ."

[84] To insure such coordination, these civil service processes had to be channeled and cleared successively by German civil service officials through the Regional Military Government Detachment and then through G–5, USFET.

[85] Paragraph 12 specified that, subject to military security considerations, permission for formation of free trade unions was to be granted. Such unions could be authorized by the appropriate military government officials on the Kreis, Regierungsbezirk, or Regional Military Government Detachment levels, depending on the jurisdiction of the proposed union. Unions with jurisdiction beyond the regional level would have to be authorized by USFET Headquarters. Reports on permission or denial of applications of trade unions were to be forwarded to USFET Headquarters.

Paragraph 13 rescinded trade union provisions contained in War Department telegram SC–6037, August 7, p. 954.

objectives of Military Government in the light of the Potsdam Conference decisions.[86]

Respectfully yours, ROBERT MURPHY

740.00119 Control (Germany)/9–845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 8, 1945—8 p. m.
[Received September 8—6:10 p. m.]

474. For the Dept's information. In Divisional Directors' meeting this morning, General Clay announced that his goal was to make the US Group CC a completely civilian organization by July 1, 1946. While he was directing all reserve officers desiring to continue in this work to apply for an immediate return to civilian status now, every effort will be made to reduce the present personnel of Group CC to a minimum. He stated that Group CC and Military Govt were overstaffed and that a special manpower board would be appointed to accelerate personnel reductions. At present, some 12,000 officers and men are employed in Military Govt in the zone. General Clay said he thought this number should be reduced to about 6,000 by February 1. Members of both Foreign Affairs Subcommittees and the Appropriations Committee which recently visited Berlin evinced a critical interest in the size of the Group staff.

MURPHY

740.00119 Control (Germany)/9–845 : Airgram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 8, 1945.
[Received September 27—6 p. m.]

A–189. Intelligence reports constantly suggest that while all non-Nazi Germans welcome our denazification policy, they are often critical of its application. They feel it is too "schematic" and too rigid with insufficient provision for making numerous exceptions to the general rules. Germans usually feel that many persons who were only nominal Nazis are falling under the axe unjustly and that some

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[86] The new amendment of section I involved no fundamental change in the general and principal objectives of the occupation which were reiterated to be those of governing a defeated nation and the assurance that Germany would never again threaten her neighbors or the peace of the world. The August 27 directive did elaborate upon certain subjects such as denazification and demilitarization, punishment of war criminals and Nazi leaders, and preparation for a democratic Germany.

active Nazis are being missed. They sometimes fail to realize that it is much easier for them to judge the real attitudes of their compatriots than it is for Military Government and that they could be of assistance in precisely this field.

Thus, a rumor has been circulating in Coburg that a new United States order will oust all NSDAP members who joined the Party prior to May 1937. This policy is criticized as being arbitrary and not penalizing those whom it intends to punish. Germans in Coburg say that people who joined the Party in 1933 did so under the influence of a mass movement and without full knowledge of what the Party stood for. Those who joined after 1938 on the other hand were fully informed about Nazism and its operations and acquiesced in all the Party stood for.

In other quarters the foregoing arguments are reversed. Those who joined the Party in later years are excused as having done so under pressure as contrasted with those who voluntarily joined during the early years of the movement.

There is apparently no agreement among Germans as to how far the denazification program should be carried. Two things seem chiefly to irritate them: What appears to their uncritical eyes to be mass discharges and penalties applied to all Party members regardless of individual merits of the case, and the unavoidable lack of uniformity in the application of the denazification policy in different localities.

MURPHY

740.00119 Control (Germany)/9–1245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 12, 1945—7 p. m.
[Received September 12—4 : 25 p. m.]

506. On General Clay's initiative, after discussion with me, a plan whose details will be made public in the near future has been prepared in US Group CC and approved by General Clay for the holding of a series of elections in Germany next winter and spring. This plan calls for the holding of elections in all of the Gemeinde in the American zone in January next for the selection of councillors (Gemeinderaete). Councillors will similarly be elected in each Landkreis in March next while Stadtkreis council elections will be held during May 1945 [*1946*]. The plan leaves the exact day of the month on which elections should be held to the discretion of the Military Government

detachment commander concerned. He must also certify that the proposed election is consistent with military security.

In the period intervening between now and January, election legislation and machinery will be provided by new local government codes now in process of being drafted in each land. Registration of the electors will be based on the present system of police registration.

This plan for holding Gemeinde elections next January has met with opposition from some experts on the grounds that the German people will not yet be ready for such widespread elections at that time and that the dead of winter is an unsuitable time at which to ascertain the political sentiments of the population. Clay has insistently argued for the earlier date and I have concurred, in view of the positive terms of the Potsdam Declaration [87] regarding restoration of local self-government and elective principles as rapidly as is consistent with the purposes of military occupation and the fact that the mid-winter elections will concern only the small, and in the main rural, communities in our zone where food and shelter are less of a problem. There is also the practical experience in Military Government that in order to get action and thinking on projects of this sort promptly under way it is sometimes well to set the target date too early.

This measure has not yet been discussed with representatives of the other occupying powers but will be brought up informally in the Political Directorate. It is contemplated as a purely American measure. I shall keep the Department informed of further developments in this matter, and would appreciate its suggestion.[88]

MURPHY

740.00119 Control (Germany)/9–1845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 18, 1945—10 p. m.
[Received September 19—10:20 a. m.]

559. Office of Political Affairs has concurred in proposal to set up committee comprised of representatives of United States Group Control Council, G–5 Section, USFET (United States Forces European Theater) and Headquarters, Seventh Army to study administrative

[87] See section III, paragraph 9 of the Report on the Tripartite Conference of Berlin, printed in *Conference of Berlin (Potsdam)*, vol. II, p. 1503.

[88] Subsequently, on September 20, a Military Government directive was issued, designed to implement the election plan by specifying the pertinent provisions regarding the elections which were to be inserted into new local government codes to be prepared by German Land authorities subject to the approval of Military Government officials. Copies of the directive were enclosed with despatch 1196, October 26, from Berlin (740.00119 Control (Germany)/10–2645). The main portion of the directive is printed in James K. Pollock and James H. Meisel, (eds.), *Germany Under Occupation* (Ann Arbor, 1947), p. 139.

and political problems of Land Württemberg-Baden and to draw up instructions for Military Government official in dealing with problems involving also the parts of those Laender lying in the French zone. Muccio will represent this office on the committee.

Serious administrative problems exist in the Württemberg-Baden area because of the zone boundary which cuts both Laender in two.[89] The regional military officer favors joint administration and certain local *ad hoc* joint arrangements have been worked out in Württemberg.

It is believed that three main methods exist for the solution of the problem of governing these two territories, each of which has a background of political and administrative unity. The first of these, joint French and American control of two Laender, involves great difficulties. A second method would be a new delimitation of the occupation zones which would, say, leave Württemberg in the United States zone and Baden in the French zone. This method would undoubtedly be opposed by the military authorities who, as the Dept will recall, resisted the transfer of northern Baden to the French zone on the ground that such action would seriously conflict with communication facilities and necessary supply routes to the eastern military district (Bavaria). A third method would be for the French to turn over their section of Württemberg to the American zone. In this case they would naturally wish unhampered access to their zone in Austria.[90] However, we have not met difficulties in our very extensive crossing of the British zone and it is believed that French transit of our zone could be made similarly free from difficulty.

MURPHY

740.00119 Control (Germany)/9–1245 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, September 19, 1945—8 p. m.

507. Urtel 506, Sept. 12. Dept is pleased to learn of plans for holding of local elections in American-occupied zone in Germany. Following suggestions are submitted for your consideration:

1. We believe that Gemeinde elections should be held as soon as possible. In view of possible adverse weather conditions in January, it is suggested that, if electoral plans and stage of organization of political parties were to permit Gemeinde elections should be held in November. Otherwise Gemeinde elections should be held as soon as preparations and weather conditions permit, by March at the latest.

[89] For documentation pertaining to the establishment of a French zone of occupation in Germany, see pp. 160 ff.

[90] For documentation pertaining to the establishment of a French zone of occupation in Austria, see pp. 1 ff.

2. If in certain Stadtkreise circumstances permit the holding of elections at the same time as in the Gemeinde, it might be useful to hold such Stadtkreise elections at that time rather than several months later. Since the political composition of the electorate in Stadtkreise is likely to differ considerably from that in the Gemeinde, simultaneous elections would enable us to ascertain more readily the present political state of mind of the German population in our zone.

3. We would appreciate further information on the matter of registration of electors. We would suggest that qualifications be introduced excluding from suffrage (*a*) all persons who are clearly transients in the community, and (*b*) all persons liable to arrest or removal from office under the denazification program.

4. We assume that the possibility of determining election results in accordance with method of proportional representation, similar to that used under Weimar Republic, has been under consideration. It is believed that use of proportional representation at present time might help bring about that: (*a*) no one party acquire too predominant position, (*b*) no party assume in any way role of opposition to occupation administration, (*c*) no bloc of parties be formed under coercion.

5. It would obviously be desirable if similar elections using similar electoral methods were to take place in the other zones at approximately the same time. If feasible, you should seek correlated action on the part of occupation authorities in other zones and adapt your own election plans thereto.

ACHESON

740.00119 Control (Germany)/9–2245

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 22, 1945—7 p. m.
[Received September 22—3:30 p. m.]

586. General Clay has spoken to me about the matter of channels for instructions from our Government to the United States Group Control Council. He has noted a tendency for the Department of State recently to send instructions through me as a channel and he believes that this practice is confusing and bound to lead to difficulties. I have been very frank with him in stating that I try to keep the Department promptly and fully informed of the United States Group's activities and he is in entire accord that I should. When I telegraph the Department about a given subject I suppose that it is only natural for it to reply in the form of an instruction. However, in the interest of harmony I think that it would be best for the

Department, if you agree, to handle instructions regarding major policy matters especially through the War Department to Clay. You will fully understand the sensitivity that exists regarding jurisdiction. I feel that our present relationship is excellent and I am perfectly willing to go along with Clay on the basis he suggests.

MURPHY

740.00119 Control (Germany)/9–2245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

FRANKFURT, September 22, 1945.
[Received September 22—12 : 30 p. m.]

62. USFET (United States Forces European Theater) has ordered the reorganization of the US western military district into two German states (Laender) to include respectively a Land Württemberg-Baden as already set up, and a new Land of "Greater Hessen".[91] See our despatch 519 June 30.[92] Land Greater Hessen includes former Land Hessen and US portions of provinces of Kurhessen and Nassau. G–5 representative has announced that no city has yet been selected as capital of Land Greater Hessen but several possibilities are being studied. He also indicated that a civilian administrative president for the area will be named shortly.

MURPHY

740.00119 Control (Germany)/9–2245

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1001 Berlin, September 22, 1945.
[Received October 11.]

SIR: I have the honor to transmit, for the Department's information, a copy of a report [93] which Dr. James K. Pollock, Chief of the Governmental Structure Branch, Civil Administration Division, U. S. Group Control Council, made on his inspection trip through the American Zone during the latter half of August, and a Memorandum [93] of the Civil Administration Division, dated 19 September, reporting the action taken thus far on the various recommendations contained in

[91] Text of Proclamation No. 2 by General Eisenhower, September 19, 1945, setting up the three states of Greater Hessen, Württemberg-Baden, and Bavaria, is printed in Pollock and Meisel, *Germany Under Occupation*, p. 119.
[92] *Conference of Berlin (Potsdam)*, vol. I, p. 474.
[93] Not printed.

the report. The latter Memorandum is accompanied by two staff studies [94] relating to individual topics taken up in it.

Dr. Pollock's inspection, made after four months of occupation and at a time when the victory in the Pacific had suddenly accelerated the already massive troop movements and forced drastic changes of military personnel and policy, threw a number of problems and shortcomings of Military Government into sharp relief. The main substance of the report lies possibly in its broad conclusion stated in the initial sentence and elaborated in detail later on, that Military Government was less advanced than had been expected. Many—perhaps most—of the difficulties lay in the internal organization and functioning of Military Government itself and did not relate to matters of policy. Of special interest, however, are the observations concerning the participation of Germans in government. In paragraph A.1.*c.* it is stated in some detail that German administrative officials had been given too little opportunity and responsibility for administration; "too much work is still being done by Americans". On the other hand, it was noted in paragraph A.1.*e.* that the almost universal judgment of both Military Government and German officials in the matter of elections was to put them off until late spring.

The second paper, listing the corrective measures taken, is largely self-explanatory. The following notes, however, supplement at some points the information given:

1. Use of Advisory Committees. This Mission has concurred in provisions for the creation and use of Advisory Committees, to be incorporated in a Letter of Instruction designed to explain and clarify existing directives bearing on political activity. It is the belief of Civil Administration Division that the use of such committees to advise German administrative officials—the Bürgermeister, Landräte, and Stadträte—would be a helpful preliminary lesson in the functioning of democratic local government which could take place prior to the elections.

2. Württemberg-Baden Committee. The Committee appointed to study the problems of Land Württemberg-Baden, reported in my secret telegram No. 558 [*559*], of September 18, 10 a. m. [*p. m.*], has begun its work. Mr. John J. Muccio represents this Mission on the Committee. The staff study proposing the creation of the Committee, in which we concurred, is attached.[95]

3. Landkreis Lindau. The problem of Landkreis Lindau is a minor one compared to some of the others dealt with. It consists in the fact that this Landkreis, until recently an integral part of the Bavarian Regierungsbezirk Schwaben, has been included in the French Zone. Many administrative difficulties have arisen for the people of the Landkreis because all of the administrative connections have hitherto been with Bavaria and Regierungsbezirk Schwaben. Some local Military Government opinion there is thought to favor

[94] Neither printed.
[95] Not printed.

return of the Kreis to Land Bayern with adequate provisions for French transit to their Zone in Austria. It may be observed that this is very closely connected with the problem of southern Württemberg mentioned in my secret telegram No. 558 [*559*], September 18, 10 a. m. [*p. m.*], referred to above.

4. Unification of Land Hessen and Provinz Hessen-Nassau. A copy of the staff study and recommendation on this subject, in which this Mission concurred, is attached.[96]

In view of the nature of the assignment of the Department's personnel to U. S. Group Control Council, I wish to suggest that the enclosures to this despatch be given only limited circulation within the Department and that if its contents are discussed with any outside department or agency, reference to source be avoided.

Respectfully yours, ROBERT MURPHY

740.00119 Control (Germany)/9–2545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 25, 1945—9 p. m.
[Received 9:30 p. m.]

618. Reference Dept's telegram 507, September 19. Following comments appear pertinent in connection with Dept's helpful suggestions for holding elections in American zone:

1. We are pushing with all possible speed towards the earliest introduction of practical democratic processes in Germany. All plans, however, are retarded by the complete disorganization of German life including communications and transportation. Under the adverse conditions therefore, the drafting, submission, and approval of codes for the Laender and the organization of election machinery cannot be completed in time to hold elections before January at the earliest. Organization of political parties in most parts of US zone is still tenuous and preliminary, and it would appear desirable to allow an interim of three or four months for further organization and political education and for more discussion among the Germans of political issues involved. Reports indicate a continuing state of political apathy, which it would be desirable to overcome before holding elections.

2. I thoroughly agree with Dept's opinion that simultaneous elections would give a better composite picture of political outlook of German population. However, it would seem unwise to have elections in urban districts held in midwinter or early spring when food, fuel, and shelter conditions will probably be very bad, with resulting undesirable political tendencies. These effects will be less marked in

[96] Not printed.

rural population. Foregoing considerations led to decision to postpone Stadtkreis elections until late spring.

3. No policy has yet been decided upon in the matter of suffrage qualification, pending submission of proposed election codes by Laender. Present thinking tends toward grant of franchise to transients, however. So large a proportion of population falls into transient category that disqualification would result in disenfranchising unfairly large number of Germans. Until conditions permit establishment of legal residence by hundreds of thousands of refugees, it seems fairer to permit all otherwise qualified adults to vote. Suffrage should be on the most democratic basis possible. As for excluding from the suffrage persons liable to arrest or removal from office, the Civil Administration Division of US Group Control Commission [*Council*] takes the line it would be impracticable to carry out such process at the polls as it would involve examination and investigation of every individual voter. The only alternative would be to exclude all members of the Nazi Party and this would disqualify large numbers of purely nominal Nazis without adequate justification.

4. Possibility of using proportional representation methods is, of course, being explored. It is pertinent to point out, however, that proportional representation favors growth of many parties. By preventing predominance of one party, it almost forces formation of political coalition or bloc, which is the very result we seek to discourage. All sides of this question will be given further consideration.

5. I shall be very glad to present our plans to the other occupation authorities and seek correlated action in other zones. The complexities of the question and certain differences of views of Four Powers are of course obvious to Department.

MURPHY

740.00119 Control (Germany)/9–2545 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 1, 1945—8 p. m.

576. Dept appreciates receiving detailed information on election plans contained in urtel 618, Sep 25.

Dept is concerned about intention to allow suffrage to persons liable to arrest or removal from office under denazification program. Whatever the practical difficulties may be, we deem it of utmost importance that all active Nazis as defined by the arrest and removal categories be excluded from suffrage. We recognize that it is not necessary to exclude all former members of the Nazi party, many of whom were merely nominal Nazis.

In our view, active Nazis should be formally deprived for the time being of civil and political rights in accordance with familiar practices of German criminal law. Such deprivation should include forfeiture of suffrage, of eligibility to public or quasi-public office, and of right to be designated as jurors or lay justices, as set forth in Depts CAC [97]–298, Oct. 12, 1944 entitled Treatment and Status of Former Nazis.[98]

It seems to us essential to successful reintroduction of democratic processes in Germany that those elements of the population should be excluded from suffrage who as active Nazis demonstrated their anti-democratic convictions and who may be expected to endeavor as in the past to utilize democratic procedures in order to sabotage democracy.

We urge reconsideration of election plans in this regard and wish you to report further to us on this matter.

ACHESON

740.00119 Control (Germany)/10–145

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1050 BERLIN, October 1, 1945.
[Received October 11.]

SIR: I have the honor to refer to my telegram no. 654 of September 30, 6 p. m.,[99] reporting that the Deputy Military Governor had announced a USFET Directive dated September 26, 1945, by which, effective October 1, the US Group Control Council (Germany) is designated "Office of Military Government for Germany (U.S.)"; the G–5 Division of USFET as the "Office of Military Government (U.S. Zone)"; and the various Military Government detachments as

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[97] Country and Area Committee, Department of State.

[98] This document, not printed, represented the views of the Inter-Divisional Committee on Germany. One of its basic aims was to distinguish between nominal and active Nazis for purposes of treatment during the occupation period because "a severe and uniform disablement would tend to consolidate both elements of the Party in a militant nationalist opposition, which might be so strong as to diminish, if not preclude, the hope of instituting a democratic system and a new orientation in Germany's foreign relations."

An appendix to CAC–298 contained a list of categories of active Nazis. The following definition of an active Nazi was given: "In a general way an active Nazi under the Third Reich may be defined as one who took part in the systematic propagation of National Socialist ideas, helped to formulate Nazi policy or had a major responsibility in its execution, or otherwise worked willingly to promote or to impose the Nazi program." The number in this category, it was speculated, would probably fall between two and three million, perhaps less than the lower figure taking into consideration deaths incident to the war. Nominal Nazis would number several million. (Secretariat Files)

[99] Not printed.

"Office of Military Government for ——". A copy of this Directive is attached.[1]

I understand that this is the first step in a general plan of reorganization of U.S. Military Government in Germany separating Military Government from the occupational Military Commands. It will be noted from the Directive enclosed that all instructions to the Commanding Generals in the Eastern and Western Military Districts will continue to be issued through command, technical and functional channels as heretofore. However, it is the intention of the Military Governor to establish a chain of command for Military Government distinct from military channels.[2]

Attention is called to paragraph 5, explaining that with the development of central German administrative departments, the establishment of common policies by the Allied Control Authority, and the strengthening of the German Laender administrations, it will eventually be desirable to consolidate the Office of Military Government (U.S. Zone) with the Office of Military Government for Germany (U.S.) in Berlin.

Study is now being given to the desirability of turning over to Germans many of the functions now being handled by Military Government detachments in the field. The Department will be kept promptly informed of developments in this regard.

The Deputy Military Governor has informed me that he aims to move towards making Military Government a civilian organization, with July 1, 1946 as the target for complete conversion. Both General Eisenhower and General Clay have emphasized at recent meetings that the prime purpose of occupation forces in Germany today is to support Military Government, and have also urged the military to depend upon the Political Adviser for guidance. In line with their specific request, I have sent Mr. Parker W. Buhrman as my representative to the Third Army Command (General Patton) at Munich. Mr. John Utter was enroûte to the Seventh Army Command (General Keyes) at Heidelberg in a similar capacity when he received his transfer orders. I am now sending Mr. Brewster Morris there temporarily but cannot very well spare him from the vital political work Berlin District and the Ministerial Collecting Center have also re- he is charged with here in Berlin. The Commanding General of the quested that I furnish them a member of my staff to advise on political matters.

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[1]Enclosure not printed.

[2] In despatch 1579, December 27, from Berlin, Mr. Murphy reported one other change in the organization of U.S. Military Government structure. Effective January 1, 1946, full command and supervision of Military Government offices in the U.S. zone passed from the Commanding Generals of the Eastern and Western Military Districts to the Directors of the Offices of Military Government for Bavaria, Württemberg-Baden and Greater Hesse. (740.00119 Control-Germany)/12-2745)

In view of the Military Governor's specific instructions that the military depend more and more on officers of the Department of State for political guidance, I anticipate further similar requests from other Army commands. With my present limited staff, I cannot possibly spare any qualified officers for this vital work. I feel strongly that the Department and its Foreign Service should not fail to assist the military at this delicate period of Military Government and expose itself to the possible criticism later of not having cooperated fully with the Army. It is urged therefore that the Department send without delay the ten consular officers slated for posts in Germany, named in its telegraphic instruction no. 376 of August 30.[3] Also, that the Department select and send me at least three additional young Foreign Service or Auxiliary officers who have aptitude for political work in involved, delicate situations such as we face here in Berlin today.

Respectfully yours, ROBERT MURPHY

740.00119 Control (Germany)/10–345 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 3, 1945—7 p. m.
[Received 7 : 20 p. m.]

680. At the request of General Clay, I made a visit to Munich last week for the purpose of investigating the newspaper reports and other criticisms which had been developing regarding the Bavarian Government's alleged failure to de-Nazify. Most of the newspaper agitation was inspired by Victor Bernstein of *PM*,[4] Ray Daniell of *New York Times*, Ed Morgan of *Chicago Daily News* and Carl Levin of *New York Herald Tribune*.

It has been apparent for some time past that General Patton[5] and members of his staff might not be in sympathy with some features of our policy, especially de-Nazification. At the same time, it has been difficult for Frankfurt and Berlin often to ascertain the facts, due to lack of adequate reporting by the Bavarian Military Government detachment. With our small staff, we have not been able to cover the situation as I would have liked. Recently Parker Buhrman has been assigned to Munich and is rapidly becoming acquainted with the details of the situation.

I spent 3 days in Munich and after conversations with Patton and Military Government officers, as well as with representatives of the

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[3] Not printed.
[4] New York newspaper.
[5] Gen. George S. Patton, Commanding General, U.S. Third Army, occupying the Eastern Military District in Germany. Announcement had already been made of General Patton's transfer to command of the U.S. Fifteenth Army in Germany.

Social Democrat, Communist and Christian Socialist Union (formerly the Bavarian Volkspartei) groups, I recommended that Minister President Schaeffer be relieved [6] and that immediate action should be taken to improve and strengthen the composition of the Bavarian Government. I suggested that the number of Departments be increased from 5 to 8 or possibly 9. As it has been constituted, it was not representative nor adequate to meet its responsibilities. There have been recently only 3 so-called Ministers in office—that is, Fritz Schaeffer, former Minister President who acted also as Minister of Finance; Karl Lange, Minister of Economics; and Albert Rosshaupter, Minister of Labor. The latter is a Social Democrat; Schaeffer and Lange, Bavarian Volkspartei. I had conversations with these three, as well as with Bruno Goldhammer, ostensibly the leader of the Bavarian Communist group, Joseph Mueller, leader of the Left Wing of Bavarian Volkspartei now called the Christian Social Union, and Wilhelm Hoegner, Social Democrat. After these conversations, I had intended to recommend Rosshaupter as successor to Shaeffer, on the ground that he is the senior member of the Socialist Democratic group with an excellent record, including a long and painful internment in Dachau. General Eisenhower, however, decided in favor of Hoegner. Rosshaupter, it seemed to me, was more eager to form a working coalition of the three Bavarian groups, whereas Hoegner thought that the Communist element would not as yet be prepared to assume the responsibility of office. Before my departure from Munich, Hoegner at my request promised that he would try to include respective elements from the three groups in proportion to their apparent relative popular strength. Goldhammer informed me that he doubted that his committee would be willing to have any of its members participate in the government unless we would agree to postpone the communal election in Bavaria, the target date for which is January 1; he stated the opinion that this date is far too early to permit of satisfactory organization of party activities which up to the present have been limited to the Stadtkreis level. He urged that party

[6] In telegram 536, September 15, 9 p. m., from Berlin, Mr. Murphy reported General Clay's initial reaction at a U.S. Group Control Council, Divisional Directors' meeting that morning to the news of Fritz Schaeffer's resignation. "He [Clay] had just received telephone news prior to the meeting that Schaeffer had resigned as Minister President of Bavaria. Schaeffer had done a good job and he did not know exactly the reasons for his resignation, but Schaeffer was a conservative, opposed to holding any elections for a period of two years, and had criticized the difficulties caused Bavarian Administration by the progress of our denazification program." (740.00119 Control (Germany)/9–1545)

Subsequently, however, in telegram 57, September 21, 11 a. m., from Frankfurt, Mr. Murphy related that, although G–5, USFET, had been prepared to accept the resignation, the Third Army had apparently "patched matters up." He said that USFET had sent a representative to examine the entire question of Schaeffer's staying on. (740.00119 Control (Germany)/9–2145)

activity on a state basis be authorized immediately and hoped that the Communist groups would be permitted to function under a title such as Bavarian Communist Volkspartei.

Hoegner demonstrates eagerness to carry out our policies and vigorously to prosecute the policy of de-Nazification. As the Department is aware, Hoegner left Germany in June 1933 and thereafter resided in Austria and Switzerland. He was assisted returning to Munich from Zurich by the OSS on June 6, 1945.

My investigation revealed that some newspaper versions of the attitude and activities of the Bavarian Government were exaggerated. Schaeffer told me, and this seems to be borne out by the facts, that he personally had examined and approved some 5,000 questionnaires relating to Bavarian public officials, and that our Military Government detachment on review of these had only disapproved one. As the Department is also aware, Schaeffer was never a member of the National Socialist Party and, in fact, had been incarcerated himself by the Nazis in Dachau. A detailed report will be made by mail regarding the record of the recent Bavarian Government, and I shall here only mention the fact that during its tenure 49887 Bavarian Nazi officials were removed from office. It seemed to me that the public relations officers of the Third Army had failed to bring out more affirmative information about the accomplishments of the Military Government, and a more serious effort along these lines will be undertaken in the future. I also emphasized that a greater burden should be laid on the Bavarian Government in the execution of our policies and that it be given greater facilities and authority. In the judicial field, I urged that it was particularly necessary to promote the organization of the courts and the prosecution of certain arrest categories. Hoegner has manifested a particular interest in this field, and it is believed that his performance will be satisfactory. As the Department is undoubtedly aware General Patton is being relieved of the command of the Third Army. He will be replaced by Lieutenant General Lucien Truscott.

MURPHY

740.00119 Control (Germany)/10–545

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1066 BERLIN, October 5, 1945.
[Received October 22—2:10 p. m.]

SIR: I have the honor to report that on September 24, 1945 in a simple but dignified public ceremony held at the Headquarters of the Regional Military Government, the officers of the German Land Gov-

ernment for the Land North Wuerttemberg-Baden were installed at Stuttgart. The German officials for this Land Government are:

Dr. Reinhold Maier, Minister-President for North Wuerttemberg-Baden and Minister of Finance,
Herr Fritz Ulrich, Minister of the Interior,
Dr. Josef Beyerle, Minister of Justice,
Herr Josef Andre, Minister of Economics,
Dr. Theodor Heuss, Minister of Culture, and
Herr Otto Steinmayer, Minister of Posts.

In his address to the new German Land hierarchy, Colonel W. W. Dawson, Regional Military Government Officer, charged them with the challenge "Make Democracy Work". Both Colonel Dawson and Minister-President Maier called attention to the almost insurmountable difficulties arising out of the present division of the states of Wuerttemberg and Baden into American and French Zones. In this regard, Minister-President Maier said

"the people of Wuerttemberg and Baden without distinction and unanimously look upon the temporary division of their lands as the greatest misfortune that has come to them and as the bitterest pill they have had to swallow as a result of the war."

The text of the addresses of Colonel Dawson and Minister-President Maier are enclosed.[7]

A Special Committee, composed of representatives of the US Group Control Council, G–5 USFET, and Headquarters, Seventh Army, have just made a study of the administrative and political problems arising out of this division and the attempt to organize a single Land Government to administer the two American areas in North Wuerttemberg and North Baden. (See my telegram no. 558 [*559*], dated September 18, 10 p. m.) The Report of this Committee, on which I was represented by Mr. Muccio, is being submitted to the Department under separate despatch.[7]

The delay in selecting and installing a German Government for the Land North Wuerttemberg-Baden was due to several complexities, arising from the endeavor to adjust local peculiarities to general directives of Military Government. For several months temporary heads of Land departments, first under the French, and since July 13 under American authorities, have been acting as directors of several Land activities. These departments, now incorporated into the German Land Government created by American Military Government, have extended their influences—with the acquiescence of the French—into the French-controlled areas of South Wuerttemberg. This was the first problem encountered. The second arose from the directive

[7] Not printed.

that North Baden and North Wuerttemberg are to be administered as one Land. A start has now been made toward integrating North Baden into the territory governed from Stuttgart. This process is at its very beginning and little has thus far been done in terms of actual administration of North Baden from Stuttgart. There are two Military Government detachments, one at Mannheim and another at Karlsruhe, with a Landesbezirk government at each city. Coordination between North Baden and North Wuerttemberg is to be achieved by having the Landesbezirk präsidents from Karlsruhe and from Mannheim represent North Baden in the Land Government with the rank of "ministers without portfolios". These two officials have not yet been selected, so no representatives from North Baden attended this ceremony. A further class of difficulties delaying the organization of the German Land Government arose from the uncertainty as to how to handle the several administrative services which overlap the French and American areas. Further confusing the complex situation has been the constant stream of rumors of changes in the line of demarcation between French and American zones. These special problems are discussed in detail in the Committee Report referred to above.

With this installation, we now have two German Government administrations, one for the whole of Bavaria, including the Landkreis of Lindau, and the other for North Wuerttemberg–Baden. As reported in my despatch no. 1052 of October 3, 1945,[8] instructions have been issued for the coordination of the administration of the balance of the area of Hessen and Hessen–Nassau within the American Zone of Occupation into a third Land to be known as Greater Hessen (Grosshessen). The organization of a centralized German administration for this third Land, however, has not yet been undertaken. I shall keep the Department fully informed of developments in this regard.

Respectfully yours, ROBERT MURPHY

740.00119 Control (Germany)/10–745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 7, 1945—4 p. m.
[Received October 7—11:59 a. m.]

707. Reference Dept's 576 dated October 1. Dept's views on suffrage qualifications are helpful as this matter will shortly come up for decision on this matter.

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[8] Not printed.

My 618 of September 25 inadvertently referred to intention to grant voting rights to persons in arrest categories. It was intention of course to exclude such persons but not those in removal categories. In compliance with Dept's views, I shall of course advise exclusion of Nazis in automatic removal categories as well as those in automatic arrest categories. The difficulties of enforcing the exclusion of such categories will be obvious to the Dept. Adequate lists which could serve as a basis for challenging would-be voters at the polls do not exist. Brand new election machinery and organization must be improvised in very brief time. Furthermore not all persons in automatic removal categories were active Nazis. In fact under current directives removed persons may be reappointed to office after appeal by Military Government if they are found to be only nominal Nazis. Forthcoming election codes may possibly contain provisions restoring political rights to such persons as are thus cleared.

There is one aspect of the problem which the Dept's telegram does not touch and on which I should like guidance. If persons in the mandatory removal categories are denied the suffrage on the ground that they were active and dangerous Nazis, should not the right to vote be denied likewise to all persons removed from private enterprise under order quoted in my 627 of September 26?[9] The Dept's views would be appreciated.

There is of course the possibility that suffrage may be denied all Nazi Party members, including nominal members. In the Dept's opinion should the latter view be given support?

MURPHY

740.00119 Control (Germany)/10–845

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1071 BERLIN, October 8, 1945.
[Received October 22.]

SIR: I have the honor to enclose a copy of a memorandum[10] concerning the United States enclave of Bremen which has been prepared by Dr. James K. Pollock, Chief of the Government Structure Branch of the Civil Administration Division, Office of Military Government For Germany (U.S.).

After the original tripartite agreement on zones of occupation had allocated Bremen and Bremerhaven to the United States, certain

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[9] This telegram contained the text of Military Government—Germany, United States Zone Law No. 8, dealing with prohibition of employment of members of the Nazi Party in positions in business other than ordinary labor and for other purposes, which had been promulgated on that date. For text, see Pollock and Meisel, *Germany Under Occupation*, p. 178.

[10] Not printed.

American Naval officers thought it desirable that, for security reasons, United States forces should occupy the shores along which our seaborne traffic passes in and out of the two ports. As a consequence of representations to the British military authorities, the United States enclave was enlarged to include not only the Stadtkreise of Bremen and Bremerhaven but also two Landkreise from Hannover (Wesermuende and Osterholz) and one Landkreis from Oldenburg (Wesermarsch).[11]

Dr. Pollock in his memorandum points out that considerable administrative confusion has resulted from the separation of these Kreise from their normal administrative relationships. In the absence of a single German authority for the enclave the only coordination of the activities of these disparate units is that provided by Military Government. That coordination, however, is necessarily limited and incomplete. Consequently, in the operation of various special administrative services enclave boundaries are being disregarded in some cases, such as railways, justice and food and agriculture, while in other cases the use of the enclave boundaries is cutting the established lines of German administrative responsibility.

Virtually all of the administrative problems now confronting the American administration in the enclave arise, in Dr. Pollock's opinion, from the unnecessary expansion of the United States area of occupation beyond the Stadtkreis of Bremen and the dock areas of Bremerhaven.

Dr. Pollock has recommended that all of the territory of the enclave except Bremen and the dock areas of Bremerhaven be returned to the British zone after the necessary arrangements are made for the efficient operation of the ports, and that all the special administrative services be returned in so far as feasible to the system obtaining prior to occupation and subjected to more effective supervision through better liaison with the neighboring British authorities.

Dr. Pollock's recommendations are now being studied by Headquarters, United States Forces European Theater in Frankfurt.[12]

Respectfully yours, ROBERT MURPHY

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[11] For texts of the Protocol between the United States, the United Kingdom, and the Soviet Union on the Zones of Occupation in Germany and Administration of the "Greater Berlin" area signed at London, September 12, 1944, the Amending Agreement signed at London, November 14, 1944, and the Amending Agreement between the three signatory powers and the Provisional Government of the French Republic, signed at London, July 26, 1945, see Department of State, Treaties and Other International Acts Series No. 3071, or *United States Treaties and Other International Agreements*, vol. v. (pt. 2), p. 2078. For documentation, see *Foreign Relations*, 1944, vol. I, pp. 100 ff.; and *ante*, pp. 160 ff.

For documentation concerning the Agreement regarding the Bremen-Bremerhaven Enclave approved by the Combined Chiefs of Staff February 6, 1945, see *Conferences at Malta and Yalta*, pp. 131, 198–201, 440, 592–593, 635, and 638–639.

[12] For text of the subsequent Anglo-American Agreement on Military Government responsibility in the Bremen Enclave, December 10, 1945, see Pollock and Meisel, *Germany Under Occupation*, p. 121.

740.00119 Control (Germany)/9–1845 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 10, 1945—4 p. m.

646. Dept believes strongly that no joint administration of Baden and Württemberg or local *ad hoc* joint arrangements could be adequate and that it would be desirable in interest of political development of Germany along democratic federal lines if political and administrative unity of Baden and Württemberg were to be reestablished as soon as possible.

New delimitation of occupation zones leaving Württemberg in U.S. zone and Baden in French zone, named as second method in urtel 559, Sep 18, might, it is believed, be approved now by U.S. Informal advices from War Dept indicate that military authorities here are now inclined to consider that transfer of northern Baden to French zone could be arranged without disturbing U.S. communication and supply routes to Bavaria.

Will you explore present views of U.S. military authorities in Germany regarding such transfer?

It should be recalled that this Government at time of signature of protocol on zones committed itself to the French Government in writing to review at a later period the assignment of areas of occupation in light of prevailing conditions and requirements. New delimitation of occupation zones, as indicated above, might be considered first step in such revision.

BYRNES

740.00119 Control (Germany)/9–2645 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 11, 1945—5 p. m.

655. Dept recognizes difficulties in enforcing exclusion from suffrage of persons included under removal categories in denazification program, but feels importance of establishing principle of such exclusion. It is hoped that local assistance of democratic German elements in preparation of list of eligible voters might facilitate enforcing such exclusion.

All persons formally in automatic removal categories, but cleared by military government after appeal and reappointed to office, should in our opinion enjoy full political rights, and provision therefor in election codes appears appropriate.

Dept did not participate in formulation of military government law cited in urtel 627,[13] and does not know to what extent interpretation of it in practice goes beyond previously authorized military government directives. Dept would prefer that exclusion from suffrage be limited to persons in mandatory removal categories and others removed as demonstrably active Nazis, but leaves to your discretion whether right to vote be denied likewise all persons removed from private enterprise under MG law cited in urtel 627.

Although Dept feels strongly that active Nazis should be excluded from suffrage in interest of democratic reconstruction, it likewise believes that nominal members of Nazi party should not be denied suffrage in order that greatest number of Germans possible may be brought to participate in resumption of democratic procedures.

BYRNES

740.00119 Control (Germany)/10–2145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 12, 1945—10 p. m.
[Received October 12—9 : 35 p. m.]

762. General Clay has expressed view that to fulfill policies of JCS (Joint Chiefs of Staff) 1067 [13a] and Potsdam Agreement looking to continuing control of Germany's capacity to make war it will be necessary to control "German personnel qualified to participate in the reconstruction of that military capacity". He has therefore ordered immediate plans *inter alia* for treatment of certain categories of individuals not specified in JCS 1067.

Office of Political Affairs has given following views of general problem and of policy for each listed category:

Demilitarization measures should be as simple and inexpensive of energy as will be compatible with effectiveness. Measures in excess of reasonable minimum would incur risks of breakdown of whole enforcement system, unnecessary damage to legitimate German economy, and weariness of American opinion with conspicuous outlay. Hence we should undertake no controls not readily defensible as absolutely essential, as economically enforceable, and as compatible with peacetime sense of justice. Furthermore, since there is no rigorous quadripartite denazification system including expansive personnel controls, far-reaching restrictions in US zone may result in surreptitious flight into more congenial zones.

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[13] Not printed, but see footnote 9, p. 976.
[13a] See footnote 18a, p. 929.

1. All members of German officer corps; retain under detention general staff officers pending further study (mytel 742, Oct 10[14]) but no special restrictions on other officers except possibly exclusion from police.

2. Members of aircraft crews; no special discriminations.

3. Persons skilled in developing, making or using missiles; no special discriminations.

4. Persons possessing advanced technical education: no special restraints on whole class, but reference is made to Dept consideration now pending.

5. Persons arrested and then released pursuant to JCS 1067. Mytel 734, Oct 10.[15] No special restrictions seem required for persons found by semi-judicial process not to be within the intent of that directive.

6. All persons known to be more than nominal Nazis: continued exclusion from positions enumerated in denazification programs plus a single form of surveillance; approval in principle of labor outside Germany of active Nazis, Dept's 629 [*626?*], Oct 9.[16]

Judgment of Dept would be appreciated. I repeat that plans are crystallized here very rapidly.

MURPHY

The United States Deputy Military Governor for Germany (Clay) to the War Department[17]

[Extract]

BERLIN, October 13, 1945—4: 45 p. m.
[Received October 14.]

CC 17554. To Warcad[18] for Secretary of War ref nr CC–17554 from Office of Military Government for Germany US signed Clay.

There follows a summary of political situation in Germany in Sep-

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[14] Not printed; it informed the Department of a report by General Clay that the British, French, and Soviet elements desired a quadripartite agreement to detain German General Staff officers outside Germany. General Clay would support this view provided a feasible plan could be devised, but he indicated that acquiescence by the Joint Chiefs of Staff should be secured prior to Control Council approval. (740.00119 Control (Germany)/10–1045)

[15] Not printed; this telegram reported that the Legal Directorate was presently working on a directive providing for the release of exculpated persons who had been arrested pursuant to paragraph 8 of JCS 1067. The draft plan called for review of the cases of all detained persons by boards composed of approved Germans, subject to supervision and possible further review by occupation authorities. (740.00116 EW/10–1045)

[16] Not printed; telegram 626 transmitted the Department's "approval in principle of sending outside Germany SS men and other active Nazis to perform labor service and other rehabilitation work." (740.00119 Control (Germany)/-9–2545)

[17] Microfilm copy of this telegram obtained from Department of the Army files.

[18] War Department, Civil Affairs Division.

tember prepared in consultation with Ambassador Murphy and in continuation of CC 14937, 181700C August.[19]

1. Political activity. Political re-education of German people got under way slowly as parties were formed in all large cities of American Zone under directives permitting party activity at Kreis level. In Stuttgart, Frankfurt and Kassel Communists and Social Democrats showed most activity and organization meetings were attended by moderate sized and orderly crowds. In Munich these parties are also organized but political activity throughout Bavaria has been retarded by our own delay in issuing procedural directive to Military Government Detachments. In all four cities mentioned parties also found corresponding in orientation if not exactly in name to Christian Democratic Union in Berlin. They are left center nonclerical parties of both Catholics and Protestants. Parties corresponding to Liberal Democratic Party in Berlin also emerged in Frankfurt, Munich and Stuttgart. These are more conservative center parties without Christian orientation.

Almost without exception parties so far organized have in platforms and meetings avoided doctrinal discussions and joined in demanding adherence to democratic ideals, cooperation with Military Government, intensive concentration on Germany's reconstruction, and thorough denazification of German life. On latter point many parties' leaders like individual Germans throughout zone are critical of alleged indiscriminate removal of Nazis. Others, particularly Communists, take opposite view and criticize alleged slowness of denazification process.

Except for cities mentioned above and some smaller cities where political parties are in process of formation, complete political apathy is reported from nearly every section of American zone. Smaller centers and rural districts are not producing any political activity and there is significant unanimity in reports from Military Government detachments in stressing this fact and in observing that German masses are entirely unready for self-government and ignorant of democratic processes and responsibilities.

So far as the limited activity which developed in September is concerned there further seems to be emerging in the urban centers of the American zone a fairly uniform pattern of two left parties,

[19] This telegram, not printed, was based on intelligence received in July. Concerning political activity the following observations were made: "At end of July the political picture remained virtually unchanged in our zone. No mass movement of any kind had developed anywhere. Relatively small groups continued to crop up, mostly in large urban centers. Available evidence indicates that Germans generally everywhere disinterested in politics due to their extreme preoccupation with vital questions such as food and housing and to mental state following years of Nazi dictatorship and impact of recent total defeat." (Copy obtained from Department of the Army files.)

Communist and Social Democratic, and two center parties, variously named.

There is further tendency for left parties to cooperate closely though not to merge. Communist leaders are generally younger and more energetic than those of other parties though Social Democrats appear to be gaining largest following except in Bavaria where new Christian Socialist Union may succeed former Bavarian Peoples Party as strongest group. Reports indicate similar development in British zone with possible formation of more numerous minor parties particularly in Hannover.

It is significant that Germany's complete political collapse has so far produced no mass sentiment of a revolutionary political nature. Such relatively slight political activity as is described above is largely led and inspired by holdover leaders of pre-Hitler parties. No cleansing convulsion of political reform has yet gripped the German body politic.

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CLAY

740.00119 Control (Germany)/10–1345

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts [20]]

No. 1117 BERLIN, October 13, 1945.
[Received November 2.]

SIR: . . .

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On arriving in Munich on September 25 I immediately contacted Dr. Dorn [21] and Colonel Roy Dalferes, head of the Military Government Detachment for Bavaria. On the subject of de-Nazification they told me frankly that sixteen individuals in the Department of Food and Agriculture, Ministry of Economics, and four in the Ministry of Finance who were in the automatic removal category had been allowed to continue in office, but that this had been done on the authority of American officers of the Military Government Detachment and not as a result of concealment on the part of the responsible German officials. They also informed me of the recent removal of Ministerial

[20] The information contained in this report on the Bavarian political situation was designed primarily to supplement that in telegram 680, October 3, 7 p. m., from Berlin, p. 971. The portions of the despatch here printed present mainly material not touched upon in telegram 680.

[21] Mr. Murphy had previously stated that Walter L. Dorn "of G–5 USFET, a specialist on German government, had been detailed to Munich to investigate the application of our de-Nazification policy in that area."

Director Karl Fischer who had been retained in office for some time although he was in the automatic removal category. It also appeared that former Minister President Fritz Schaeffer had retained as a private consultant Herr Gessler after Gessler's removal from public office, although the latter also was in the automatic removal category.

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It was immediately obvious that public confidence in the Bavarian administration was at an extremely low ebb and that the administration possessed only shadow authority and was ineffective. It is not my opinion that this is entirely the fault of the German officials involved. It should be said in their behalf that they are dealing with American officers, many of whom possessed no knowledge of Germany or the German language and in some cases little knowledge of government. Liaison between the top Military Government officers and the higher German officials was exceedingly tenuous. Herr Schaeffer complained bitterly that he had seen no one in authority for a period of many weeks. There was also obvious a tendency on the part of our Military Government to undertake far too much in the way of direct administration and not by any means an organized effort to place responsibility on the German administration. No real effort had been made to support the organization of a broad based administration. At the time of my arrival in Munich only three Ministers were in office. The result was inevitable that blame for faulty administration and error fell directly on the Military Government Detachment, whereas the responsibility often should in the first place have rested with the German officials.

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It should be remembered that throughout this period the Army had the tremendous responsibility of the repatriation of millions of displaced persons, vast redeployment problems, and the necessity of acquainting itself with conditions in a foreign country which many officers had never before visited. Another feature which I believe will grow in importance as time goes on is the number of intrigues among competing German officials which are difficult at times for the inexperienced foreigner to gauge and understand. It is my opinion that we will observe an increasing amount of subtle denunciation of officials who will be described as unreliable, reactionary, fascist, pro-Nazi and the like by political opponents eager for office. For example, in the present instance former Minister President Schaeffer has been variously described as a black reactionary and pro-Nazi. Remembering that Schaeffer was himself incarcerated by the Nazis in Dachau and that even his most extreme opponents could not say that he had ever been a member of the Nazi party, I found that Schaeffer could at the worst be described as an old time conservative whose

prototype may be frequently found in American public office. There is heavy evidence of his anti-Nazi record throughout the years. However, it was obvious that his usefulness was at an end, due to public criticism.

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Reference should also be made to the numerous comments made in the American press regarding the intervention of Cardinal Faulhaber [22] in Bavarian state politics. I believe that it is true that in the early days of the occupation, Cardinal Faulhaber did make a number of recommendations to our Military Government authorities but it is clear also that our Military Government authorities took the initiative in this matter and sought his advice and counsel. I believe they were justified in this at the beginning because it was necessary for them to gain a knowledge of the personalities in the field and there was no doubt regarding Cardinal Faulhaber's long-continued opposition to National Socialism, which he fought as best he could under the circumstances. As has been pointed out before, approximately 1400 Catholic priests were interned at one time or another in concentration camps and a number of them died there. Discussion of this phase of the matter with Cardinal Faulhaber leaves no doubt in one's mind regarding the latter's views of National Socialism. As a result of my inquiries at Munich I am also convinced that Cardinal Faulhaber will carefully refrain in future from political activity of any sort. I believe that he will be quite content to devote his remaining strength and effort to religious welfare and activity, in which he is of course primarily interested. I believe also that he deserves credit for having honestly cooperated with our Military Government authorities.

Two additional items emerged from these conversations:

1. A doubt which may be entirely honest in the minds of some regarding the wisdom of our present policy of de-Nazification which removes from office by classes public officials and members of trade and industry, leaving to them only the possibility of gaining a livelihood as day laborers. The suggestion was made that eventually we must come to a more individual treatment of this question and that the individual should have some kind of hearing, on the ground that the broad and sweeping classification now used overlooks individual circumstances and causes grave injuries.

2. Recruiting by the Communist party of former members of the National Socialist party. Munich is full of current rumors to the effect that inducements are being offered to former Nazis to join the Communist party. The explanation is given that the Communists hope to acquire as members selected Nazis who will provide a nucleus of ability and brains and who are blocked under present circumstances

[22] Michael Cardinal Faulhaber, Archbishop of Munich.

from entry into any of the other parties and are only able to obtain work as day laborers.

Mr. Beam,[23] who accompanied me on the visit to Munich, pointed out quite correctly that there seemed to be an undue amount of activity on the part of would-be political leaders and not enough on a popular basis. We considered it unfortunate that in the time that has elapsed since the Potsdam Conference and since the telegraphic instruction of August 6 permitting democratic political parties to form,[24] not a single party has been established in Munich nor have any political rallies been allowed. The Military Government Office of Munich mentioned that applications had been received from seven or eight political parties but had not been acted upon pending the issuance of detailed instructions by Third Army Headquarters. We saw these instructions in draft form and we objected that they were too restrictive, particularly in that they require all members of a particular party to submit *Fragebogen*. What our Military Government officers fear most is that Nazis will infiltrate the new parties. We explained, and I believe our officers now understand the point, that the sponsors can be held accountable for the democratic nature of their parties and that in any event active competition between the parties will induce them to present a clear record on de-Nazification.

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Respectfully yours, ROBERT MURPHY

740.00119 Control (Germany)/10–1545 : Airgram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 15, 1945.
[Received November 1.]

A–239. USFET Bi-weekly Political Summary No. 3 for 29 September 1945 contains an interesting evaluation of present German attitudes toward the American occupation authorities. While their generally compliant attitude towards our occupation has not changed, close contact with Americans is said frankly to puzzle Germans as to our personal or national character. They find us quite unpredictable whereas the lines of action of the French and English can be better foreseen by them. In outward appearance and manner we seem better disposed and less severe than some of our Allies but surprise house to house checks, sudden burdensome requisitions or a new

[23] Jacob D. Beam, on the staff of the United States Political Adviser for Germany.

[24] Reference is presumably to War Department telegram SC–6037, August 7, from General Eisenhower, p. 954.

and more thorough application of our de-Nazification policy makes them realize that our extreme matter-of-factness covers a determined intention to carry out our policies.

According to the USFET study, the Germans complain of our direct control and contrast it to the general indifference to small details on the part of our Allies. Many people, especially of the middle and upper classes, are impatient of the inefficiency which they claim is demonstrated by new local government appointees and these people profess that they would prefer for us to do all the governing. Counter-balancing such groups are others, including the new German administrators, who would like for us to assume a purely supervisory role.

Many Nazis are said to feel that the network of connections they built up during [apparent omission] years will tide them over the present "period of inconvenience"; they are confident that we are moving quickly towards a "forgive and forget" policy.

MURPHY

740.00119 Control (Germany)/10–1645

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1143 BERLIN, October 16, 1945.
[Received October 26.]

SIR: I have the honor to refer to my despatch no. 1075 dated October 8, 1945 [25] transmitting a copy of the Report of a study made of the political and administrative problems of the Land North Wuerttemberg-Baden. Particular reference is made to the statement therein that only a start had been made in carrying out the plan of Military Government to set up a single German administration for the United States occupied areas of North Wuerttemberg and North Baden.

The Director of the Office of Military Government at Stuttgart has now reported that the integration of North Baden and North Wuerttemberg has been accomplished by eliminating the Landes Kommissariatbezirke at Mannheim and Karlsruhe as administrative districts and controlling all of U.S. Baden through branch offices located at Karlsruhe. In commenting on this, the Director of the Office of Military Government points out that in order to differentiate between Kommissariatbezirke and Regierungsbezirke, the Badanese had selected the name "Landesbezirk Baden" to designate their governmental unit. The Landesbezirk Baden is headed by a "Landesbezirkspräsident" subordinate to the "Ministerpräsident" of North Wuerttemberg-Baden. Heads of branch offices at Karlsruhe, sub-

[25] Not printed.

ordinate to the Ministries for North Wuerttemberg-Baden set up in Stuttgart, have been designated "Directors".

The Director of the Office of Military Government further reports that the organization of the German governmental structure has presented no problems at the Land level, but that the integration of the Baden Landesbezirk with Wuerttemberg is presenting complications because of the subordination of a pre-occupation Land Government in Baden to a Wuerttemberg-Baden Government. He mentions that the century-old boundaries—customs and language differences—are apparent in discussions between the branches of government, but has noted with satisfaction that a democratic approach to all problems is developing a wholesome, neighborly feeling. He reports that this has been accomplished without disturbing the functional activities of the past governmental structure except that no Land Ministries exist in Baden.

Time only will tell whether Baden-Wuerttemberg rivalries can be subordinated to our aim of unified Land administration. I shall not fail to keep the Department informed of progress made in solving this involved administrative problem.

ROBERT MURPHY
by Donald R. Heath

740.00119 Control (Germany)/10–1245 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 19, 1945—3 p. m.

692. Dept approves your general approach to problem of demilitarization measures and personnel controls, as stated urtel 762, Oct 12. Dept believes, however, that plans for "far-reaching restrictions in US zone" should not be jettisoned because there is no rigorous quadripartite denazification system, but that quadripartite agreement on denazification methods and personnel control should be sought in Control Council. We feel in particular the importance of quadripartite agreement on rigorous treatment of potentially dangerous members of the German officer corps and of active Nazis.

The following comments on policy for six listed categories are suggested for your consideration:

1. All members of German officer corps: Your policy statement does not appear in accord with Army Staff Study, dealing with disposition of potentially dangerous German officers (your despatch 879, Sept 4)[26] to which you previously gave your concurrence. Following

[26] Not printed.

is condensed statement of Depts views on this Staff Study which are being forwarded to you in air mail instruction:[27]

a. Although Dept does not regard exile and dispersal as feasible treatment of whole body of potentially dangerous officers of German Armed Forces, no objection would be interposed if adequate quadripartite plan were devised for detention outside Germany of a number of most dangerous officers, in particular German General Staff Officers.

b. Restrictive measures to be applied to potentially dangerous officers within Germany should be closely correlated, or even assimilated to a program of restrictive measures to be imposed upon active Nazis, in order to emphasize to German people the nefarious association of these two groups.

c. Potentially dangerous officers as well as active Nazis should be formally deprived for the time being of civil and political rights in accordance with familiar practices of German criminal law (reference Deptel No. 576, Oct 1, 1945 and Depts policy study CAC–298, Treatment and Status of Former Nazis[28]). Restrictions may also include further measures enumerated in Staff Study under reference.

d. Both restrictive measures and rehabilitation program should be designed to leave so far as possible a stable situation which can be maintained by German Governments following period of Allied occupation.

2. Members of aircraft crews: We concur in no special discriminations.

3. Persons skilled in developing, making, or using missiles, and 4: Persons possessing advanced technical education: Reference is made to final sentence in paragraph 6 of War Dept Message 72620, Oct 3, to Eisenhower from JCS.[29] Dept concurs in restrictions mentioned therein, which are applicable re categories 3 and 4. Pending Depts decision on policy re general problem of emigration of Germans, no persons under category 4 should be permitted to leave Germany.

5. Persons arrested and then released pursuant to JCS 1067: We concur in no special restriction.

6. All persons known to be more than nominal Nazis: We concur in your statement, but refer to our comment under point 1 above for Depts further views on depriving active Nazis of civil and political rights (Depts 576, Oct 1).

BYRNES

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[27] Instruction 479, October 22, to Berlin, not printed.

[28] With regard to policy study CAC–298, see footnote 98, p. 969.

[29] Not printed; this telegram contained instructions concerning policy on control of German scientific and industrial research and teaching. Paragraph 6 stated that German scientists and technologists, other than those subject to arrest, "need be detained only for the purpose of your technological and counter-intelligence investigations or research." The final sentence of paragraph 6 directed that "all scientists and technologists who are not detained and who have been engaged in research for military purposes should be required to report periodically to Military Government authorities in order to prevent their unauthorized departure from Germany and to ensure that they will not engage in prohibited research activities." (Copy obtained from Department of the Army files.)

740.00119 Control (Germany)/10–2345

Minutes of Meeting of the Secretaries of State, War, and the Navy, Held at Washington, October 23, 1945

[Extract]

Present: The Secretary of State
Robert P. Patterson, Secretary of War
James Forrestal, Secretary of the Navy

. . . . . .

MILITARY GOVERNMENT OF GERMANY

Mr. Patterson stated that General MacArthur [30] and General Eisenhower are in favor of getting our military out of Government in Germany as soon as possible and they feel that the Government of Germany should be turned over to civilian control. The proper agency in his belief to which the responsibility should be given was the State Department. It was essential he thought if the mistakes of North Africa are to be avoided that responsibility be centered in one single Department. If the representatives of each agency in Germany report to separate agencies back here nothing but a mess will ensue. Mr. Byrnes replied that he thought the Army has the best organization and that it would be a great mistake to make the change now. He understood that naturally the Army wants to get out but he hoped that this could be postponed for some time to come. Mr. Patterson reiterated that when the time comes for the Army to leave he feels that only the State Department can take over. He added that while he did not know the Russian attitude the British are in favor of civilian control and already their set up is one-half civilian. Mr. Byrnes said that the State Department is not geared for this. Mr. Patterson thought that a separate unit could be set up and that there is adequate time to do it. He said that he could turn over some of the Army's best men from Civil Affairs and mentioned that General Hilldring [31] would be an excellent man for the job. Mr. Forrestal asked if he would turn over General Clay and Mr. Patterson replied in the affirmative. Mr. Byrnes suggested that this "bad news" be postponed for some eight or nine months. There was general agreement that when the change does take place it must be to a single Department.

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[30] The reference is presumably to General Joseph T. McNarney, acting Allied Supreme Commander in the Mediterranean Area, who became Commander of U.S. Forces in Europe in November 1945, rather than to General of the Army Douglas MacArthur, Supreme Commander, Allied Powers in Japan.

[31] Maj. Gen. John H. Hilldring, Director of the Civil Affairs Division of the War Department.

740.00119 Control (Germany)/10–2345

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1159 BERLIN, October 23, 1945.
[Received November 2.]

SIR: I have the honor to refer to my despatch No. 1050 of October 1, 1945, reporting the plan to reorganize United States Military Government structure in Germany, and to enclose a directive just received here which was issued on October 5, 1945, by Headquarters, United States Forces, European Theater, entitled "Reorganization of Military Government Channels in Order to Develop German Responsibility for Self-Government".[32]

Two significant points are to be noted in this highly important document. Firstly, on the assumption that denazification has been so successful that Germans can be entrusted with a greater share of responsibility in their government, it is provided that military government units will withdraw from direct, active participation in government in Germany in Landkreis, Stadtkreis and, subsequently, Regierungsbezirk levels effective upon the dates cited.[33] Their duties will be taken over by the appropriate German officials in all cases, with the exceptions as to "general policy control" functions stipulated.[34]

Secondly, with respect to the revised procedure as to channels set forth in paragraph 3 of the enclosed directive, a great step forward has been taken. Instead of having our military government authorities in the three Länder and the Bremen Enclave proceed, as is now the case, through cumbersome Army channels with the resultant loss of time and efficiency, *direct* communication between them and the Office of Military Government (U.S. Zone), with headquarters at Frankfurt, is to be established. This step ought certainly to make for a more efficient system of control and supervision under the new organization of German local government.

Respectfully yours, ROBERT MURPHY

[32] Not printed.

[33] November 15 and December 15, respectively. In exceptional cases, withdrawal on the Landkreis and Stadtkreis levels might be postponed until December 15.

[34] One of the main functions left to the military authorities was the supervision of elections and the vetting of candidates.

740.00119 Control (Germany)/11–1945

Memorandum by the United States Political Adviser for Germany (Murphy) to the United States Deputy Military Governor for Germany (Clay) [35]

BERLIN, October 27, 1945.

I have made a careful survey of the Office of Political Affairs to ascertain whether any economies in personnel are feasible but find no possibility of reduction if I am to meet the obligations of my position as Political Adviser to you and the requirements of the Department of State. On the contrary, there should be a small increase here in Berlin. It is to be noted that the Department of State in its budgetary estimate for the present fiscal year anticipated a total staff, officers and clerks on State Department payroll, of 184; actually we have only 104. In addition to civilian personnel we have 13 Army officers and 24 enlisted men.

As you know, because of the anomalous situation obtaining in Germany, the staff under my immediate direction has two different duties: that of forming an integral part of the Military Government of Germany and that of performing, within the framework of Military Government, a number of the functions normally assigned to a United States diplomatic mission abroad.

Within the first category of duties is, of course, the major responsibility of giving you maximum support and assistance, and of procuring information with respect to developments within Germany, remaining in contact with official policies and public opinion in the United States and with policies and opinions in Allied countries. This, it seems to me, is required of the Political Adviser in the interest of his maximum contribution to the Military Governor and the Deputy Military Governor. I am sure you will understand my earnest desire to maintain as competent and as comprehensive a flow of information and reasoned judgment as possible in this responsibility.

As an integral part of the work of Military Government, the Office of Political Affairs is charged with a substantial concern for the political aspects of denazification policies, for the development of German political parties and activities, for the disposition of the German Foreign Office and its records together with other aspects of diplomatic and representation within Germany and outside. The Office also participates in the preparation of the Military Governor's Monthly Report and collaborates with the other offices and divisions in their multiplicity of duties. The task of concurrence from the

[35] Copy transmitted to the Department in despatch 1349, November 19, from Berlin, not printed.

political point of view in the many drafts submitted to the office requires a number of qualified men who have not only political training but also a knowledge of the various fields in which action is proposed. Since our national objective in Germany is fundamentally a political one, I am equally concerned that the work of the Office of Political Affairs be carried on by a staff of sufficient size to permit us to bring to bear on every question the most informed judgment which is possible.

The second category of functions, that of a diplomatic mission, within the framework of Military Government, places two specialized duties on me and on the Office of Political Affairs. The first of these involves the representation of American interests in property and in citizens, particularly through consular activities. This performance of this duty is considerably behind what I would like and if it is to be done, the Department of State will have to maintain a substantial group of Foreign Service officers in Germany for it.

A further responsibility in this second category of diplomatic functions is that of adequate reporting to the Department of State. This work, whose importance is attested by the fact that it is a statutory function resting on all American diplomatic missions, is, of course, the basis on which the Department of State conducts the foreign relations of the United States. Its importance is further recognized by the fact that it has been an authorized procedure ever since political advisers to our military commanders were appointed. I am, therefore, particularly desirous that I be in a position continuously to report to the Department of State in harmony with you, in those established forms which the Department is organized to use most advantageously, the course of those events in Germany which are essential for wise foreign policy.

The presence of Army personnel in the administrative branch of the Office of Political Affairs seems to me essential as long as military directives and procedures govern American activities in Germany. Officers of the Foreign Service do not have the experience necessary for effecting a smooth integration of the office into military administration. I should feel myself severely lamed without the assistance of competent Army personnel.

Our present clerical staff, the vast majority of whom are on the payroll of the Department of State, are now developing efficiency as a team. They should provide the necessary basis for whatever diplomatic and consular representation will be required for the future. In my opinion this clerical staff will of necessity be augmented rather than reduced as time goes on.

With conditions as they are throughout Europe today, I must keep in close contact with my colleagues in each country in Europe. Almost every problem facing Germany—food, coal, transportation, repara-

tions—is not confined to Germany alone. They overlap into, and are affected by, conditions throughout Europe, and therefore it is essential for me to know of developments in other countries affecting Germany, and in turn, I am called upon to keep my colleagues advised, in addition to the Department of State, of developments within Germany affecting neighboring countries. This function places an additional burden on my staff.

In view of the conditions outlined above, I request that the current personnel limitations, imposed by the Manpower Board, be removed insofar as they pertain to the State Department personnel assigned or to be assigned to the offices of Political Adviser and Political Affairs.

ROBERT MURPHY

740.00119 Control (Germany)/10–2945

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1218 BERLIN, October 29, 1945.
[Received November 15.]

SIR: I have the honor to transmit a report dated October 25, 1945, received from Mr. Brewster Morris, my representative at Seventh Army Headquarters at Heidelberg, on the subject of "Political Developments and the General Situation in the Stuttgart Area".[36]

The report summarizes comprehensively the observations and conversations of the reporting officer in the course of his two-day visit to Stuttgart. It is noteworthy that except for variations in the personalities involved, there seem to be in the Stuttgart area the same developing political forces, the same criticisms and the same dangers as exist elsewhere in the American Zone and in Germany.

The Department's attention is particularly invited to certain facts and observations contained in the report. First of all, in Wuerttemburg as elsewhere, the Communists are strongly promoting the idea of a united front as one of the means of creating a single party system which they can control. The idea is not so readily accepted by other political parties in Stuttgart as in Berlin, perhaps chiefly because of the absence of the foreign pressure which Berlin Communists can and do successfully bring to their support. Also to be noted is the fact that there is some reason to believe that the Communist who is on the Board of Licencees of the *Stuttgarter Zeitung* is successfully making use of his position to spread Communist doctrine.

The report notes also the unanimous opinion in Stuttgart that the plan for local elections in January is unwise and premature. All

[36] Not printed.

German and Military Government authorities whose views were ascertained also felt that the recently published Law No. 8,[37] calling for the removal of all members of the Nazi Party from private enterprise, was unwise and is creating great nervousness and uncertainty among the people. This duplicates reports received from other areas. The Communists alone are reported to welcome the law and they do so apparently only because they see an opportunity to use it to promote the introduction of industrial management by the workers. The Department's attention is also invited to the concluding paragraphs of the report which point out the unfortunate effects which the rapid redeployment of such large numbers of our troops is having on the maintenance of order and the authority and prestige of the occupation forces.[38]

Respectfully yours, For the U.S. Political Adviser:
LOYD V. STEERE,
Counselor

740.00119 Control (Germany)/10–3145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 31, 1945—9 a. m.
[Received 12 : 03 p. m.]

892. With further reference to Dept's 646, of October 10, our military authorities have given careful study to the question of political and administrative unity of Baden and Württemberg and especially to the Dept's reference to the American commitment to the French Govt to review at some future date the assignment of areas of occupation in the light of prevailing conditions and requirements.

While this matter is still under discussion here, informally everyone is unfavorable to transfer of Northern Baden to French administration now. The following points are made:

a. We must have Rhine ports for our own and German needs. We cannot expect successful operation under the French.

b. Transfer further reduces our light industry resources.

c. In any event, we should make no concessions to French in their present position opposing Potsdam decision relative establishment of German central machinery.[39]

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[37] See footnote 9, p. 976.

[38] Mr. Morris commented on the depredations being carried on within Germany by displaced persons. This situation, he felt, was worsened by the redeployment of troops and the deactivation of the lower echelons of Military Government, which caused a general slackening of law and order. He urged a cautious approach in handing over governmental responsibility to the Germans.

[39] For this decision, see the Report on the Tripartite Conference of Berlin, which includes text of the agreement on "The Political and Economic Principles To Govern the Treatment of Germany in the Initial Control Period", paragraph 9, *Conference of Berlin (Potsdam)*, vol. II, p. 1503. For documentation on French opposition to the decision on central machinery, see *ante*, pp. 861 ff.

d. It is a cultural and liberal area, Baden being most democratic of German regionals and is furnishing liberal leadership for democratic processes.

e. Psychologically, it would make all, including Germans, believe that either we are gradually withdrawing or we are unwilling to stand up to the French, which lowers prestige of U.S. in Europe.

f. While no one here likes present northern Württemberg–northern Baden combination, any fear that Germans will not make it work is unfounded because population would make it work rather than go under French control.

It should be said that the present zone boundaries, in practice, have proved to be very unsatisfactory to American occupation authorities. The disregard of political and administrative lines has raised a practice of questionable *ad hoc* arrangements with the French in order to meet the needs of the population. The situation in Baden is probably worse than in Württemberg, but in both cases the situation in the northern or American portions of the two states is distinctly better than in the southern or French sections. The French policy has been to live off the country, to remove as much as possible for shipment back to France, and to make little effort to restore normal public services. It is considered that as winter approaches the situation in southern Baden and southern Württemberg may become critical.

It is felt that any revision of the present zone boundaries should:

a. Follow administrative and political boundaries.

b. Promote the re-building of a democratic and federal Germany and facilitate the purposes of the occupation.

c. Eliminate existing administrative difficulties and improve the functioning of govt in the areas concerned.

Some of our authorities here, such as Dr. James K. Pollock, who is a specialist on German govt, urge that the French be induced to withdraw from southern Württemberg as well as from southern Baden, turning over these areas to American control. They also urge that the Landkreis Lindau, Bavaria, be restored to American control. They also recommend that Rheinhessen, which is the area around Mainz and a part of Land Hessen, should be included within the American zone. These specialists point out that the city of Mannheim is of particular importance to the American authorities in the field of water transportation; that the city of Heidelberg with its University is a cultural center of value in the re-education of Germany. It is also the largest undamaged city in Germany, a fact of no mean significance in a country where shelter is at a premium. Seventh Army Headquarters are situated at Heidelberg. We would gain little by a transfer of southern Württemberg to our control and we would lose much by the transfer of northern Baden to the French and the French would be giving up areas they are not now dealing with effectively.

MURPHY

740.00119 Control (Germany)/11–245

The Secretary of War (Patterson) to the Secretary of State

WASHINGTON, November 2, 1945.

DEAR MR. SECRETARY: As I understand it from our discussion at the meeting of October 23rd, you are in sympathy with the desire of the War Department to transfer military government in former Axis countries from military to civilian control at the earliest practicable date. This action would be in conformity with the President's announcement on October 31st,[40] that U.S. military government control of Germany should be transferred to American civilian authorities by June 1st, 1946. This is of course simply an extension to foreign fields of the long-established American policy that the Army should not allow itself to become involved in matters of civil government. As soon as military and security reasons no longer exist, the occupational duties of the Army should be divorced from those relating to civil administration. If this premise is granted, I think you will agree that the State Department is the logical agency of our government through which the civil administration of occupied enemy territories should be accomplished.

The question, then, is one of timing and as to this I appreciate your position that the transfer is not without difficulty and cannot be accomplished overnight. However, in order that the transition may be accomplished smoothly and efficiently it is essential that action be initiated without delay to accomplish the desired result. The first step is agreement on a target date for completion of the transfer, and this we should be able to agree on now. As directed by the President, in the case of Germany, this would be no later than June 1st, 1946. Other necessary steps appear to me to be as follows:

a. The establishment of an administrative agency to furnish the administrative support now rendered by the Civil Affairs Division of the War Department and the Division of Island Governments of the Navy Department.

b. A decision as to the agency of the Federal Government that will replace the U.S. Chiefs of Staff, which under the present arrangement is responsible for the operation of military government in all theaters. In my opinion the State-War-Navy Coordinating Committee organization, after it has been formally recognized and after its secretariat

[40] On October 31, at a press conference, President Truman endorsed and made public a letter written to him by General Eisenhower on October 26. In his letter, General Eisenhower reminded the President that in conversations in Frankfurt (presumably July 26) they had both agreed on the desirability of turning over U.S. participation in the Government of Germany to civilian authority as soon as possible. General Eisenhower, drawing a distinction between the civilian governmental and purely military occupational duties of American forces in Germany, recommended that this be done no later than June 1, 1946. The full text of General Eisenhower's letter is in Department of State *Bulletin*, November 4, 1945, p. 711. See also Dwight D. Eisenhower, *Crusade in Europe* (Garden City, N.Y., Doubleday and Co., 1948), p. 441.

has been enlarged and strengthened would be the appropriate agency to assume these responsibilities.

c. The substitution of civilian personnel from the highest level to the lowest for the officers and enlisted men who are now conducting military government in Germany, Austria, Venezia Giulia, Japan and Korea.

d. An effective organization to procure the thousands of civilians necessary to carry out this personnel replacement program.

You will of course recognize the desirability that the policy of civilianization be adopted by all four governments concerned in the control of Germany, and put into effect concurrently. The War Department will accordingly appreciate the necessary State Department action to obtain the required agreement to the proposal, to take effect at the earliest date that can be mutually agreed upon, in no event later than June 1st, 1946. It is my understanding that the British are in favor of civilian control and that their set-up is already half civilian. The attitude of Russia and that of France are unknown to me.

In carrying out the necessary steps to effect the transfer outlined above, the War Department will cooperate to the fullest extent at all stages, not only in consultation but in any other manner which will contribute to the objective.

Sincerely yours, ROBERT P. PATTERSON

740.00119 Control (Germany)/11–345 : Telegram

Mr. Donald R. Heath, Counselor of Mission, Office of the United States Political Adviser for Germany, to the Secretary of State

FRANKFURT, November 3, 1945—11 a. m.
[Received November 3—10 : 47 a. m.]

169. Personal for Ambassador Murphy.[41] Memo has been received from General Bedell Smith[42] that proposal for the cession of all of Baden to the French and all of Württemberg to the US is not favorably considered by USFET (United States Forces European Theater) from a military point of view. Memo points out that main rail, road and inland waterway links are centered in Karlsruhe, Mannheim and Heidelberg and that even if transit rights were negotiated with the French, administrative problems would militate against operating efficiency. At present principal US supply and maintenance installations are concentrated in northern Baden. US forces have gone to great expense to reconstruct port facilities, bridges and warehouses.

[41] Mr. Murphy and General Clay were in Washington November 1–9 for discussions with the State and War Departments on matters relating to Military Government and Control Council policy in Germany. No record of these discussions has been found in Department files.

[42] Lt. Gen. Walter Bedell Smith, Chief of Staff, United States Forces, European Theater.

A French peninsula in the US zone would hamper emergency operations if needed. Release of northern Baden would reduce limited industrial capacity of US zone to the point where latter would be merely an agricultural area. Memo concludes that since French have refused agreement to establishment at Berlin of central German agencies, US attempts to obtain quadripartite agreement would be weakened by conceding such additional territory to the French at this time and that it is untimely to indicate to the Germans that we propose to relinquish any part of present US zone.

HEATH

740.00119 Control (Germany)/11–645 : Telegram

Mr. Donald R. Heath, Counselor of Mission, Office of the United States Political Adviser for Germany, to the Secretary of State

BERLIN, November 6, 1945—11 a. m.
[Received November 6—11 a. m.]

948. Consideration is being given to advisability of presenting a proposal to Political Directorate on quadripartite basis concerning establishment of consular offices in Germany by four occupying powers, as well as establishment of such offices by United Nations countries and certain neutral countries. While it would be advantageous to have American consular offices throughout Germany especially in the Russian zone of occupation, present trend of thought in this Mission is that it might be advisable to have such American offices actually established and functioning in American zone and at Hamburg before question is raised on quadripartite basis. The establishment and functioning of American consular offices depend upon arrival of personnel and receipt of necessary supplies which so far have not been forthcoming.

Military missions of 16 "chiefly interested" United Nations countries are now being established in Berlin on a limited basis.[43] Although this office has pressed for approval of representation by Switzerland and Sweden, this matter was postponed by Russians until the foregoing 16 military missions have been established. In the meantime, Swiss and some other consular officials who were operating in American zone are being permitted to continue on a temporary and *ad hoc* basis. Dept's views are requested concerning raising of question of establishment of offices throughout Germany.

Inform Ambassador Murphy.

HEATH

[43] For documentation on this subject, see pp. 1084 ff.

740.00119 EW/11-645

Minutes of Meeting of the Secretaries of State, War, and the Navy, Held at Washington, November 6, 1945, 10:30 a. m.

[Extract]

Present: The Secretary of State
The Secretary of War, accompanied by Assistant Secretary of War Mr. McCloy and Colonel McCarthy [44]
The Secretary of the Navy, accompanied by Lieut. Col. Correa [45]
Mr. Matthews

. . . . . .

TRANSFER OF RESPONSIBILITY FOR ADMINISTRATION OF GERMANY FROM MILITARY TO CIVILIAN AUTHORITY

Mr. Patterson referred to Mr. Byrnes' letter of November 3 [46] on this subject in reply to his of November 2 and said that he understood that what Mr. Byrnes wished was an orderly transfer. Mr. McCloy inquired as to who would pay the salaries after June 1 of those recruited. It was the general opinion that this would involve a transfer of appropriations from the War Department to the State Department or whatever agency might be given the responsibility. Mr. McCloy said that the Army is already building up its civilian element in military government of Germany as rapidly as possible. Reference was made to General Eisenhower's letter [47] favoring the changeover to civilian responsibility. Mr. McCloy felt it had been unwise to announce our policy of change just at this time since it merely strengthened the feeling that we are abdicating our influence and interest in Europe. Mr. Byrnes said that we might have to do something about the present rapid rate of demobilization.

. . . . . .

125.0062/11-945 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, November 9, 1945—8 p. m.

845. Urtel 948, Nov. 6. Dept strongly desires establishment of US consular offices throughout all Germany. Dept suggests that your proposal to political directorate concern only establishment of con-

[44] Col. Charles W. McCarthy, U.S.A., Secretary of the State-War-Navy Coordinating Committee.
[45] Lt. Col. Mathias F. Correa, U.S.M.C.R., Special Assistant to the Secretary of the Navy.
[46] Not printed.
[47] See footnote 40, p. 996.

sular offices throughout Germany by four occupying powers. It might also include provision for consular establishments of sixteen countries eligible to accredit military missions to Control Council, if such provision would not impede negotiation of agreement. In view of Russian position taken regarding representation of neutral countries and United Nations other than the sixteen (urtel 818, Oct. 20 [48]), it is not deemed desirable to reopen the matter at this time by including neutrals and these other United Nations in your proposal regarding establishment of consular offices in Germany.

Timing of submission of proposal to political directorate is left to your discretion.[49]

BYRNES

740.00119 Control (Germany)/11–1345

Memorandum of Conversation, by Mr. Franz Schneider, Consultant to the Assistant Secretary of State for Administration [50]

[WASHINGTON,] November 13, 1945.

He [51] stated that he is getting out a week from next week-end; be announced tomorrow.[52]

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[48] This telegram reported the tenth meeting of the Political Directorate of the Control Commission held in Berlin, October 18. In discussions of the representation of neutrals in Germany, the Soviet member refused to accept any positive statement in favor of the acceptance of neutral countries. "He maintained a very obstructive attitude even against the suggestion that the Directorate agree to reopen the question after the first sixteen countries had been installed in Berlin." (740.00119 Control(Germany)/10–2045) For portions of this telegram dealing with the discussion of other subjects in the Political Directorate, see p. 884.

[49] Mr. Murphy reported in telegram 1071, November 22, from Berlin, that no further steps had been taken toward the establishment of American consular offices in Germany. Everything possible had been done, and nothing further could be accomplished until additional personnel and supplies were received from the Department. (125.0062/11–2245)

[50] A copy of this memorandum was transmitted to the Secretary of State under cover of a memorandum from Assistant Secretary of State Russell, November 13. In his covering memorandum Mr. Russell wrote: "The general theme of Mr. McCloy's conversation was that the Army, in the civil administration of Germany, had a 'going' administration and that it appeared to him to be a wasteful procedure to throw away the going concern operated by the Army and to create under the sponsorship of the State Department an entirely new organization. Orderly administration would result from the continuance of Army control of the civil government, which control, in the opinion of Mr. McCloy, has been reasonably satisfactory in the past and should show substantial improvement in the future. There is considerable merit in this thought. If the Army is to transfer to the State Department responsibility for civil government in Germany on June 1, 1946, it will mean that the Army, which has been operating this civil government for well over a year, steps out of the picture and the State Department, which will have no background of experience at that time, must step in. It would appear wise to retain the experienced management furnished by the Army if this is at all practicable." (740.00119 Control (Germany)/-11–1345)

[51] John J. McCloy, Assistant Secretary of War.

[52] Mr. McCloy's resignation as Assistant Secretary of War was announced November 15.

Regrets whole public discussion of change to civilian control, which is demoralizing to existing staffs on both sides of the water.

Regrets Army wants to dump whole business because of a little criticism. Army can do a better job than anyone else now. Regrets Patterson wrote letter to Byrnes [53] day before he, McCloy, got back. He had been handling the matter. Clay apparently got Patterson to sign the letter. Clay and others on Eisenhower's staff had been emphasizing to Eisenhower that his reputation would suffer if he continued to control Civil Government. He, McCloy, had cooled Eisenhower off on the matter on his recent trip; but Eisenhower's associates had shown him articles in *PM* [54] and convinced him he should act.

He had told the President that he greatly regretted the premature desire to get rid of Civil Government and the President said, "I do, too." He had no idea where the President got the idea of having the new "direct organization under the President". Concluded that it was an idea of his own.

I showed him the brief proposal we laid before Clay.[55] He said he liked the idea. Then told him Clay's reaction to it. He said some of Clay's points were well taken—guessed the High Commissioner would have to be in Germany most of the time. Recognized the problem of getting policy changed—which was crucial.

After much discussion he agreed that the best thing would be for the Army to keep Civil Government. But it would be awful hard to get that decision reversed now. He was willing to talk to Patterson along that line. But perhaps the most practical procedure now would be to pull for a civilian High Commissioner who would be under the War Department. That sort of a set-up had existed in old Philippine Government. He would talk to Patterson along that line; and suggested that I find out how Secretary Byrnes felt about it.

FRANZ SCHNEIDER

[53] Reference is probably to the Secretary of War's letter of November 2, p. 996. Mr. McCloy had been on an inspection tour of U.S. Armed Forces in Europe and East Asia. He visited Germany October 5–13.

[54] New York daily.

[55] See footnote 41, p. 997.

740.00119 Control (Germany)/11–1645 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy) [56]

WASHINGTON, November 16, 1945—6 p. m.

891. Urtel 1001, Nov. 13.[57] Dept is in agreement with General Clay's rejection of Committee's recommendation on suffrage requirements whereby only persons in mandatory arrest categories are disqualified. However, Dept does not approve view that all members of the party should be disbarred from the polls, regardless of whether affiliation was nominal or not.

Dept maintains opinion previously presented (Deptels 507, Sep. 19; 576, Oct 1; 655, Oct. 11) that all persons in mandatory removal and exclusion categories as well as in mandatory arrest categories should be denied suffrage. This middle course between two above alternatives has been advocated for following reasons:

1. Articles of Potsdam Agreement dealing with treatment of Nazis [58] are based on distinction between active and nominal Nazis. Such distinction was a part of original US proposal at Potsdam [59] and is also incorporated in provisions of JCS 1067. Accordingly, Dept believes that treatment of Nazis with respect to suffrage should be in accord with distinction proposed by US and accepted at Potsdam by other powers. Dept sees no cogent reason for altering in matter of suffrage this general policy of distinction between active and nominal Nazis, and particularly without agreement on a quadripartite basis for such change in policy.

2. To restrict voting disqualification to persons in mandatory arrest categories alone would allow suffrage to larger number of active Nazis in removal and exclusion categories. It seems inconsistent to remove persons from office as active Nazis who have demonstrated their anti-democratic convictions, on the one hand, and on the other hand at the same time admit such persons to participate in democratic electoral procedures. If removal from office is justified,

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[56] In a memorandum attached to the file copy of this telegram, James W. Riddleberger, Chief of the Division of Central European Affairs, explained to H. Freeman Matthews, Director of the Office of European Affairs, that the draft of this message had been taken to the Civil Affairs Division of the War Department for approval, but because of the difficulty in obtaining rapid concurrence via normal channels and the need for sending the telegram immediately, the State Department officials, on the advice of the Civil Affairs Division officers, who "were all inclined to agree with the substance of the message", had decided to send the telegram without formal War Department clearance.

[57] Not printed; the Committee referred to was an interdivisional committee of the Office of Military Government, U.S., which had studied draft local government and election codes submitted by Länder in the U.S. zone. Its reason for making this recommendation stemmed "from consideration of the enormous dimensions of vetting process if all Nazis were denied suffrage and from conviction that [it] would be unwise to exclude such a large segment of the population which, in the Committee's opinion, should be reintegrated into normal community life." (740.00119 Control (Germany)/11–1345)

[58] See *Conference of Berlin (Potsdam)*, vol. II, p. 1503.

[59] See paragraph 4 of U.S. proposal dated July 17, *ibid.*, p. 776.

it should involve as a corollary deprivation for the time being of civil and political rights, including forfeiture of suffrage.

3. If nominal members of Nazi party are denied suffrage as well as active Nazis liable to arrest or removal, this denial would assimilate status of nominal Nazis in important respect to that of active Nazis and would unduly increase number of persons excluded from normal community life. Consistent with denazification program, greatest number of Germans possible should be brought to participate in resumption of democratic procedures.

4. Even if practical difficulties in enforcing exclusion of active Nazis from suffrage were so great that certain number of such persons were able to vote, Dept believes importance of establishing publicly principle of such exclusion outweighs considerations of possible irregularities. Local assistance of democratic German elements in preparing lists of eligible voters should facilitate enforcement of exclusion of active Nazis and also review of individual cases where mandatory categories may work injustices.

Plans for election codes should accordingly be amended to disqualify from suffrage all persons in mandatory arrest and removal categories and others arrested or removed as demonstrably active Nazis.

Please present Depts position to General Clay and report outcome.[60]

BYRNES

740.00119 Control (Germany)/11–1945: Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, November 19, 1945—7 p. m.
[Received November 20—8:15 p. m.]

1056. Personal for Matthews. I drafted the following message for the personal attention of the Secretary and I would be grateful if you could find opportunity to discuss the matter with him. It concerns the extent and scope of reporting to the Department by State Department representatives here.

As you know it has not been easy at times to maintain a line of demarcation between what fell into War Department province and what fell into State. I have always emphasized to the military here

[60] In despatch 1444, December 1, from Berlin, Mr. Murphy stated: "On November 17, before the views stated in the Department's telegram no. 891, November 16, could be conveyed to General Clay, he had formally approved a directive which incorporated his own revisions of the committee's recommendations." (740.00119 Control (Germany)/12–145) Subsequently, on November 23, a directive was issued by USFET on Local Government Codes of Election which embodied the suffrage provisions of the November 17 document; the USFET directive is treated in Gillen, *State and Local Government in West Germany, 1945–1953*, p. 9.

On the same date, USFET authorized Regional Military Government detachments to permit formation of democratic political parties on a Land basis; see *ibid.*, p. 7.

that both departments work hand in hand. I can well understand, of course, General Clay's insistence that all instructions come to him from his own Department. At the same time it is also clear that when the Department of State expresses a view it would come through my channel and that I would convey it to him. I think the Department should very definitely insist upon its right to continue this procedure.

"Personal for the Secretary

"General Clay raises fundamental question of status and jurisdiction of Department's participation in Military Government of Germany, on which I should be grateful for your advice. General Clay informs me that in his opinion I have been reporting to the Department on subjects, particularly in the economic field, which should be exclusively reported by him in his discretion to the War Department. When the Department of State telegraphs to me comment on these problems and other subjects, its views are of course immediately communicated to General Clay. He objects to this procedure and said that the Department is setting up here a species of "political commissariat" which seeks to review and influence the entire range of questions relating to the American participation in the occupation of Germany.

"This is not my view. The Department's Mission here is exceedingly limited by the personnel factor in the first place. It has consistently sought with the utmost loyalty to Generals Eisenhower and Clay—at times when possibly it did not fully agree with actions taken, with or without consultation with the Department's representatives—to support and aid the War Department in its difficult task. In my reporting to the Department, I am guided by the Department's standing instructions and a desire to cooperate fully with our military authorities.

"When General Clay informs me that he is taking orders only from the War Department, I believe that such a position is parochial. The Government's interest in Germany surpasses one department of the Government. Certainly the representatives here of the Department of State, which is, after all, directly charged with our foreign relations, have never questioned a governmental decision whether it reaches them through War Department or other qualified agency.

"The foregoing issue is one which I have tried to bridge with as much tact as I could muster and this has been facilitated by what for me is a happy personal relationship with General Clay. As he feels so strongly about it, I respectfully suggest that a firm decision be taken jointly by you and Judge Patterson so that the Department's Mission here may have its responsibilities and its authority to report to the Department of State clearly defined.

"I have shown the foregoing to General Clay and he is telegraphing his views to the War Department." [61]

MURPHY

[61] See excerpts from General Clay's cable to the War Department of November 17, and General Clay's general observations on his working relationship with Mr. Murphy at this time in Lucius D. Clay, *Decision in Germany* (Garden City, N.Y., Doubleday and Co., 1950) pp. 56–58.

740.00119 EW/11-2045

Minutes of Meeting of the Secretaries of State, War, and the Navy, Held at Washington, November 20, 1945, 10:30 a. m.

[Extract]

Present: The Secretary of State
The Secretary of War, accompanied by Assistant Secretary of War John J. McCloy and Colonel Charles W. McCarthy
The Secretary of the Navy and Major Correa
Mr. Matthews

. . . . . .

PERSONNEL FOR MILITARY GOVERNMENT

Mr. Patterson stated that he had asked Treasury for certain financial experts to be employed by our Military Government in Japan and Germany. Mr. Vinson had answered that he could have them only if they were made responsible to the Treasury Department and reported to him. Mr. Patterson replied that this was quite out of line with the policy which had long been established that all must be responsible to the Commander-in-Chief of the theatre in question. He said it would be quite disruptive to have different people answerable to different agencies in this country. He said that he had sent Mr. Byrnes a copy of his memorandum on this subject.[62] Mr. Forrestal agreed that such procedure would be quite disruptive and remarked that he could not have Admiral Ghormley [63] to continue to report directly to the Navy as he has done occasionally in the past. Mr. Byrnes said that Mr. Vinson had spoken to him on the subject. Mr. Patterson pointed out that he had merely asked for technical and competent personnel which the Treasury could provide and he expected them to fit into the regular Military Government machinery. Mr. Byrnes suggested that the War Department might get personnel from Mr. Eccles of the Federal Reserve.[64] Mr. McCloy said that a somewhat similar situation existed with respect to the State Department and mentioned a recent cable from General Clay on this question.[65] The cable pointed out that the General's personal relations with Murphy were excellent and that it was merely a question of someone down the line in the State Department sending out instructions

[62] Not printed. Under cover of a letter of November 15, the Secretary of War had forwarded to Mr. Byrnes copies of his correspondence with the Secretary of the Treasury (not printed). Included was a letter from Mr. Vinson of October 17, and Mr. Patterson's reply of November 15 (740.00119 Control (Germany)/11-1545).

[63] Vice Adm. Robert L. Ghormley, Commander of U.S. Naval Forces in Germany.

[64] Marriner Eccles, Chairman of the Board of Governors of the Federal Reserve System.

[65] See footnote 61, p. 1004.

which were misinterpreted on receipt. Mr. Matthews explained the need for the State Department to furnish Mr. Murphy with guidance in order that he could express a State Department view when called upon for advice by General Clay and others; that he presumed that some people on lower levels in Germany were probably interpreting these guidance telegrams in the sense of instructions to General Clay and to our Military Government, an interpretation which is quite erroneous. It was generally agreed that the situation could be easily ironed out.

. . . . . .

740.00119 Control (Germany)/11–2645

Memorandum by the Director of the Civil Affairs Division of the War Department (Hilldring) to the Assistant Secretary of State for Administration (Russell)

WASHINGTON, November 26, 1945.

In accordance with our recent conversations concerning an agency to direct the administration of government of occupied territories when military government ceases, the recommendations which follow are furnished. Discussion of the reasons for certain of the recommendations is contained in Annex D.[66]

Recommendations:

1. That a new agency to be known as the Occupied Areas Authority (or other designation) be instituted to be responsible for the administration of occupied territories under the policy guidance of the State-War-Navy Coordinating Committee. (Annexes A and B [67]).

2. That the Director-General of the new agency be appointed by the President and that he have the position and authority of an Assistant Secretary of State.

3. That the selection, if not the appointment, of the Director-General be made as soon as possible.

4. That the War Department furnish the funds, either directly or by transfer, for the operation of the Occupied Areas Authority during fiscal year 1946.

5. That the Occupied Areas Authority prepare its own budget estimates for fiscal year 1947 and thereafter, and that its budget be included in that of the State Department.

6. That the State Department assume responsibility for administrative necessities of the Occupied Areas Authority, such as provision of office space, furniture and supplies, payroll and other services.

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[66] Not printed.

[67] Annexes not attached to file copy of document.

7. That War Department logistical and communications facilities continue to be available for use by the Occupied Areas Authority in territories under its control.

8. That Civil Affairs Division organize within the War Department the nucleus of an Occupied Areas Authority (Annex C [68]); that this nucleus be adapted initially to the processing of German occupational problems and capable of expansion as responsibility for government of other areas is assumed; and that this nucleus be transferred to the Occupied Areas Authority at the time of transfer of responsibility for the government of Germany.

9. That the agency now headed by Mr. Darnell for the recruiting of personnel for foreign service be transferred to the Occupied Areas Authority on the date upon which the latter assumes responsibility for the government of Germany, but that it continue within its new framework its recruiting program for service in other areas.[69]

J. H. HILLDRING

740.00119 Control (Germany)/11–2645

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1394 BERLIN, November 26, 1945.
[Received December 10.]

Sir: I have the honor to call the attention of the Department to an article from Weekly Intelligence Summary No. 16, Office of Military Government (U.S. Zone) for the period ending 11 November 1945. The article is of interest because it purports to show the continued anti-American attitude of German civilians. It is quoted below:

"The security situation is somewhat unstable and potentially dangerous. Posters vilifying the United States, denouncing Military Government policies, and threatening United States officials have appeared in various places. The number of incidents reflecting hostility to the American forces is increasing. Less is heard against fraterni-

[68] Annex not attached to file copy of document.

[69] Mr. Russell replied to this memorandum in a letter of December 5. He noted his agreement to the outlines of General Hilldring's plan but in an enclosure submitted certain modifications for the General's consideration. While agreeing that an independent organization under the policy direction of SWNCC should be established, and that the War Department should provide it with the necessary supplies and facilities, he felt that the War Department must continue its civil affairs functions until Military Government was terminated. The War Department should assume responsibility, including the provision of funds, for organizing and developing the new organization in the interim period. "In short, the War Department now has the principal responsibilities and competence in the military government field; it must retain this position until it has developed and trained a satisfactory new administrative organization." After the new office had been established, Mr. Russell thought it should become, "the responsibility of the State Department to furnish this Office, and keep current, clear statements of its policies with regard to each of the occupied areas." (740.00119 Control Germany)/12–545)

zation, and more opposition is reported to evictions of Germans from their homes and to the operation of Law No. 8." [70]

"It is possible that the trend toward increased boldness will gather momentum in the near future due to the return of released prisoners of war, hardships of winter, nutritional deficiencies, and widespread unemployment coupled with the thinning out of our occupation forces and the proposed withdrawals of Military Government and Counter Intelligence Corps Detachments from all but the larger towns."

"It should be borne in mind that large segments of the population have not had a change of heart. These people continue to hate all democratic institutions and believe that Military Government was established to reduce all Germans to abject poverty to further our own selfish aims. They have become more bitter as denazification progresses and are frantically searching for some loophole through which to escape their compromised past. A resurgence of German national feeling is also notable together with a desire to compare Nazi regimentation and efficiency with the present unsettled state of affairs during the transition. Regardless of their personal sympathies, Germans now tend to be uncooperative in giving information and support each other in elaborate schemes to nullify Military Government measures, to intercede between business associates, and to prevent the collection of evidence in cases of Counter Intelligence interest, reaching a degree of solidarity hitherto unknown."

Respectfully yours, ROBERT MURPHY

USPolAd Berlin Files: 800 Political Affairs Germany

Memorandum by the United States Political Adviser for Germany (Murphy) to Mr. Loyd V. Steere, Counselor of Mission, Office of the United States Political Adviser for Germany

[BERLIN,] November 30, 1945.

With reference to the attached file,[71] I do not agree with parts of the text.

1. I do not wish to recommend at this time the organization of political parties on a zonal basis and I also do not wish to recommend action now looking to authorization of political parties on a national basis. We are only now on the threshold of organization of political parties on the Land level.[72] Some months must elapse before these feeble beginnings enable the consideration of the larger problem. Our policy continues to be decentralization. While I was fully in accord with the extension of political party activity to the state basis, because obviously the Kreis limitation was unsatisfactory, I do not consider that this is the time to expand to a zonal or national basis. In fact, I see no justification of the zonal basis. We want to eliminate the zones politically. The statement that "Nothing can be more dangerous than to maintain artificial restrictions which are ignored

[70] See footnote 9, p. 976.

[71] Reference is to two U.S. Military Government documents on a program for German political activity; neither printed.

[72] See footnote 60, p. 1003.

in practice" is an exaggeration. I can suggest a number of things which might be more dangerous. The fact that contacts are developed among the leaders of the regional areas does not, in itself, constitute a violation of Allied regulations. What I want to see first established is a strong and healthy Land organization which would give an opportunity for the units in our area to express their local characteristics. Once that has been successfully accomplished, we can then consider taking another step forward.

2. We will also *not* recommend that consideration be given to the possibility of postponing the scheduled elections as stated on page 3. We are definitely committed to these elections and we will go through with them. The scheduled elections are of an experimental character. We should learn much from this trial run. The practical difficulties are always realized, but there will always be practical difficulties. I doubt very much that the "widespread discontent" mentioned in para *c*, page 4, will be as violent as it will be in the Spring, after the Germans will have suffered the entire gamut of difficulties they will have throughout the Winter. It does seem to me, in searching for perfection and the ideal, that we might be inclined to lose sight of the progress which is being made. I doubt that any general election has ever been perfect. Under present chaotic conditions in Germany, there is certainly no possibility of holding a perfect election. However, I am convinced that a start should be made at the earliest possible moment if for no other reason than to demonstrate to the German people in our zone that our pronouncements about democracy are not purely academic, but that we mean what we say and intend to put our ideas into practice. From our own selfish point of view, I believe that we will learn a great deal in the small experiment which is proposed for January, as unpropitious as the season may be.

R[OBERT] M[URPHY]

USPolAd Berlin Files: 800C/801.1

Memorandum by the Assistant Chief of the Division of Central European Affairs (Harris)[73] *to the United States Political Adviser for Germany (Murphy)*

[BERLIN,] December 1, 1945.

Subject: The Electoral Codes and the Question of Joint Party Lists.

In comment on Mr. Morris' attached memorandum of November 23:[74]

[73] Mr. Harris was at this time serving on the staff of Mr. Murphy in Germany.

[74] In this memorandum, not printed, concern was expressed over the possibility of the growth of numerous splinter party groups to the right of the Communist and Social Democratic parties throughout the U.S. zone. Mr. Morris advised against a policy of excessive leniency in permitting the establishment of political parties, feeling that too many might "weaken considerably the non-Communist and non-Socialist political forces." (USPolAd Berlin Files: 800C Political Parties)

The local government codes as stamped with the Deputy Military Governor's approval on November 17 [75] contain no stipulations governing questions such as that raised by Mr. Morris.

The interdivisional committee [76] had discussed the problem of what might be done by way of preventing combined lists and other methods of prejudicing the integrity of the individual political parties. After considerable thought we came to the conclusion that it was not feasible to write into the codes a proscription against joint lists. It would be too easy to circumvent it by the organization of one new party, that is, a party sufficiently identifiable as such to meet the legitimate standards set by Military Government or by arranging that each party would present the same list of candidates.

If the state of preparedness for the elections were more advanced, if the number and structure of political parties were more crystallized than they now are, it would probably be possible to lay down a restriction on party unions, but by all accounts party organization is not sufficiently mature to close the door to new groups or to a consolidation of established groups—even if such a procedure were defensible on democratic grounds.

The interdivisional committee felt very strongly that any group of reputable citizens ought to be able to enter the field and hence it wrote this paragraph which went into General Clay's final directive:

"It is expected that nominations will normally be made by political parties already approved by Military Government. But any group of citizens may organize and nominate a list of candidates, provided the group meets the requirements set up for the regular political parties."

The Committee, however, did write in a prohibition of the old practice of *Listenverbindung*—a method whereby one party could assign its superfluous votes to another—but General Clay rejected this portion of our recommendation. (A fuller explanation of this point I have made in a draft despatch to the Department, no. 1444, December 1, 1945.[77])

These considerations of the difficulties inherent in tackling the problem of joint lists seem to me personally to be formidable and we may burn our fingers if we are not circumspect. I shall, however, undertake to go further into the question and give you a report as soon as possible.

DAVID HARRIS

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[75] See footnote 60, p. 1003.

[76] See footnote 57, p. 1002.

[77] Not printed; it stated: "General Clay believed . . . that it was beyond the proper sphere for military government to pronounce a judgment on proportional representation and all reference therefore to this subject was, upon his order, stricken from the final document." (740.00119 Control (Germany)/12-145)

740.00119 Control (Germany)/11–1945

The Chief of the Division of Central European Affairs (Riddleberger) to the Director of the Civil Affairs Division of the War Department (Hilldring)

WASHINGTON, December 6, 1945.

DEAR GENERAL: I would like to send a cable along the following lines to Bob Murphy so that he might be informed of the developments which we discussed the other afternoon, but before doing so would wish to be certain that it was satisfactory to you and faithfully represents your understanding of the situation:

"Satisfactory conferences with General Hilldring have confirmed that there is no difference of view between the Departments of State and War as regards the necessity of your continuing to keep the Department informed of important developments in Military Government in Germany through your present independent channels of communication and the equal necessity of your receiving directly from the Department information and policy guidance to enable you to fulfill your duties as Political Adviser. (Urtel 1056, Nov. 19, 7 p. m.)

"In consideration, however, of General Clay's view that instructions and suggestions should reach him through a single channel the Department will henceforth, when it desires to express its view or comments in the form of instructions, address them to the War Department for further communication to the Military or Deputy Military Governor, at the same time cabling you a copy or summary of such communications. You may, in your discretion, make such copies or summaries available to the Military Governor or the Deputy Military Governor.

"General Hilldring has given instructions that such communications from the Department shall be forwarded with a minimum of delay".[78]

Would you telephone me your reaction to the telegram? I discussed it with Assistant Secretary Russell, who finds it all right if it is all right with you.

Sincerely yours, JAMES W. RIDDLEBERGER

740.00119 Control (Germany)/12–645

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1475 BERLIN, 6 December 1945.
[Received December 19.]

SIR: I have the honor to enclose an interesting instruction on the above subject[78a] which has been issued by the Office of the Military Government (U.S. Zone) at Frankfurt to its subordinate offices in the

[78] This message was transmitted to Mr. Murphy in telegram 97, January 14, 1946, 8 p.m., to Berlin.

[78a] i.e., action to strengthen German Civil Administration in the U.S. Zone.

U.S. Zone.[79] In this connection, reference is made to my despatch No. 1184, of October 26, 1845.[79a]

This paper explains the basis of the relationship which will henceforth exist between U.S. Military Government and the German authorities. It mentions that each of the German State (Land) Governments will exercise all powers and responsibilities formerly exercised by the State and in addition, within the State, the powers formerly exercised by the Reich Government. The Minister President and the Ministers of each State will have the right to appoint all officials within the State subject to prior approval from Military Government as to political reliability. This power will not, however, interfere with the competence of such representative bodies as may be later chosen by elective process. Subject to the authority of Military Government, each state is given full legislative, judicial and executive powers, except as the exercise thereof conflicts with actions taken by the Control Council or any central German authority established by the latter. Legislation issued by the German authorities should, however, contain nothing which would indicate, or be construed to indicate, that it had the approval of the Military Government.

Provision is made for the creation of a U.S. Regional Government Coordinating Office corresponding to the Joint Coordinating Staff of the three Minister Presidents at Stuttgart. The instruction mentions that a constant effort must be made to improve the transportation, communication and office facilities available to the German State officials. Special passes are to be given to the Ministers and other German key officials to permit their free and unrestricted passage throughout the U.S. Zone. It is stated that they must be afforded sufficient dignitary [*dignity?*] of office to impress their responsibility on the German people.

Respectfully yours, For the Ambassador:
LOYD V. STEERE

740.00119 Control (Germany)/12–745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 7, 1945—10 a. m.
[Received December 8—9 : 10 p. m.]

1197. At yesterday's Coordinating Committee meeting Russian member [80] sustained the objection of Russian member in Political Di-

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[79] This document, dated 21 November 1945, was entitled: "Action to Strengthen German Civil Administration in the U.S. Zone"; text is printed in Pollock and Meisel, *Germany Under Occupation*, p. 171, although the date is there given as "October 1945".

[79a] Not printed.

[80] Army General Vassily Danilovich Sokolovsky.

rectorate that US proposal for the opening of consular offices throughout Germany was premature (see my 1108 of November 27, 4 p. m.[81]). He claimed that consular offices were part of "diplomatic machinery" and asked if such offices were opened by the four powers why similar privileges should not be given other Allied nations. There was no German Govt, he said, Germany was in the first stages of occupation, and consular offices might be interpreted as an establishment of diplomatic relations, which the Control Council had no authority to decide.

General Clay, supported by the British member [82] pointed out that consular establishment had existed in Italy alongside of Military Govt, stated that Consuls were not diplomatic officers in normal sense of the term but were intended primarily to help the citizens of their countries. He felt the time had come for this kind of representation and he said that pending quadripartite action he was prepared to exchange consular representatives with any of the four control powers.

Russian member claimed that an analogy could not be drawn with Italy which had abandoned the war and fought on the side of the Allies. He insisted that it was for the govts, rather than the Control Council, to decide whether there should be consular representation and he mentioned that if his colleagues intended to take unilateral action, as suggested by US member, they did so on their own initiative.

In view of the importance of the question, US member, who was chairman, requested Secretariat to place the proposal on the Control Council's agenda for its next meeting [83] and suggested that the members of the Political Directorate inform their Govts that no agreement had been reached in the Coordinating Committee but that the United States, Britain and French are ready to exchange Consuls.

Sent to Dept as 1197, rptd to Moscow as 96.

MURPHY

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[81] Not printed. This telegram reported discussions at the 14th meeting of the Political Directorate, November 27. A paper presented by the U.S. member recommending the establishment of consular offices throughout Germany was discussed. While the members representing Great Britain and France supported the proposal, the Soviet member was opposed. He stated that the opening of Consulates in Germany was premature, the occupying powers still had many purely military questions to decide, and the opening of Consulates went beyond the agreements on which the occupying powers operated. Failing to reach agreement, the members agreed to refer the matter to the Coordinating Committee. (740.00119 Control, Germany)/11–2745)

[82] Lt. Gen. Sir Brian H. Robertson.

[83] The proposal was discussed at the 15th meeting of the Control Council, December 21. For an account of these discussions, see telegram 1316, December 21, from Berlin, p. 859.

USPolAd: Berlin Files: 800 Germany—General

Mr. Loyd V. Steere, Counselor of Mission, Office of the United States Political Adviser for Germany, to Mr. Christopher Steel, Political Adviser, British Element, Control Commission for Germany

[BERLIN,] December 11, 1945.

MY DEAR STEEL: About a fortnight ago I told you, in regard to your inquiry of the seventeenth of November, addressed to Heath,[84] that the consideration being given to land reform in the American Zone did not involve any plans for breaking up estates into small parcels characteristic of the Russian land reform measures.[85]

Our land reform plans were very much in a state of flux at the time I spoke to you—and still are—but, I think, that I am warranted in telling you that our present thinking is in the direction of putting the problem largely in the hands of the appropriate German authorities for the working out of measures which would be subject to Military Government approval.

If there is any change and any more definite progress is made, I shall be glad to inform you.

Sincerely yours, LOYD V. STEERE

862.00/12–1245: Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 12, 1945—4 p. m.
[Received December 12—2:55 p. m.]

1242. Dept's 962, Nov 29, 5 p. m.[86] There is a good deal of contradictory evidence bearing upon the desirability of starting elections in Jan. This evidence might influence our decision if we were considering the matter for the first time, but since the decision was made by General Eisenhower and announced some time ago, I feel that Military Govt should carry it through. The Dept will also recall that in its telegram No. 507 of Sept 19, it suggested the desirability of holding the elections before Jan.

Admittedly many of the Military Govt field reports indicate fairly consistent political apathy throughout the US zone (as in the rest of Germany) and these reports also reflect the view of German officials that elections should not be held before next spring or early summer.

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[84] Note not printed.

[85] For pertinent documentation, see section entitled: "Concern of the United States with developments within the Soviet Zone of Occupation in Germany; quadripartite control of Berlin," pp. 1033 ff. *passim*.

[86] Not printed; it requested the Political Adviser's comments on reports that a January date was too early for the first elections in the U.S. zone in view of political apathy, lack of organization of the political parties, and German unpreparedness for democratic self-government (862.00/11–2945).

It is pointed out that Jan winter conditions and preoccupation with farming problems will discourage political interest in the rural communities where the elections are to be begun. Furthermore latest available reports indicate that in half the Kreise in the US zone no parties exist at present. At their meeting of Dec 4,[87] the three German Minister Presidents petitioned General Clay to postpone the elections until about April 1, and they advanced as reasons the lack of political organization and certain administrative difficulties particularly in qualifying voters on the basis of the present exclusion directive.

On the other hand an information control survey based on 500 interrogations in our zone indicated that 52% of the persons approached endorsed elections "in the early months of next year"; 7% desired them earlier and 11% later, while 23% had no opinion. 82% intended to vote; 55% were firmly convinced of how they would vote, and 19% were fairly sure.

It is my belief that a renunciation of our announced intention to hold elections in Jan would be interpreted as a lack of firmness and conviction in our Military Govt program. The absence of parties in certain areas need not be an obstacle, since citizen groups who are properly screened may nominate candidates who may prove to be better community leaders than professional politicians. To the argument that democracy will not be given a fair chance in the scheduled early elections, the retort may be made that we have waited a long time for democracy to develop in Germany and that the desired ideal conditions cannot be envisaged in the foreseeable future. We can look for neither perfect results nor a total justification of democracy in these first elections but I think we should stick by our purpose in proposing them as a useful experiment which may help break down present inertia and serve as a first step in initiating the German people in democratic procedures and an all too belated acceptance of responsibility.

It must be remembered that the Jan elections are local elections for officials in small towns and villages where party politics should not be significant. It was part of our philosophy to make these initial elections reflect the views of voters in individual candidates rather than party issues, thus developing election interest and procedure without creating zonal issues. We consider this important.

MURPHY

[87] For a report on this meeting, see despatch 1698, January 18, 1946, from Berlin, p. 1029.

740.00119 Control (Germany)/12–1845

Memorandum by the Assistant Secretary of State for European Affairs (Dunn) [88]

[WASHINGTON,] December 18, 1945.

It seems to me that we should work out some arrangement by which the State Department assumes full extent of its responsibility with regard to policy to be carried out in Germany. This is a matter of working out some arrangement for close collaboration between the State and War Departments with perhaps final authority and responsibility being taken by the State Department for policy in Germany.

As far as transfer of control in Germany from military to civilian authority, it seems to me that the following considerations should be taken into account:

(1) The present agreement on the part of the U.S., U.K., U.S.S.R., and France is that there shall be military government in Germany with the Central Control Council composed of the military commanders of the four different zones. There was a great deal of discussion which took place between the four governments as to the form of control which would be set up in Germany. The reasoning upon which the final decision was based included the situation which we faced as we came near the final defeat of Germany. It was obvious that no German Government could be recognized or dealt with as there could be no other government set up than one composed of Germans more or less identified with the Nazi regime. As that was repugnant to all the Allied governments concerned, it was decided that the four governments would constitute a military government for at least a considerable period. It was further decided that there would be no German Government created for some time. This decision was further confirmed at Potsdam last summer.[89] It was obvious that if military government were to be exercised by the different governments in the different zones, it was essential that the central military control in the form of a quadri-partite control council must be composed of the military commanders of the various zones. You could not have more than one type of authority operating in Germany. It either had to be all military or all civilian and, of course, the situation required that it be military. It was also considered that it would take at least two years to re-establish order and provide for the revival of the most meager economic existence in Germany. As this requires a vast organization it is not possible to accomplish these objectives with other than the military organization which was already in existence when we went into Germany. This military authority, composed of the commanders of the different zones, was directed to operate on the basis of agreed-upon policy decisions which have been entered into between the four governments, after full discussion of each point of the general policy as to the treatment to

[88] Addressed to Under Secretary of State Acheson and to Assistant Secretary of State Russell.

[89] See chapter II–A, section 9(iv) of the "Protocol of the Proceedings of the Berlin Conference," *Conference of Berlin (Potsdam)*, vol. II, p. 1483.

be accorded defeated Germany. These headings included demilitarization, de-nazification, reparations, restoration of the most meager requirements of life on a basis of a standard of living to be no higher than that of any other European country. The general objectives of the Allied policy in Germany were further discussed and agreed to at the Potsdam Conference. The U.S. Government is committed to carry on in Germany in accordance with these agreements until and unless these basic agreements are modified by supplemental agreements after full discussion among the four Allied Powers concerned. A further reason for establishing military authority in Germany was that the very fact that the authority was military in character was considered to assist in the application of foreign rule in Germany as far as the Germans were concerned, and it was obvious that military commanders, even though of different nationalities, would, by reason of the fact that they are all in the military service, facilitate their dealings with each other and their carrying out of the governmental agreements above referred to. It was also obvious that the discipline and chain of command which exists in military organization was the best possible atmosphere in which to carry forward the difficult task of dealing with a defeated and disintegrated Germany.

(2) In setting up the American participation in the control of Germany both for the U.S. zone and the U.S. participation in the Quadri-partite Control Council, there was never at any time any consideration given to the use of civilians other than the small group headed by Ambassador Murphy, who was attached to the U.S. Military Commander in Germany for the purpose of contributing to him for use in carrying out his duties such political advice and assistance as he might wish to seek or accept from the U.S. Political Advisor. It was expected that as time went on it would be possible to add civilian personnel in the various subsections of the central Allied control machinery, particularly in those positions where technical civilian knowledge and experience was needed and where the Army might not have on hand the persons particularly qualified for specialized work, such as finance, foreign trade, agriculture, rationing, education, and public information. This has been done and there is a considerable number of civilian assistants in the central control machinery now.

(3) The core of the actual operational assistance in dealing with Germany at the present time is, as far as the U.S. zone is concerned, the military government section of the U.S. Forces. This military government organization deals directly with the German problems from the level of small municipals and rural districts, up through the townships and including the provinces or Laender. This is a vast machinery which deals with problems of food transportation, sanitation, public utilities, communication, public order, and executes on the spot the policy determined by the Control Council. It would be impossible to substitute for this existing government system a civilian organization which would be capable of carrying out the responsibilities now being carried on by military government.

Of course, it was always assumed that at some later time, possibly after a couple of years of military government, it would be possible

to have created decentralized local German administrative bodies which would be capable of carrying out the responsibilities of civic administration under general directives given by the occupying authorities to the German provincial authorities. It would not seem advisable, however, to press forward too fast the creation of local administrative bodies any more than it would be advisable to retard the creation of such bodies. It was always considered that the creation and setting up of the local German administration authorities should begin as soon as it seemed possible to find sufficient responsible non-Nazi Germans to take over these responsibilities, but in any event, it would not be wise to remove the system of surveillance by military government authorities until it became certain that the local German administrations were in fact carrying out their responsibilities along lines of the policies decided upon for dealing with the defeated German nation. We have at present an extremely satisfactory governmental machinery operating in Germany, certainly as far as the U.S. zone is concerned, and it would seem very risky to remove that system and attempt to substitute for it inexperienced administrators, at least before we have had a chance to observe the manner in which the German administrations are carrying out their duties and responsibilities. Certainly, the time which has been heard mentioned of pulling out the military government system in the U.S. zone, about six months from now, would seem to be entirely too short to be sure that the German authorities were properly carrying on their work.

A further difficulty in transfer from military to civilian control is the question of dealing with the food requirements for the population in the U.S. zone. It is obvious that the U.S. would have to finance the import of food perhaps for the first several years, although this may be taken care of later by the first charge upon German exports. As the U.S. Forces now have the responsibility for dealing with the German situation in the form of occupation troops in Germany and the responsibilities connected with dealing with civilian population are already established as lying with the Army and thus the War Department, it would seem advisable to continue the appropriation for funds necessary to deal with the German population in the War Department budget, as it has been carried in that Department's budget from the beginning of the occupation of Germany; and as this is a continuing responsibility of the War Department, it would be sound logic to continue the appropriations in that Department's budget. It would certainly be very difficult for any civilian agency of this government, including the State Department, to take up with Congress anew the obtaining of appropriations for dealing with the German population.

The Department of State is a policy organism of the Government and has never had operational responsibility and is, therefore, not equipped to carry out operations, certainly not on such large scales as would be required in dealing with the German problem. We have an existing system which is working well and it seems to be highly impractical to change it, certainly within a shorter time than six months from now. We need more time to see how the German problem is working out.

One more thought on the matter of dealing with our other Allies on the Central Control Council in Germany: If we were to change the character of the representation on the Allied Control Council at this time or in the reasonably near future from military to civilian, we would very likely bring into the dealings of the representatives on the Control Council the political background of relationship with the other governments represented there. At present, the military commanders can deal with each other on a straight military basis and on the sole basis of the responsibilities for carrying out the occupation and achieving the objectives of our agreed policies in Germany. When we change from military commanders to civilian commanders dealing with each other in Germany, they will undoubtedly, as political representatives of their governments, find themselves working against the background of perhaps many other situations in the relations of the different governments than strictly and exclusively those problems having to do with our objectives in Germany itself. It would seem advisable for all accounts therefore to go very slowly on the change-over from military representation and authority in Germany to civilian representation.

JAMES CLEMENT DUNN

740.00119 Control (Germany)/12–2245

The Secretary of War (Patterson) to the Acting Secretary of State

WASHINGTON, December 22, 1945.

DEAR MR. SECRETARY: With reference to our conversation on 18 December 1945 regarding the organization in Washington which will handle military government after it passes to civilian control, I should like to reiterate my belief that such organization will function satisfactorily only under the aegis of the Department of State.

The President in his approval of General Eisenhower's letter of 26 October [90] emphasized the American principle of keeping the Army out of civil government. The Army cannot be separated from the War Department, and the participation of either in government of

[90] See footnote 40, p. 996.

occupied countries violates the real meaning of the civilianization which is the expressed wish of the President.[91] It is clear to me that the President contemplates the withdrawal of the War Department as well as its components from the Military Government of Germany just as soon as this function can be turned over to civilians and civilian agencies of our government.

I am convinced that an organization under the policy guidance of the State-War-Navy Coordinating Committee would be unsatisfactory. It would transform the State-War-Navy Coordinating Committee from a purely policy body into an operating agency. It would create in our Federal Government a new operating agency at a time when the President is striving to reduce the number of such independent bodies. But the fundamental objection is that the proposed set-up fails to carry out the President's purpose of wholly civilianizing military government. The State-War-Navy Coordinating Committee is and will continue to be two-thirds military, and an operating agency under the State-War-Navy Coordinating Committee could not possibly be considered a civilian administration.

The recruitment of high-caliber personnel needed for this important service will be extremely difficult now that the period of the emergency is popularly believed to have passed. It can hardly be accomplished without the backing and prestige of an established department of the government.

By his memorandum of 30 August 1945, the President conferred upon the Secretary of State sole authority in matters relating to the policy to be followed in the Military Government of Germany and Austria. Any agency outside of the Department of State which is designated to administer the military government of those countries will thereby have responsibility without authority, and its ability to discharge its duties efficiently will be materially and inescapably impaired.

It is not the intention nor the desire of the War Department to withdraw abruptly from its present responsibilities for the Military Government of Germany. Civilianization of the Office of Military Government in Germany is in progress. A plan has been drawn for the establishment of a German branch in the Civil Affairs Division, and for its transfer at the proper time to whatever agency is to assume responsibility for the government of Germany. Both here and abroad the transfer will be one of going concerns. The logistical and communications facilities of the War Department will continue to be available in support of whatever agency is to administer military government abroad.

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[91] A marginal note at this point reads: "Non concur. 'Civilianization' applies to *policy* not *administration*."

If you should decide to lay before the President the question of this responsibility, I should appreciate the opportunity of accompanying you.

Sincerely yours, ROBERT P. PATTERSON

740.00119 Control (Germany)/12–2745

Memorandum by the Assistant Secretary of State for Public Affairs (Benton)[92]

[WASHINGTON,] December 27, 1945.

Judge Patterson did most of the talking at me at lunch today. He seems to feel strongly that the State Department should take the responsibility in the occupied areas, notably Germany. However, he agreed with my theory that the responsibility needs to be decentralized—and cannot be successfully carried by a department or bureau operating here in Washington. The problem, as Byron Price points out in his report,[93] is to choose top personnel for the civilian administration (with which he says President Truman is in emphatic agreement)—and then give power and responsibility to such men, to make decisions and operate in the field. The group working here in Washington would be merely a liaison group, a kind of service organization helping to procure personnel, and in other ways trying to be of assistance under direction and instruction received from the men responsible in Germany. Patterson said he doubted if over fifty men, or at most a hundred, would be required in this central group here in Washington. He suggested that General Hilldring be converted to civilian status, stating that he had a heart condition, and could easily be retired by the Army.

I told Judge Patterson that it was my understanding that Secretary Byrnes did not want this responsibility centered in the State Department. If operating responsibility is sharply decentralized, I asked him whether the key issues didn't boil down to the selection of the high civilian commissioner, and his principal aides (whom Byron Price recommended should have the same status as Under Secretaries)—and the decision as to whether the high commissioner reports to Secretary Byrnes or to Secretary Patterson.

Patterson contends that the Bureau of Insular Affairs was shifted out of the War Department because it is impossible in the War Department to get civilian administration of the kind that is required.

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[92] Addressed to Under Secretary of State Acheson and Assistant Secretary of State Russell.

[93] Byron Price, the former U.S. Director of Censorship, visited Germany as President Truman's personal representative to survey the relationship between the U.S. forces of occupation and the German population. See the "Report of Byron Price to the President," November 9, 1945, Department of State *Bulletin*, December 2, 1945, pp. 885–892.

I do not think that his views were changed particularly by our luncheon, but I am sure that the issue involved in decentralization of authority, into the hands of people in the field, was very much clarified in his mind. I am sure that this is the sound administrative setup. He came back a couple of times to the question, "Who can we find for high commissioner?"

I told him about the particular question involved with the Bureau of the Budget, on the $5,000,000 we are budgeting for information control work in Germany. He insisted that this was sound procedure even if the War Department continued to carry the responsibility. He stated that it was customary among Government departments to assign or delegate people, along similar lines. I told him that I did not think this was consistent, in as much as we do not have any budget set up for Japan, and are merely budgeting for Germany because of our inheritance through the OWI.[94] I told him that, if he and Secretary Byrnes and President Truman subsequently decide that the responsibility should be his, for the appointment and control of top civilian personnel in Germany, then I agreed with Don Russell that this budget should be transferred to the War Department. However, if Secretary Byrnes takes the responsibility, of course, we should carry the budget and be responsible for personnel.

[The remainder of this memorandum dealt briefly with occupation problems in Japan.] [95]

WILLIAM BENTON

862.00/12–2745

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1577 BERLIN, December 27, 1945.
[Received January 15, 1946.]

SIR: I have the honor to transmit a report [96] furnished me by my representative in Munich, Mr. Parker W. Buhrman, which reviews an article published in the *Sueddeutsche Zeitung*, of Munich, written by Minister-President Wilhelm Hoegner on the subject of "Federalism, Unitarism or Separatism".

Dr. Hoegner's views speak for themselves. This is another of several public expressions he has made on this question. Up to the present time his is perhaps the leading voice in Germany for a federal

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[94] The Office of War Information was terminated by Executive Order August 31, 1945. Its Overseas Operations Branch was transferred to the Interim International Information Service of the State Department.

[95] For documentation on this subject, see vol. VI, section entitled "Surrender of Japan . . .", part II.

[96] Not printed.

state. It is clear from his own words how deeply influenced he has been in this matter by his residence in Switzerland.

Dr. Hoegner's views on the question of federalism are at variance with those of most other Social Democrats and of the Communists. The idea of federalism has been vigorously, one might almost say viciously, attacked in the Russian-dominated Berlin press. This press, together with the leaders of the Communist and Social Democratic parties in the Soviet Zone, has been campaigning for some time in favor of a "united Germany", and it is clear that this idea, which though vaguely expressed can only mean a unitary as against a federal state, has the blessing at present of the Soviet authorities. The polemics against the idea of federalism, which is only occasionally attached to the name of Dr. Hoegner, proceed on the assumption that federalism means separatism. It will be seen from the attached report, however, that Minister-President Hoegner is very careful to differentiate between these ideas and to renounce separatism most explicitly. It remains to be seen whether his enthusiasm for federalism, a governmental form which administrative developments in our zone have favored and which is well adapted to our policy of decentralization, will meet with any widespread enthusiasm or response among German political leaders. The prospects to date are not particularly encouraging.

Respectfully yours, ROBERT MURPHY

862.00/12-2745

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1588 BERLIN, December 27, 1945.
[Received January 17, 1946.]

SIR: I have the honor to refer to my Despatch No. 1587 of December 27, 1945,[97] entitled "Transmitting Military Governor's Report No. 5 for November". In that despatch the Department's attention was invited to the supplementary report on political activity which accompanied the Military Governor's Report for November and which was an innovation.

As the Department is aware, the Military Governor's Report is published and has attracted considerable press and radio interest, both in the United States and abroad. Therefore, a revised edition of the enclosure was prepared for publication. The revision omitted references to personalities involved in party political activity in the different zones in order to avoid possible friction and misunderstand-

[97] Not printed.

ing. The enclosure is for the Department's confidential information. The current political situation of course represents only a feeble beginning. Interesting personalities are emerging but slowly, and it is not at all clear that those presently prominent in organizational work will survive.

Respectfully yours, ROBERT MURPHY

[Enclosure—Extract]

Memorandum by Mr. Perry Laukhuff, on the Staff of the United States Political Adviser for Germany

SYNOPSIS

The German public continued generally indifferent toward political life but party leaders were increasingly active in organizing groups and making widespread contacts. Numerous local political parties were authorized in the U.S. Zone, Social Democrats, Communists and Christian Democrats making the most progress in that order. A total of 128 local political parties had been organized in Bavaria by 29 November.

A new directive of 23 November extended permission for the formation of parties to engage in political activities throughout a State (Land).[98] This development, expected to assist in clarifying and stabilizing political activity, came too late in the month to observe any results.

Regional conferences of the Christian Democratic Union and of the Communist Party were held at Frankfurt following the national conference of Social Democrats at Hannover in October. The Christian Democratic Union is planning a national conference at Bad Godesberg for December.

All parties under formation suffered from internal divisions and differences of opinion which, however, seldom broke through to the surface.

The differences among the four parties in Berlin became sharper and more evident, with a resultant weakening of the "united bloc" of parties, despite an intensive Communist campaign in its support.

Election codes were submitted to Military Government by the governments of the three States in the U.S. Zone during November and were approved with some modifications. The legal basis has thus been laid for the conduct of the communal elections scheduled for January.

. . . . . .

PERRY LAUKHUFF

[98] See footnote 60, p. 1003.

740.00119 Control (Germany)/12–2945 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

FRANKFURT, December 29, 1945—11 a. m.
[Received 3 : 55 p. m.]

211. In an undated letter [99] "calling attention to the detrimental situation to French occupational forces and the citizens of Baden caused by the American occupation of Karlsruhe," General Koenig [1] wrote General McNarney [2] suggesting that discussions be initiated for the inclusion of Karlsruhe and the remaining part of Baden within the French occupation zone. General Koenig mentioned that in conversations with General Eisenhower he had formed the opinion that the U.S. authorities were prepared to give up Karlsruhe at the end of the winter when the port of Bremen would be ready to care for traffic to the American zone.

It was agreed in USFET that the French request should be rejected for the following reasons: A concession of this kind would be inopportune in view of French intransigence on the establishment of central German agencies; cession of the territory would have a detrimental effect upon the program for the holding of local German elections; and the port of Karlsruhe is still necessary from a G–4 point of view for the handling of supplies for the American zone and accordingly General McNarney on December 26 [3] addressed a letter to General Koenig stating that he was unable to begin direct negotiations with respect to a change in zonal boundaries and recommending that the normal diplomatic channel be employed. General McNarney added that the port of Bremen has yet to reach the point where both redeployment and imports can be handled for the entire US zone.

Sent to Department repeated to Paris as [unnumbered?] from Frankfurt.

MURPHY

[99] In a note from the French Ambassador (Bonnet) to the Secretary of State, January 31, 1946, the date December 10, 1945, was assigned to the letter under reference (740.00119 Control (Germany)/1–3146).

[1] Lt. Gen. Marie-Pierre Koenig, Commander in Chief, French Forces of Occupation in Germany.

[2] Gen. Joseph T. McNarney had succeeded General Eisenhower as Commanding General, USFET, U.S. member on the Control Council, and U.S. Military Governor for Germany.

[3] In the French Ambassador's note of January 31, 1946, to the Secretary of State, the date December 27, 1945, was assigned to the letter under reference.

740.00119 Control (Germany)/1–246

Memorandum by the Assistant Secretary of State for Administration (Russell) to the Secretary of State

[WASHINGTON,] January 2, 1946.

1. *Problem*

The Department of State and War Department have not been able to agree on the organization required in Washington to give policy guidance for the administration of the German occupied area. Likewise there is a difference of opinion on how and when civilian control will be established to replace military government.

2. *Background*

(*a*) The War Department in a letter of November 26 from the Director of the Civil Affairs Division to the Assistant Secretary of State for Administration proposed that an inter-departmental agency to be known as the Occupied Areas Authority under the guidance of the State-War-Navy Coordinating Committee be established in Washington.

(*b*) The State Department in a letter of December 5 from the Assistant Secretary of State for Administration to the Director of the Civil Affairs Division [4] agreed to the general features of the War Department's plan but suggested certain changes.

(*c*) The War Department then materially altered its position and urged that the State Department take over the complete responsibility for the administration of Germany by expanding its departmental organization in Washington and by creating the necessary field organization in Germany. This view was expressed by Secretary Patterson in a conference in his office on December 18, attended by Messrs. Acheson, Dunn, Riddleberger, Collado,[5] Schneider and Russell, and was followed up by a letter from Secretary Patterson to Mr. Acheson of December 22.

(*d*) On December 19, following the meeting in Judge Patterson's office, Mr. Acheson explained to the President our position, emphasizing the impracticability of the State Department taking over the administrative functions now performed by the Army in Germany. The President agreed heartily and subsequently, in a Cabinet meeting, he expressed himself accordingly. This provoked a loud protest from Secretary Patterson. It was thereupon agreed that a decision should be delayed until your return.

(*e*) Judge Patterson in his letter of December 29, 1945, to the Sec-

[4] Not printed, but see footnote 69, p. 1007.

[5] Emilio G. Collado, Director of the Office of Financial and Development Policy.

retary of State (attached as Tab A)[6] restates his position that the Department of State should accept responsibility and make the necessary organizational changes to supervise the government of Germany when placed on a civilianized basis. An early decision is urged.

3. *Discussion*

(*a*) The memorandum of August 30, 1945 (Tab B)[7] which the President approved established a sensible basis for the control of Germany which should not be hastily changed and which was predicated upon two sound principles:

1) "The War Department by reason of the military responsibility for control of Germany and Austria would deal primarily with the executive and administrative aspects of the questions which will arise." This means that within Germany there must be centralization of administrative responsibility and for the present this must be with the Army.

2) "The Department of State by reason of its responsibility to the President for carrying out the foreign policy of the United States would deal primarily with the policy aspects of the questions which would arise . . . The Department of State would consult with other civilian departments and agencies on matters of appropriate concern to them". This means the use of machinery such as or very similar to the State-War-Navy Coordinating Committee for the development of policy direction for German control.

(*b*) The War Department now proposes that these principles be abandoned and that the decision shall be made now that on June 1, 1946, the State Department shall assume responsibility for administration in Germany. This proposal is based on the doubtful assumption that effective German local government machinery will be established by June 1, 1946. Irrespective of whether such machinery is so established it must be conceded that a considerable period of time must elapse before we will know that such machinery may be relied upon and that Army supply and transportation facilities are no longer necessary.

(*c*) Control of Germany at the present and for an indefinite and uncertain future period involves considerably more than mere policy direction of a political character. Until effective German governmental responsibility can be established and can prove itself, German control involves specialized operating functions requiring highly technical skills in the fields of health, sanitation, transportation etc. Moreover, all admit that for some considerable period imports are essential to our operations in Germany and this presupposes a supply organization equipped to procure, transport and distribute the im-

[6] Not found in Department files.
[7] Not printed.

ports. For the State Department to undertake the complex and diverse operating responsibilities inherent in German control would require the assumption of operating responsibilities entirely alien to its previous operations and for which it has little experience. On the contrary, few of these responsibilities are new to the Army. The Army has a supply organization; it has experienced organizations to handle health, sanitation, transportation, supply and other problems. It has accumulated experience of decades in directing such operations. It now has a large administrative organization and rapidly shrinking volume of business. Until conditions in Germany become normal the occupation forces are an essential part of German control. There must be unity of control in the field and so long as the occupation forces are needed the control of Germany in the field should be centralized in the Army.

(*d*) The plain fact is that the Army became panicky over the idea that military government in Germany was becoming a liability. This is the basis for the War Department's desire to unload the job on the State Department—and not the various rationalizations which have been offered in Secretary Patterson's letter. The job is temporary, we hope; the Army now has it in hand, it has the organization and experience to do a better job than any other agency, and fear of criticism should not be allowed to throw the job into less competent hands. Former Assistant Secretary of War McCloy who headed the supervision of military government while he was in the War Department shares this view.

(*e*) While Secretary Patterson holds that the War Department must be divorced quickly and completely from the control of Germany, he makes no similar demand with regard to Japan. Military government there under the policy direction of the State-War-Navy Coordinating Committee and the State Department apparently can operate without objection. And now the Moscow agreements provide that *policy* for the control of Japan shall be set by an Allied Commission and that *administration* shall be by the supreme military commander on a strictly U.S. Army basis.

(*f*) The crux of the problem is the phasing of appropriate control machinery which will reflect the improvements and changes in the internal situation in Germany. The following time table is suggested:

Situation	*Policy Guidance Organization in Washington*	*Organization in Germany for administration & supervision of occupied areas*
First Stage: Invasion and occupation of Germany	War Department (with political and foreign policy decisions made by State Department)	Military government under military commander

Situation	*Policy Guidance Organization in Washington*	*Organization in Germany for administration & supervision of occupied areas*
Second Stage: Resuscitation of German economy requiring supervision and participation of Army supply, transportation, sanitation, and law enforcing facilities	Interdepartmental organization for policy guidance under leadership of representatives of Department of State and with participation of State, War, Navy and other departments and organizations such as Treasury in matters requiring expert knowledge and experience.	Military government will train civilians to replace gradually military personnel in control positions. Administration continues under Army control.
Third Stage: German government reestablished with decreasing need for U.S. military forces and facilities to supplement German economic system and local law enforcement agencies.	Same as Stage 2.	High Commissioner with civilians in principal administrative roles; considerable reliance on Army participation continues but military commander and forces are subordinate to High Commissioner and his civilian control organization.
Fourth Stage: German government and economic system reestablished sufficiently to make U.S. Army supply, transportation and law enforcement facilities unnecessary.	State Department (normal and existing organization machinery)	High Commissioner will have civilian staff sufficient for supervision of German methods and policies. Need for U.S. Army neglible.

4. *Recommendations:*

(*a*) That you support the phasing and organizational arrangements for control of Germany as outlined in paragraph 3, (*f*), above.

(*b*) That you secure acceptance of the understanding that the present situation is that of Stage 2 and that Stage 3 may start on June 1, 1946, and will last at least through the winter of 1946/1947.

(*c*) That the attached letter [8] be sent to the President as a basis for a decision.

DONALD RUSSELL

862.00/1–1846

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1698 BERLIN, January 18, 1946.
[Received February 6.]

SIR: I have the honor to refer to my despatches No. 1184 of October 26 and No. 1374 of November 22 [9] which concern the first and second

[8] Not printed.
[9] Neither printed.

meetings of the Laenderrat of the United States zone of occupation and to enclose herewith a series of papers [10] relating to the third meeting of this body in Stuttgart on December 4 and to subsequent decisions of Military Government growing out of that meeting.

The opening session of the December meeting was devoted to a brief address by General Joseph T. McNarney and to a statement by Lieutenant General Lucius D. Clay in which the Deputy Military Governor set forth his policies with respect to a number of problems of concern to the Ministers-president. Of particular interest to his German auditors was his announcement of the import of food from the United States to the extent necessary to provide an average ration of 1550 calories for the United States zone of occupation. I attach as Enclosure No. 1 the texts of the speeches of Generals McNarney and Clay.

The working sessions of the Laenderrat were attended only by the Ministers-president, several of their ministerial colleagues and a very small number of representatives of Military Government. I attach as Enclosure No. 2 a report which, in its first part, contains a tentative summary of the discussions. Enclosure No. 3, in turn, presents a translation of the official German texts of all the proposals adopted at the meeting. This document likewise indicates the action taken by Military Government up to December 17, 1945, in response to these proposals.

Three points of possible interest to the Department arose in the discussion of the report of the Food Committee. (1) The Minister-President of Greater Hesse, Dr. Geiler, proposed the establishment of a central executive office of food and agriculture for the three Laender of the United States zone in order more effectively to solve the paramount problem of the day in Germany. This suggestion was vigorously combatted by Dr. Hoegner, Minister-president of Bavaria, whose strong decentralist convictions as a matter of general principle were in complete harmony with his resolution that Bavaria would not be made, as he expressed it, the milch cow of the other Laender. (2) Permission was requested for the German authorities of the United States zone to negotiate for the purchase of live stock with the German authorities of the British zone and with Austria. In response to this request General Clay has subsequently informed the Ministers-president that import requirements for the zone must be addressed to the several Land detachments. This expression of the manifest need for the restoration of Germany's economic unity, however, has led the Deputy Military Governor to a consideration of how trade over the zone boundaries can be arranged before the present difficulties with respect to a central German administration can be

[10] None printed here.

overcome. It is his hope that this problem of inter-zone trade can be discussed with the British Military Government administration in the near future. (3) Request was likewise made to withdraw requisition rights from UNRRA except in cases of emergency and to curtail the privilege of "foreigners" (displaced persons) by giving them the same rations as the Germans receive and by halting the requisitioning of houses. The argument supporting the request states, "If the foreigners are not willing to depart with transportation, they should be in the same position as the Germans concerning their obligation for working." General Clay in a telegram dated January 5, 1946, rejected these representations.

Discussion of the report of the Evacuation Committee again gave rise to complaints by the Ministers-president about the unwanted strangers in their midst and to the formally expressed desire that the departure of these foreigners be speeded. The Ministers-president likewise asked for the expeditious return of displaced Germans to their homes in other zones without reference to the head-for-head policy of the Allied Control Authority. And, finally, they requested a revision of the Potsdam decisions with reference to the transfer of Germans from the East.[11] The supporting argument for this last request refers to the food situation and "to health, peace, security and order in Germany." General Clay, in reply to this series of requests, has pointed out the difficulties due to weather and transport which impede our efforts to remove the displaced persons as rapidly as possible but he has at the same time given a negative answer to the specific proposals.

In giving attention to questions of political interest the Ministers-president submitted a proposal whereby prisoners of war now engaged in reconstruction work would be exchanged for former active Nazis. General Clay received this suggestion with interest but his subsequent study has led him to the conclusion that there exists no legal basis for such action.

With regard to the projected Gemeinde elections the three Ministers-president were unanimous in their desire, engendered by the technical problem of properly qualifying voters, to postpone this step until springtime. As the Department is aware, however, no change of plans has resulted from the Laenderrat's plea. An additional proposal would have restricted candidacy for office to the persons nominated by licensed political parties but that recommendation has likewise been rejected in favor of allowing lists without formal party sponsorship to contest for office. General Clay, however, has authorized the Land governments to establish a percentage requirement for election high

[11] See section XIII of the Report on the Tripartite Conference of Berlin, printed in *Conference of Berlin (Potsdam)*, vol. II, p. 1511. For related documentation, see *Foreign Relations*, 1945, vol. II, pp. 1227 ff.

enough to prevent the reappearance on the German political scene of a series of splinter parties. There are available as yet no reports as to how this problem of minor parties will be resolved within the generally accepted framework of proportional representation.

Of the other topics of discussion reflected in the previously cited enclosures I shall refer only to a consideration by the Ministers-president of the problem of denazification. As the minutes indicate, Dr. Geiler of Greater Hesse proposed that the three Land governments prepare a uniform denazification law and submit it to the appropriate Military Government authorities for approval. Dr. Hoegner of Bavaria replied that his government had already submitted a draft law to the Land Detachment of Bavaria and he invited his colleagues of the Council to endorse the Bavarian program. After an extended debate Dr. Hoegner agreed to suspend independent action for 10 days to allow the ministers of justice of the three Laender to work out a common proposal. I have received a copy of this latter document only in the past few days and shall make the further development of this question the subject of a separate despatch.

In the interest of affording the Department a critical assessment of the Laenderrat during the first two months of its existence I append as Enclosure No. 4 a copy of a report prepared on December 10 by Dr. James K. Pollock who is head of the Regional Government Coordinating Office, the agency of Military Government responsible for advising and supervising the Laenderrat. Dr. Pollock here states his conviction that the idea underlying the creation of this instrumentality of government has been proven sound and that the organization has operated very satisfactorily considering the difficulties under which it has had to function. The weaknesses and confusions which he observed in the meeting of December 4 are being overcome,[12] in his judgment, and he looks forward with optimism to the subsequent development of the Laenderrat not only as a mechanism for the better administration of the United States zone but also as a possible means of resolving problems which extend beyond the boundaries of the zone.[13]

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[12] In his analysis, Mr. Pollock noted particularly that assignments had been given to the Länderrat faster than it was able to handle them, for which he offered the following reasons. "First, the German officials both in the Council itself and in its committees had to get acquainted with each other, and get accustomed to free discussion. Second, they were not sure for a time just what their authority was going to be. Third, the delay in securing a Secretary General acceptable to Military Government necessitated placing the secretarial work in temporary hands. Fourth, the absence of adequate office space and secretarial help delayed the work of the secretariat."

[13] Mr. Pollock made the suggestion that the U.S. zone Länderrat meet with German officials of administrative subdivisions in the British zone and also with their counterparts in the French and Russian zones, thus ultimately presenting the four occupying powers with "a national council of states with which they could deal until an elected constitutional assembly existed."

I attach as Enclosure No. 5 a directive of December 20, 1945,[14] in which the Deputy Military Governor has specified the character and functions of the Laenderrat and the Regional Government Coordinating Office in the light of experience accumulated up to that time.

As a contribution to the Department's biographical files, I transmit as Enclosure No. 6 a brief note on the personal history of Eric Rossman who was elected Secretary-General of the Laenderrat at the December meeting.

Respectfully, ROBERT MURPHY

CONCERN OF THE UNITED STATES WITH DEVELOPMENTS WITHIN THE SOVIET OCCUPATION ZONE OF GERMANY; QUADRIPARTITE CONTROL OF BERLIN

740.00119 Control (Germany)/2–2445

The United States Political Adviser for Germany (Murphy) to the Director of the Office of European Affairs (Matthews)

PARIS, February 24, 1945.

DEAR DOC: The Soviet build-up of the Free Germany Committee[15] and the growing use of German officers (Paulus–von Seydlitz[16]) in broadcasts to the German army added to the rumors of an extensive Russian program for the use of German prisoners of war in the post-defeat administration of Germany focus attention on the complete absence of any similar American preparation. In a mild way the British are doing a small amount of sifting of German prisoners of war in an effort to find individuals who may be of utility to them later in administrative positions as well as executive positions in business and industry.

As matters now stand we have lined up nobody on whom we could rely in the post-defeat period. This has the advantage of freeing us from any obligation towards individuals or organizations. Once in Germany we undoubtedly will have time to make our own selection after careful investigation.

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[14] Text in Pollock and Meisel, *Germany Under Occupation*, p. 128.

[15] The Nationalkomitee Freies Deutschland, a Soviet sponsored propaganda organization and "political movement" recruited from German political refugees and prisoners of war in the Soviet Union. Freies Deutschland was organized in Moscow on July 12, 1943, and carried on extensive propaganda via radio broadcasts and publications aimed at undermining the German Government and Armed Forces. For the founding of Freies Deutschland, see *Foreign Relations*, 1943, vol. III, pp. 552–580, *passim*, and 602–605. For documents on the Free Germany Movement, see the collection edited by its former chairman, Erich Weinert, *Das Nationalkomitee "Freies Deutschland"* (Berlin, Rütten and Loening, 1957).

[16] General Field Marshal Friedrich von Paulus and General Walther von Seydlitz-Kurzbach, the highest ranking German prisoners of war in the Soviet Union who, through the associated organization, Bund Deutscher Offiziere, lent their active support to the Free Germany movement.

By contrast the Russians may make far more rapid administrative strides and develop more quickly not only an orderly public administration but industrial and agricultural production for their own benefit [17]—if that is their objective.

I believe that if we are to proceed as above that, immediately hostilities cease, the American public should be fully oriented through the press and radio regarding our policy and the reasons for it. Otherwise we shall undoubtedly suffer by comparison if the Soviet press and possibly our own correspondents point to eventual disparities in conditions. We have noted similar criticism by *Pravda* contrasting conditions in Rumania and Bulgaria with those in Italy. I urge that we take the initiative in Germany.

Yours ever, BOB MURPHY

862.01/4–1745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 17, 1945—7 p. m.
[Received April 18—4:12 p. m.]

1926. From Heath for Matthews. Only action ever taken by SHAEF [18] on CALPO request [19] was curt formal acknowledgement several weeks ago following informal discussion between Beam [20] and British Political Adviser Steel. (ReDeptel 2578 to London, April 3, 7 p. m.[21]) No further action expected to be necessary as CALPO has never raised question again.

G–2 [22] SHAEF mission (Paris) believes it best not to approach French formally on this question at present in view of general political implications and relations between SHAEF and French authorities and furthermore suggests that such a request by SHAEF is hardly necessary in view of decidedly critical attitude recently adopted by

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[17] Credence was given to Mr. Murphy's fears by reports emanating from Sweden that administrative and political power on the local level was being given to the Free Germany Movement in German areas overrun by the Russians. These reports were transmitted to Mr. Matthews by Donald R. Heath, Counselor of Mission to the Political Adviser for Germany, in telegram 2524, March 10, from London. (862.01/3–1045)

[18] Supreme Headquarters, Allied Expeditionary Force.

[19] Comité Allemagne Libre pour l'Ouest, the organization in France and the Low Countries affiliated with Freies Deutschland. In telegram 2206, March 3, from London, Mr. Murphy had reported that CALPO had formally applied to SHAEF for permission to operate under its jurisdiction. CALPO wanted the right to visit and to operate in all sectors of the front, in all prisoner of war camps, and all German areas already conquered. It also hoped to use Allied radio facilities. (862.01/3–345)

[20] Jacob Beam, Foreign Service Officer on the staff of the U.S. Political Adviser for Germany.

[21] Not printed; it instructed that the CALPO request should be denied, and expressed the Department's hope that SHAEF would request the French Government to deny CALPO access to German prisoner of war camps in its jurisdiction (862.01/3–345).

[22] Intelligence Division.

French toward Free Germany Movement as whole and CALPO in particular. As indicated in Morris' [23] latest reports (as his memorandum No. 13, dated March 31 [24]) CALPO's activities have been greatly restricted by French in recent weeks. G–2 will, however, use any available future opportunity to suggest informally to French its approval of their present attitude.

I believe above considerations justify no further action at present with regard to SHAEF and French, though we shall continue to watch this situation with care. [Heath.]

CAFFERY

862.01/5–645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 6, 1945—7 p. m.
[Received 8 p. m.]

2419. The Embassy is informed by a source in close contact with CALPO (Free Germany Committee of the West) that most of the Socialists therein have renounced their membership owing to the too excessive Communist domination of the Committee.

CAFFERY

740.00119 Control (Germany)/7–1445 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

HOECHST,[25] July 14, 1945—6 p. m.
[Received 7:48 p. m.]

168. Following is report, delayed in transmission, on first formal meeting of Berlin Kommandatura [26] held on July 11.

In the interest of administrative continuity Kommandatura decided to continue in force pending further study and later decision the Military Government laws first instituted in Berlin by the Russians. It was agreed that transfer of Military Government responsibility from the Russians to the commanders of the respective US and British sectors should be formally completed by 9 a. m. July 12. (At time of receipt of this report from Berlin, it is learned that transfer was effected smoothly.)

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[23] Brewster H. Morris, Secretary of Mission on the staff of the U.S. Political Adviser for Germany.

[24] Not found in Department files.

[25] The U.S. Political Adviser's office was moved to Hoechst, a district of Frankfurt-am-Main, on June 15.

[26] The Allied Kommandatura Berlin, the inter-Allied governing authority for Greater Berlin. For documentation on preliminary meetings of the Allied Kommandatura, see *Conference of Berlin (Potsdam)*, vol. I, pp. 630–634, 638–639, and 755–756.

Chairmanship of Kommandatura will rotate on first and sixteenth of each month. Russian General Gorbatov will serve until August 1 and will be followed by US and British generals and French general when latter formally becomes member of Kommandatura.

Reconnaisance being undertaken to determine permanent seat of Kommandatura. Lists of personnel for Kommandatura staff are being exchanged between Russian, US and British national groups with a view to setting up staff as soon as possible.

French General Beauchesne attended meeting in capacity of observer.

Following is gist of first order of Kommandatura which is signed by Russian, US and British commanders and is now being posted:

The "inter-Allied Kommandatura" formally took over control of Berlin on July 11. Until special notice all existing orders issued by Soviet Chief of Garrison and Military Commandant of Berlin, as well as by German municipal administration under Allied control which regulate the order and behavior of local population and its liability for infringement of such orders and for unlawful acts against Allied occupation troops remain in force.

MURPHY

740.00119 Control (Germany)/8–845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

FRANKFURT, August 8, 1945—8 p. m.
[Received 9 p. m.]

278. The last few weeks have produced political developments of considerable importance in Germany, indicating that the Russians are rapidly and energetically carrying out a positive program which they presumably hope will set the pattern for all of Germany and result in the establishment of a "bloc of anti-Fascist democratic parties" similar to those which have appeared in so many countries in eastern and southeastern Europe under Russian influence and control. Zhukov's [27] order number 2 of June 10 [28] authorized political activity, stressing necessity for unity of anti-Fascist forces. Meanwhile

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[27] Marshal of the Soviet Union Georgy Konstantinovich Zhukov, Commander in Chief, Soviet Forces in Germany, and Chief of the Soviet Military Administration in Germany.

[28] Text printed in: [Soviet Military Administration in Germany], *Befehle des Obersten Chefs der Sowjetischen Militärverwaltung in Deutschland; Aus dem Stab der Sowjetischen Militärverwaltung in Deutschland*, Sammelheft 1, 1945 (Berlin, Verlag der Sowjetischen Militärverwaltung in Deutschland, 1946), p. 9. English translation printed in Royal Institute for International Affairs, *Documents on Germany under Occupation*, Beate Ruhm von Oppen (ed.), (London and New York, Oxford University Press, 1955), p. 37.

intelligence reports indicated arrival in Berlin of key figures from Free Germany Movement in Moscow.

German Communist Party was officially reconstituted on German soil by issuance of manifesto dated June 11,[29] signed by 16 individuals, under leadership of Wilhelm Pieck, all of them identified with former KPD,[30] Free Germany Movement Moscow, or recently established Berlin administration. This manifesto merely carried forward general present Free Germany propaganda and tactical line, and called for formation of a bloc of all anti-Nazi democratic parties.

First joint meeting of representatives of new Communist Party and Social Democrats allegedly occurred Berlin on June 19 and on June 21 manifesto [31] was issued in name of newly constituted Social Democrat Party, calling for unity of anti-Fascist forces to cooperate in liquidation all Nazi remnants, cooperation with occupation forces, fulfillment of reparations demands, and establishment of a new German democracy, thus giving scope to ultimate realization of most of Free Germany movement's objectives.

Two new center political parties then emerged, called Liberal Democrats and Christian Democrats. Announcement was made on July 18 of first joint meeting of representatives of the above four new parties, great importance of which was underlined by Communist leader Pieck who claimed that leaders had decided "of their own free will" to form this solid united front.[32] Liberal Democrats and Christian Democrats then issued party manifestos,[33] which though more vague and conservative than those of Communist and Social Democrat Parties, apparently fit in pretty well with present general objectives of German Communist Party. Intelligence suggests these two parties are as yet comparatively inactive.

Though little is yet known about individuals in control of these new Social Democrat, Liberal and Christian Democrat Parties, it is presumed they were carefully selected on account of their willingness to cooperate in this bloc which is of course entirely in accordance with present general Russian tactical line abroad.

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[29] Printed in Walter Ulbricht, *Zur Geschichte der Neuesten Zeit*, Band I, 1. Halbband (Berlin, Dietz Verlag, 1955) hereinafter referred to as Ulbricht, p. 370.

[30] Kommunistische Partei Deutschlands (German Communist Party).

[31] Printed in Institut für Marxismus-Leninismus beim Zentralkomitee der Sozialistischen Einheitspartei Deutschlands, *Dokumente und Materialien zur Geschicte der Deutschen Arbeiterbewegung*, Reihe III, Band 1 (Mai 1945–April 1946), (Berlin, Dietz Verlag, 1959), p. 41.

[32] The representatives of the four parties met on July 14. The manifesto of the resulting Bloc of Antifascist-Democratic Parties is printed in Ulbricht, p. 380.

[33] The Liberal-Demokratische Partei Deutschlands was organized on July 5, and issued its manifesto on that date. The Christlich-Demokratische Union Deutschlands was organized on June 26 and issued its manifesto on that date. The manifestos of both parties are printed in: Klaus Hohlfeld (ed.), *Deutschland nach dem Zusammenbruch 1945*, Band VI in the series *Dokumente der Deutschen Politik und Geschichte von 1848 bis zur Gegenwart* (Berlin, Dokumenten-Verlag Dr. Herbert Wendler & Co., n.d.), pp. 19–24.

Russians have supplemented above political policy with establishment of United Trade Unions led by Otto Brass, former left-wing Socialist and a comparatively old man presumably hardly in a position to control developments in this field.

Likewise, Central Youth Committee, cultural union for the democratic renovation of Gemany, and Central Committee for victims of Fascism have been set up, in accordance with usual Russian and Communist technique.

MURPHY

862.00/8–1345 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

FRANKFURT, August 13, 1945—9 p. m.
[Received August 14—2 : 42 a. m.]

291. The political situation in Berlin is one we intend to follow closely, particularly since political activities have been permitted to develop more rapidly here and because of the effect they may have throughout Germany. We have not yet had an opportunity to make a thorough survey of leaders or opinion, but the following first impressions have been gained in conversations with our Military Government officers in Berlin and with certain Germans believed to have a responsible and objective point of view.

Before we and the British entered Berlin the Russians allegedly transferred to their sector the central offices of the four political parties which had emerged under their auspices. There is evidence that they have also tried to induce, with varying success, certain party leaders and administrative officials to reside in Russian sector of city.

So far the Russians seem to have been even more interested in assuring Communist control of Berlin municipal administration than in promoting Communism as a political party.[34] Besides securing certain key appointments such as Deputy Lord Mayor and Heads of Education and Social Affairs Department, we note that Wilhelm Pieck, KPD chief, heads the Berlin personnel office, thus enabling him to pass on all municipal appointments. Many mayors or deputy

[34] In telegram 376, August 27, from Berlin, Mr. Murphy transmitted a report that just after the termination of hostilities in Europe, the Russians flew ten reliable German Communists to Berlin. They were under orders to set up a municipal administration in which the top positions were to be occupied by weak non-Communists and the deputy positions by reliable Communists. All chiefs of personnel offices were to be Communists. Mr. Murphy concluded that the composition of the Berlin and provincial administrations followed this pattern "to a high degree." "Russians have presumably adopted it as window-dressing to avoid giving impression of Communist domination, and because it puts them in happy position of exercising control without bearing primary responsibility." (740.00119 Control(Germany)/8–2745)

mayors for various sections of Berlin are also Communists, thus providing Russians with continuing source of information and control even in American and British sectors of city. Our Military Government reports that these individuals do not hesitate to bring all possible pressure to bear on their non-Communist colleagues. Through an apparent Russian inadvertance we recently obtained copy of letter from Pieck to local Russian military commander urging removal of Social Democrat Mayor of Neukölln,[35] which is in American sector, and charging *inter alia* that he had developed too close relations with the Americans.

In recent discussions for an advisory council for Greater Berlin, Russians have likewise endeavored to assure that this body will be Communist-weighted.

Leaders of Social Democrat Party and Christian Democratic Union (see my 278 of August 8, 8 p. m.) have impressed American contacts so far as relatively independent and democratic individuals. While Social Democrats are willing to cooperate with Communists in this new four-party bloc, they admit in confidence that they entertain real doubts as to long term possibilities of real cooperation. Actual present cooperation between the four parties seems best at top levels, and in particular it is said that old enmities and jealousies between the two workers parties still persist at lower levels, though to a lesser degree among the younger Social Democrat elements.

Social Democrats Berlin newspaper [36] seems to be rather closely identified with present Communist party line. Apart from a certain affinity in social aims, this may be a manifestation of the close obligation to the Russians in matters of physical and material control under which all parties lie and which seems to be in part responsible for their nominal union in an anti-Fascist front which, based on experience in eastern and southeastern Europe, seems likely to result in considerable real control by the Communists.

Christian Liberal Union and Liberal Democrats seem relatively weak and inactive. Former is apparently made up of remnants of Center Party, which was never strong in Berlin, the Confessional Church [37] and persons associated with July 20 plot.[38] Liberal Democrats are composed of much the same elements and according to one source this party was developed under Russian auspices after Christian Liberals had shown too much independence and initiative. It also seems possible that Russians encouraged development of two center parties in order to weaken this sector of the political stage.

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[35] Martin Ohm. The ostensible reason for removing him was his past association with Nazi affiliated organizations.

[36] *Das Volk.*

[37] The Bekennende Kirche, a Protestant church organization founded in 1934 to resist the church–state policy of the National Socialist Party.

[38] The attempted assassination of Adolf Hitler in 1944.

It is noteworthy that Communists are said to be enlisting many small Nazis in same way that Nazi SA [39] won support in 1932 from former Communists.

Despite considerable activity by all four parties, and especially the two Leftist ones, Berlin inhabitants, like the Germans in American occupation zone of Germany, seem generally disinterested in politics at present, due to their extreme preoccupation with vital questions such as food and housing, and internal apathy following extended Nazi dictatorship and impact of recent total defeat. Berlin parties may therefore be described as generals without armies.[40]

Local observers believe that were free elections to be held today, Communists would do very badly and Social Democrats pretty well. This would be due largely to recent Russian excesses such as looting and raping, together with exaggerated, overbearing and even stupid behavior of Communists. Latter apparently realize this and are therefore presently concentrating on retaining administrative power. In this connection, one source reports that a local Russian commander recently somewhat lightheartedly undertook a poll in township outside Berlin, result of which was to give substantial majority for Social Democrats and negligible minority for Communists.

Many reports, including open admissions from certain Germans involved, indicate that Russians are engaged in organizing a central German administration for their zone,[41] the purpose of which is envisaged to be that it would give them a better bargaining position in the composition of a central government for all of Germany, or serve as a Russian-controlled organ for the eastern area in the event that a national government could not be agreed upon by the four Allied powers concerned.

MURPHY

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[39] Sturm Abteilung.

[40] Mr. Murphy reported in telegram 294, August 13, from Berlin, that in contrast to the political parties the new Free German Trade Union League appeared to have gained a great number of members in a short time, not only in the Soviet zone, but also in all sectors of Berlin. He attributed this growth in part to the worker's apparent feeling that "if the Soviet Military Government favors trade unions they had better join." Mr. Murphy reported also that the League was highly centralized and that its leaders "insist on unity and are building one federation to take in workers, salaried employees, and public officials of all political parties and orientation." (862.00/8–1345)

[41] Soviet Military Administration Order No. 17, 27 July 1945, established the "German Central Administrative Agencies for the Soviet Occupation Zone" (DZV), effective 10 September 1945. Eight of these central administrative agencies were concerned with economic affairs: Transport, Communications, Fuel and Power, Trade and Supply, Industry, Agriculture, Finance, Labor and Social Affairs. In addition there were central administrative agencies for Health, Education, and Justice. The order also appointed the German officials who were to be presidents of each agency, and provided for the creation of comparable agencies for the Soviet sector of Berlin. The text of SMA Order No. 17 is printed in Ulbricht, p. 417.

Provincial administration had been established in the Soviet Zone in July.

740.00119 Control (Germany)/8–2045

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 817 BERLIN,[42] August 20, 1945.
[Received September 4.]

SIR: I have the honor to enclose, for the Department's information, a copy of the report[43] prepared by Lt. Col. Richmond, Local Government and Administration Officer in Military Government Detachment A1A1, which takes care of the American Sector of Berlin and in practice constitutes the G–5 Section[44] of the American Element of the Kommandatura.

This report deals with an apparent attempt by the German Communist leadership to remove from office the mayor of Neukölln, one of the boroughs in the American Sector. It is interesting for several reasons. As indicated in pargraph 4*a* of the report, the Personnel Office of the Berlin Magistrat, which is run by Wilhelm Pieck, leader of the German Communist Party, approached the local Russian commander, General Gorbatov, on the grounds that the mayor of Neukölln had "established close relations with the American Army Commandant" and was "trying with his help to free himself of the influence and control of the anti-Fascist parties." By the latter phrase, Pieck of course meant the present four-party bloc which is dominated by the Communists and left-wing Socialists. Paragraph 8 of the report gives further evidence of the reasons for this move, when the Communist Party's headquarters in speaking of two of the mayor's assistants, points out that "as persons near to the Bürgermeister, and therefore in close contact with the Americans, (they) would energetically oppose our activities in the Neukölln District."

This is an interesting example of some of the problems facing American Military Government in Berlin, which will obviously call for considerable patience and tact. Colonel Richmond's recommendation that an attempt be made to discharge Pieck from his office, as well as the First Deputy Lord Mayor, who is Karl Maran, another KPD leader, is not of course likely to be carried out at the present time.

This mission hopes to report more fully on the Berlin Military Government picture in the near future.

Respectfully yours, ROBERT MURPHY

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[42] The office of the Political Adviser, U.S. Group Control Council (Germany) was moved to Berlin August 9. Mr. Murphy also maintained an office at Hoechst in his capacity as Political Adviser to the Commanding General, U.S. Forces, European Theater.

[43] Not printed.

[44] Army General Staff Section dealing with Civil Affairs.

862.00/8–2245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 22, 1945—10 p. m.
[Received August 22—7 p. m.]

349. As already reported the two most active and influential political parties which have emerged in Berlin and the Russian occupation zone are the Communists and Social Democrats (see my 291, August 13, 9 p. m.). We have now had an opportunity to interview several members of Social Democrat Central Committee, results of which are summarized below:

There are definitely two wings to the party. Left Wing, typified by Gustav Dahrendorf, is for 100% cooperation with Communists, and seems just as anxious as Pieck and other Communist leaders to see outright merger of the two parties just as soon as rank and file can be educated thereto. This wing consists largely of more youthful members of party and their views on many issues, such as reparations and loss of territory to Poland and Russia, are thoroughly identified with those of the Communists. While generally opposed to return of *émigré* political leaders, they maintain the KPD leaders who have recently returned from Moscow are in a "special position." They also support recent reintroduction of Arbeitsbuecher [45] and establishment of Obmaenner [46] under Russian auspices, both of which steps seem to have disturbed many of the more democratic Germans. On the whole this Left Wing might well be regarded as fellow travelers. Right Wing, typified by leaders such as Max Fechner and Otto Ostrowski, follows pre-Hitler Social Democrat pattern, looks to the west for political inspiration and still desires a democratic Socialist Germany. These leaders claim that Russians and Communists are not presently worrying much about the two center parties but are instead applying all possible pressure on Social Democrats, whom Communists obviously regard as their main political rival and problem. Right Wing believes its following is stronger than that of Left Wing, especially in Berlin and the Russian occupation zone. These leaders are most anxious to: (*a*) hold as soon as possible local party elections in Berlin, believing that the wide majority which they would receive under present conditions, due to general discrediting of Communists by Russian excesses, would greatly strengthen their position, both in

[45] Labor books; the workers' employment record.

[46] Reference is either to *Betriebsobmänner*, minor union officials equivalent to shop stewards, or to minor officials of the Berlin municipal administration who functioned on the house and block level. For a description of the work of the latter, see telegram 448, September 4, from Berlin, p. 1047.

their party and vis-à-vis the Communist-dominated Berlin municipal administration; and (*b*) establish contact with Social Democrat leaders in American, British and French occupation zones and with certain *émigré* leaders such as Hans Vogel in England.

Right Wing leaders report following examples of Russian and Communist pressure and tactics. Two days before Allies entered Berlin, Russians forced them to move central party headquarters from American into Russian sector. Communist interpreters and other minor employees have been planted in this office, and party leaders are not supposed to see Americans without such individuals or Left Wing Social Democrats being present. Though nominally free to hold independent party meetings, they fear to do so, due to continuing cases of Russian objections, even from American and British sectors of city. Their newspaper *Das Volk* is only allowed to appear in 100,000 copies, though Communists have been permitted to print 150,000 of theirs, and *Das Volk* is subject to more stringent censorship than any other Berlin paper. Wilhelm Pieck and other Moscow German Communist leaders entered Berlin with the Red Army, and were at once given key positions in new municipal administration and allowed to organize as political party, Social Democrats only receiving permission to do the latter at a later date. Communists allegedly still dominate Berlin administration, even somewhat in British and American sectors. (American Military Government contacts have already confirmed this to my mission.)

These Right Wing leaders do not appear any more anti-Russian than before, but seem determined to do their best to prevent German working class from becoming dominated by undemocratic political leadership subservient to Moscow. This Berlin Social Democrat Central Committee is now pretty well organized through the Russian zone, though Right Wing realizes its control as support decreases out in the provinces, due to complete Russian occupation there.

It seems clear that if Left Wing elements should succeed in securing control of this newly organized Social Democrat Party throughout Germany and forcing through a full merger with the KPD, Communist political objectives might be realized without much difficulty. Another tentative conclusion which may be drawn is that German Social Democrat Party, like many other European socialist parties, is in some danger of splitting in two on the specific issue of cooperation and amalgamation with the Communists. Both Right and Left Wing leaders seem determined to prevent such a development, and it seems likely that the group which ultimately secures the party leadership will be able to swing most of the rank and file with it.

MURPHY

862.5043/8–2245 : Airgram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 22, 1945.
[Received September 5.]

A–160. Here are further notes on the Free German Trade Union League (FDGB) in Eastern Germany. Refer to my Despatch No. 786 dated August 16, 1945,[47] and my telegram No. 298 dated August 14, 1945.[48]

Jakob Kaiser, the Christian trade union representative on the Berlin executive committee and one of the leaders of the July 20 plot, stated the following to officers of my staff: Of the eight members of the Berlin executive, four are Communists, Otto Brass, Roman Chwalek, Paul Walter, and Hans Jendretsky. Hermann Schlimme and Bernhard Geering are Social Democrats; and Ernst Lemmer, a former Democrat, represents the former Hirsch-Duncker unions.[49] Otto Brass is old and merely a figurehead. He and the other Communists take their orders from Walter Ulbricht, who is the real leader of the KPD. The non-Communists wanted Schlimme to be president. Kaiser knows about Hans Jahn's connections with OSS but has no personal acquaintance of Jahn.

As currently organized, the Berlin executive is limited in its activities to this city. The decision to restrict its geographic scope corresponded to the desires of the Communist members but had been opposed by the others. Kaiser stated that the non-Communists functioned under considerable pressure but would not give further examples. The regional executives outside Berlin, he added, were self-appointed, like the Berlin committee. When questioned about newspaper reports of one hundred per cent organization in various shops, he answered that pressure was no doubt applied and that democratic methods were not being used.

In spite of this situation, Kaiser strongly supported the centralized organizational structure of the League, saying that it was necessary to unite the force of organized labor. Under further questioning he

[47] Not printed; it transmitted a memorandum of conversation of August 6 between U.S. officials and members of the Provisional National Executive of the Free German Trade Union League. In his covering letter, Mr. Murphy emphasized that it was still too early to draw hard and fast conclusions about the Soviet-sponsored Trade Union movement. "The one thing which is already clear, however, is that this is a formidable movement which will have important implications for American, French, and British policy toward trade unions. At present it would seem that the League is too centralized and undemocratic for the American Authorities to allow it to organize in the U.S. Zone." (862.5043/8–1645)

[48] Not printed.

[49] The earliest German trade unions.

admitted that he and the other leaders were influenced to a certain extent by the example of the German Labor Front,[50] and did not feel that German workers were yet able to integrate a decentralized organization. Again Kaiser asked when he and the other democratic leaders could go into the Western zones of Germany to organize workers there. He felt that he and his friends would be able to rally the workers in the Rhineland more effectively than the Communis[ts.]

Franz Neumann of OSS, who has seen Otto Brass, Eichler (president of the Berlin Metal Workers Union), Schlimme, and others who are old friends, has expressed a somewhat different point of view. He is convinced that Brass is in full mental and physical vigor and, though he may be a nominal member of the KPD, retains an independent viewpoint and is a firmly democratic trade unionist. From his examination of the lists of officers of the 18 Berlin unions in the League, he is satisfied that they are led in the main by sincere and experienced Social Democratic unionists. Moreover, he believes that if union elections are held they will be fair. In short, he thinks that the Western Allies can do business with the FDGB. However, he objected to the idea of forcing the Berlin executive to add members from the West, as these might then be viewed as agents of the occupying powers. Better in his view would be to arrange a meeting of labor leaders from all Germany, where common problems could be discussed and an organizational plan worked out for Allied approval.

If Hans Jahn becomes its provisional president, continued Neumann, then the Berlin League could be counted on to be entirely cooperative. Jahn is really an anti-Communist, and he and Oldenbroek [51] were even more responsible than Citrine [52] for blocking at the February Congress the Soviet plan to dominate the World Trade Union Federation. This information Neumann gathered from talks with Citrine and other trade union leaders.

MURPHY

862.00/8–2745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 27, 1945—2 p. m.
[Received August 27—8 : 40 a. m.]

377. Following will supplement what I have already reported regarding German Social Democrat movement which has developed in Berlin and the Russian Zone (see my 349, August 22, 10 p. m.).

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[50] Deutsche Arbeitsfront, Nazi-sponsored labor organization.
[51] J. H. Oldenbroek, Belgian trade union official.
[52] Sir Walter Citrine, President, International Federation of Trade Unions.

Of the dozen odd members of the Central Committee only one, Gustav Dahrendorf, apparently favors outright merger of SPD [53] with KPD, and thus the Right Wing definitely seems to control party leadership. Latter estimates party already has some 50,000 members in Berlin, as compared with 100,000 in 1932, and claims some 20,000 members outside Berlin in Brandenburg province. No figures yet available regarding party membership in other parts of Russian Zone.

Present Central Committee was provisionally confirmed by meeting of about 1500 party functionaries in Berlin two months ago, but leaders hope and plan that when they can make contact with Social Democrats in British, American, and French occupation Zones, party can be democratically organized and central *Vorstand* [54] selected by proper voting procedure.

As regards development of present bloc of the four so-called anti-Fascist parties, SPD leaders state there was nothing else they could do at the time, due to: occupation of Berlin by Russian troops alone; KPD manifesto with its insistence on such a bloc; and fact that public sentiment, particularly among the workers, definitely favored unity of anti-Fascist forces.

Cooperation between SPD and KPD is at present best at top levels and also far better on theoretical than practical issues. In fact many SPD lower administrative officials are by now pretty well fed up with Communist methods of "cooperation". SPD leaders here believe their rank and file is definitely against merger of the two parties and becoming increasingly so.

As regards the Communists, SPD leaders provide following information. Ulbricht seems to be the dominating personality rather than aged Wilhelm Pieck. Ulbricht's wife is Zhukov's translator. KPD leaders who have returned from Moscow impress their SPD contacts as no longer thinking and acting as Germans but more as Russians. Chief figures in Berlin municipal administration are: Maran, Pieck, Jendretsky and Winzer, all of them Communists. Otto Brass, aged but nominal head of Russian-sponsored Trade Union movement, is now a member of KPD, and Chwalek, another Communist who stands very close to Ulbricht, is the main Communist figure in Trade Union Committee. Berlin radio administration contains many Moscow BDO [55] figures, who were placed there to give impression of unpolitical personalities. The three other leading Russian-sponsored organizations, Cultural Union for Democratic Renovation of Germany, Central Youth Committee and Central Committee for victims of Fascism,

[53] Sozialdemokratische Partei Deutschlands (German Social Democratic Party).
[54] Directorate.
[55] Bund Deutscher Offiziere.

are definitely Communist auxiliaries and are dominated by Communists or Left Wing Socialists, despite impression given by filling some positions with nominally "parteilos" individuals such as Johannes Becher.

MURPHY

740.00119 Control (Germany)/9–445 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 4, 1945—9 p. m.
[Received September 4—7:20 p. m.]

448. American Military Government found on entering Berlin that Russian-created municipal administration had replaced former Nazi Blockleiter system with similar organization consisting of so-called Haus and Blockobmaenner. These individuals were almost entirely Communists and included many former concentration camp inmates. Though at first they undoubtedly performed certain useful and necessary functions, such as helping locate Nazis, distributing food cards, and mobilizing labor for street clearance work, it was clear that their status and activity also provided KPD with both detailed intelligence regarding most Berlin inhabitants and means of bringing considerable pressure to bear on such inhabitants. Among other things Obleute issued so-called certificates of political reliability exempting holder from certain unpleasant common tasks, and decided ration scale to which individual inhabitants were entitled.

It has been obvious for some weeks that system had developed into one of considerable tyranny. Military Government received many complaints of arbitrary behavior by the Obleute, alleging for example that this system was just as objectionable from viewpoint of individual rights and liberties as under the Nazis. At least one case has been reported of an Obmann forcing the inhabitants of a particular house in American sector to attend a KPD rally at which anti-American sentiments were expressed.[56]

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[56] By means of despatch 928, September 10, from Berlin, Mr. Murphy transmitted to the Department a memorandum by a member of his staff on the functioning of the Obleute system. In his despatch Mr. Murphy commented that the memorandum showed the Obleute system to be "as pernicious as that of the 'Leiters' under the Nazis." He felt that the memorandum also "clearly reveals the apparently disproportionate degree to which members and followers of the Communist Party control the municipal administrations in the American sector, either by weight of numbers or by being placed in strategic offices. This is a situation which may be slowly rectified with the passage of time and particularly if local elections should be held and should reveal that the Communist Party lacks majority support." (740.00119 Control (Germany)/9–1045)

An example of how Communist propaganda has praised and supported this system was given in my telegram No. 428 September 1, 1945.[57]

I believe that our Military Government authorities have therefore acted wisely in issuing orders a few days ago for the liquidation of the Obmaenner system in American sector.

MURPHY

862.00/9–545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 5, 1945—9 p. m.
[Received September 5—7 : 30 p. m.]

456. From several sources we have received reports that Russian plans for establishment of a German administration for Russian occupation zone are virtually complete (compare my 29 [*291*], August 13, 9 p. m.). Besides providing machinery for centralized control of northeastern Germany, it is possible, of course, that such an administration, or at least some of its key figures and departments, might be useful to the Russians later on in Allied negotiations for creation of central German Ministries,[58] helping our eastern Ally to push forward her own already tested candidates. Some local contacts allege Russians may go ahead and set up central German administrative machinery on their own responsibility, but I see no reason to fear such a development in view of establishment and present functioning of the Allied Control Commission.

Key figures in the new Russian zonal administration will allegedly be the following: Ministry of trade, Buschmann, little known politically but described as strongly pro-Russian asbestos business man operating in Balkans during war; Justice, aged Eugene Schiffer, former Reich Justice Minister presumably picked on account of his moderate political views and age; Industry, Skrzypczinsky, described as young parlor Communist industrialist; Finance, Gleitze, about whom little known except that allegedly former trade union statistician; Labor, Wilhelm or Bernard Koenen, presumably the latter, but in either case a reliable Communist leader; Education, Wandel, described as publisher of present KPD organ *Deutsche Volkszeitung*, and possibly identical with Paul Wandel who signed Moscow Free Germany appeal; Railroads and Canals, Dr. Wilhelm Fitzner, Ebert's [59] son-in-law and SPD lawyer from Frankfurt on Oder and

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[57] Not printed. In this telegram Mr. Murphy reported an article in the Communist *Volkszeitung*, August 19, praising the work of the Haus, and Strassenobleute. (862.9111 RR/9–145)

[58] For documentation on this subject, see pp. 861 ff.

[59] Friedrich Ebert, President of Germany, 1919–1922.

presently chief [of] railway system in Russian zone; Fuel and Power, Dr. Ferdinand Friedensburg, Christian Democrat Union leader and head of Economic Section of Kaiser Wilhelm Institute; Agriculture, Edwin Hoernle, KPD leader; Social Welfare, Helmuth Lehman, left-wing SPD specialist on social insurance; Health, Professor Sauerbach, well known throat specialist, presently head of Health Department Berlin Administration, and also associated leadership new Christian Democrat Union; communications, Schroeder, KPD man, possibly identical with Willy Schroeder who was railway worker and Communist deputy Mecklenburg-Schwerin Landtag.

The above list indicates that this administration will consist largely of reliable Communists or other elements presumably susceptible to Russian control. Russians will also doubtless resort to tactic of selecting strong reliable Communists as deputies to aged or politically colorless chiefs of particular departments. For example, Gustav Dahrendorf, Left Wing Socialist, has been mentioned as possible deputy for Fuel and Power Ministry, and this tactic would almost certainly be applied to Ministry of Justice which always looms large in Communist plans.

MURPHY

862.00/9–545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 5, 1945—9 p. m.
[Received September 5—6 : 15 p. m.]

457. German Communist propaganda for the division of large agricultural landholdings under the slogan "Junkerland must become peasantland" has hit a new high in the last few days (see for example my 428, September 1, 1945 [60]). The present bloc of four political parties has been pressed into service in this connection by having editorials appear simultaneously in their newspapers and trade union organizations have also been used to voice these demands. Latest press articles, expressed most vociferously in the Berlin KPD paper and in the *Berliner Zeitung*, have underlined the theme "What are we waiting for?" and "Action now—dont dawdle any more".

It is of course true that most democratic opinion in Germany desires the eventual realization of this program. Russians and their Communist satellites are probably pushing it with idea of: winning KPD support from the peasant beneficiaries; and providing land and occupations for some of thousands of German refugees now streaming in

[60] Not printed; this telegram was a press digest for August 19–28 (862.9111-RR/9–145).

from territories east of Oder River, as well as factory workers being left without jobs due to Russian removals of plant and machinery, both in form of reparations and unrecorded seizures. Its effect on food production in northeastern Germany, which is already precarious enough, may well be serious and for this reason alone leaders of the two center parties and some leaders of KPD party admit it should probably not be carried out too drastically at the moment. Due however to present press censorship and workings of political party bloc, such sentiments cannot well be expressed openly.

Present press and general propaganda buildup is probably intended to present whatever action Russian authorities may take in their zone as being fully in accord with the plainly expressed desire of all progressive Germans. There is reason to believe that Russians have just about completed plans for establishing a German administrative apparatus (reference to my 291, August 15 [*13*], 9 p. m.) for their occupation zone, in which a reliable Communist Edwin Hoernle, will allegedly head Ministry of Agriculture, and it may be that this machinery will be used to carry out the above program.

The available but scanty intelligence suggests that Russians have not yet really started to carry program through, though it is noted that Moscow radio broadcast in mid-July that all big estates in Saxony would be broken up by autumn and at meeting of Brandenburg province trade unions held a few days ago it was stated that action had already been taken in some places on the projected division of large estates.

This whole problem is an interesting example of an objective which appears most desirable in the long run from the viewpoints of both American policy towards Germany and the wishes of democratic Germans, but which is now being pushed hastily forward with the aid of the political bloc and press censorship system established by the Russians prior to arrival of western Allies in Berlin.

MURPHY

740.00119 Control (Germany)/9–845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 8, 1945—11 p. m.
[Received September 8—6:25 p. m.]

478. As indicated by my 473 September 8, 8 p. m.[61] an outstanding development in Russian occupation zone has now taken place with the launching of the expected program of agricultural land reform (reference my 457, September 5, 9 p. m.). Based on the pattern

[61] Not printed.

established for province of Saxony,[62] it may be expected that other provincial administrations in northeastern Germany will issue similar decrees in the very near future. Though this program seems highly desirable from viewpoint of destroying power of large landowners who have played such an important part in German militarism and Nazism, there are grounds for opposing the drastic and speedy way it will now apparently be carried through, for it will probably result in a further decline, for a year or so at least of vitally important food production in this part of Germany. There is also reason to expect that KPD may endeavor to win peasant support through this move, as suggested by Pieck's reference, cited in press telegram under reference, to those "anti-Fascist" and "democratic" elements who will get priority in land distribution and by having actual distribution carried out by "locally elected" land committees acting under the supervision of the provincial governments. It is also worth noting that, although press and propaganda buildup claimed that all four political parties desire carrying out of this program now, the two center parties can at the most be described as reluctant fellow travellers on this issue and we know, for example, that at latest meeting of four party representatives 4 or 5 days ago, Dr. Koch, LPD leader, flatly refused to go along any further on the party bloc's current press campaign for land reform until he could have an opportunity to discuss the whole question thoroughly with his party central committee.

MURPHY

740.00119 Control (Germany)/9–1145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 11, 1945—midnight.
[Received September 11—10 : 30 p. m.]

497. Thus far the Soviet authorities in Germany have not advised us formally regarding the establishment of the new regional German administration for the Soviet zone of occupation referred to in my 456 of September 5. Sobolev,[63] however, has confirmed the creation

[62] The decree on land reform in Land Saxony, September 10, 1945, is printed in Royal Institute for International Affairs, *Documents on Germany under Occupation*, Beate Ruhm von Oppen (ed.) (London and New York, Oxford University Press, 1955) ; pp. 59–64. This is one of five land reform decrees published in the five Länder and provinces of the Soviet zone between September 3 and September 12.

[63] Arkady Aleksandrovich Sobolev, Political Adviser to the Chief of the Soviet Military Administration in Germany.

of regional administration [64] to me informally, stating that it had been found necessary for practical reasons of administration to place more responsibility on the Germans for the public administration of this territory. He denied that in authorizing the setting-up of this administration the Soviet authorities entertained any thought of creating a nucleus of a new central German national government. He said, among other things, that one of the purposes the new organization would serve is the destruction of the old framework of the Prussian state administration. The central administrative units concerned, that is Brandenburg, Mecklenburg, Pomerania, Saxony, Silesia and Anhalt, are thus taken out of the Prussian state organization framework and operate relatively as autonomous units directly responsible to the Soviet Military Government authorities. In Sobolev's opinion this action is in harmony with the policy of decentralization, which he states the Soviet authorities respect.

I asked Sobolev whether he thought that the establishment of a central German Government was a matter of the very distant future or whether he believed that it might occur sooner, say within a year. He replied that he thought that it would be years before a central German Government could be reestablished. I also inquired whether the Soviet authorities had any immediate plans for the holding of municipal elections and he replied in the negative.

MURPHY

740.00119 Control (Germany)/9–1445 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 14, 1945—1 p. m.
[Received 6 : 27 p. m.]

515. Hermes, Christian Democratic Union leader, has given us confidentially the following details indicative of Russian and Com-

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[64] On September 13, the Soviet Military Administration announced the establishment of the central administrative agencies in the Soviet zone. The Department was informed via undated telegram 533 from Berlin (862.9111 RR/9–1645). The text of the Soviet announcement is printed in von Oppen, *Documents on Germany under Occupation*, p. 64. The Directors of the various administrations as finally appointed differed somewhat from those named in telegram 456, September 5, from Berlin, p. 1048; cf. von Oppen, pp. 64–66. Mr. Murphy analyzed these changes in telegram 534, September 14, from Berlin, and reported that Leo Skrzypczinsky was "apparently regarded as senior member and potential chief of this new administration." (740.0019 Control-(Germany)/9–1445)

munist tactics in handling present land reform issue (see my 521, September 14, 5 p. m.[65]).

Just before Saxon Provincial Government issued its decree, local four party representatives met at Halle to consider land reform question. CDU (Christian Democratic Union) contended it should be put before all four Allies and decided on that basis, rather than by Russians alone acting in their occupation zone. Local Russian commander at once warned that any such attitude on part of CDU would be regarded by Russians as indicative of "lack of confidence" in Soviet occupation power.

Two days ago, Berlin KPD committee summoned Hermes and other CDU party leaders to meeting at which they demanded that CDU endorse Communist land reform program, which is now being carried out in Saxony. Hermes refused and tells us that though the political bloc of four parties is still "carrying on" situation has become "very difficult" as result of tension which has developed from way Communists have pushed through land reform program without real consideration by or agreement with the other three parties.

Hermes hopes that the British, Americans and French share his view that land reform issue should be decided on an Allied basis, but points out that his party alone can do little to halt the present tide.

[MURPHY]

740.00119 Control (Germany)/9–1445 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, September 19, 1945—8 p. m.

508. Dept considers that it would be desirable to request information of Russians on details of projected land redistribution, including anticipated effect on agricultural output and possible contribution to resettlement of German refugees from the East. In making this inquiry we should avoid conveying impression that we are opposed to land reform or even that we feel its execution should be delayed.

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[65] Not printed. In this telegram Mr. Murphy requested the Department's views as to whether the Russians should be questioned in the Control Council on the land reform program. He suggested that reference could be made to the Potsdam Declaration's intent to insure uniform treatment for all Germany, and to the effect the reform program might have on food production in northeastern Germany. "Viewed from the Potsdam agreement, there is some reason to feel that the Russians should have at least consulted us before launching this program in their occupation zone. It may be that, providing they succeed in pushing this through without a murmur from any of the other three occupation powers, they will embark on other similar 'reforms', such as nationalization of banks and insurance companies, large industries, et cetera." (740.00119 Control (Germany)/9–1445)

(Reurtel 521, September 14, 5 pm [66]). It should be pointed out that JCS 1067/6 [67] directs utilization of large landed assets to facilitate accommodation and settlement of Germans and others or to increase agricultural output. Dept is of view that application of uniform land reform measures throughout Germany would be highly desirable and that an effort might well be made in Control Council to negotiate uniform policies.

ACHESON

740.00119 Control (Germany)/9–2045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

FRANKFURT, September 20, 1945—10 a. m.
[Received 2:03 p. m.]

52. Soviet removals of transportation and industrial equipment from Berlin have several times been mentioned at Kommandatura meetings but Soviet representative has taken a firm stand "on his rights" saying only the Council could make a decision to suspend any proposed removal. We have been asked for policy advice and suggestions how to terminate removals. I plan to inform Berlin district commander that while Berlin Protocol [68] imposes no specific quantitative limitation on Soviet right to remove capital equipment from USSR zone to meet its reparations claims, it does impose general limitation that removal shall leave adequate resources to enable German people to subsist without external assistance and provides that there shall be maintained in Germany average living standards not exceeding the average living standards of European countries. Logical implication is that standards in Germany will not necessarily be inferior to average standards in European countries. Protocol further directs that Germany shall be treated as an economic unit. This unity of treatment would appear to be especially necessary in Berlin, the only area in Germany directly under quadripartite government. Arbitrary, uncoordinated and excessive removals of productive equipment from the Berlin area would be contrary to limitations on removals and economic and social objectives in protocol outlined above.

I further plan to suggest American member introduce and propose to the Kommandatura a resolution along following lines: "Members

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[66] Not printed, but see footnote 65, *supra*.

[67] Not printed, but see paragraph 28 of the final revision of JCS 1067 (IPCOG 1), pp. 484, 495.

[68] Reference is to the Protocol of Proceedings of the Berlin Conference; see particularly sections II B, and III of the Protocol in *Conference of Berlin (Potsdam)*, vol. II, pp. 1483–1488.

of Kommandatura agree there shall be undertaken a survey of enterprises necessary to unified economic functioning of Berlin area and support of its population at living standards set forth in Berlin protocol. Pending completion of this survey, it is agreed there shall be no further removals of equipment or supplies from any sectors of Berlin for reparations or other purposes without prior consultation and agreement among commanding generals of other three sectors." [69]

MURPHY

740.00119 Control (Germany)/9–2145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 21, 1945—midnight.
[Received September 22—10 a. m.]

583. As a result of manner in which land reform has been pushed through by Russians and their Communist satellites, and certain other issues recently handled by the four-party bloc (for example, KPD and SPD refusal to discuss advisability of reopening banks in Berlin and the Russian zone), the two center parties have become little more than reluctant fellow-voyagers in the bloc. Both Hermes and Koch, Christian Democrat Union and Liberal Democratic Party chiefs, inform us confidentially that time may soon come when their parties may have to give a flat "no" to future bloc proposals, even though such action may lead to drastic hindering of their party activities in northeastern Germany and to their being branded by Communists as "reactionary Fascist" elements. This is one reason for their strong desire to establish contact with political leaders of the center in western and southern Germany, where they feel the political faiths they represent will be able to express themselves much more freely than Russian press and radio censorship permits in this part of Germany. (We are studying this whole problem of permitting CDU, ILP and SPD leaders in Berlin to send representatives into our occupation zone, which we feel would be beneficial to both them and to their political colleagues there. So far KPD has never approached either my office or local Military Govt on this or any other project.)

Within the present four-party bloc here there is obviously a sub-bloc, consisting of SPD–KPD cooperation against the two center parties. In fact the SPD seems to hold the real balance of internal

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[69] In telegram 549, September 26, to Berlin, the Acting Secretary of State informed Mr. Murphy as follows: "Dept is in accord with position outlined ur 52, Sept. 20 from Frankfurt re removals from Berlin." (740.00119 Control (Germany)/9–2045)

political power in Germany. Sooner or later this party may have to face issue of a possible merger with KPD. So far neither party has formally approached the other in this matter, though it seems clear that KPD leaders are considering such a step, presumably dependent on Russian orders, and left wing Socialists such as Dahrendorf definitely favor such a merger. OSS has just obtained an interesting report from source allegedly close to Russians and Communists according to which Russians now realize that KPD has little popular support, in this part of Germany at any rate, and are therefore seriously considering dropping it as a political party, and instead pressing for an immediate merger of SPD and KPD, which they would hope to control through KPD and left wing leadership, together with their already effective press and radio censorship. SPD leaders assure us confidentially they would not even consider such merger until a nationwide party congress could be held, which would probably not be possible for at least a year, and also probably until they can establish contact with Socialists in France and Labor Party in Britain. It seems possible however that extreme Russian and KPD pressure, as well as policies of the center parties, might change this attitude.

As regards land reform, SPD leaders say that despite statements attributed to them in Russian-controlled Berlin press, they did not entirely support the present program, fearing its possible effects on food production and that the five hectare farms to be created will be too small for practical purposes, especially in Brandenburg's poor soil.

Both Hermes and Koch emphasize that as far as their parties are concerned, land reform was carried through by force and continual pressure. For example, two days after they refused to endorse as a four-party press declaration a very "fiery" statement apparently drawn up by Communists and backed by both KPD and SPD, Marshal Zhukov summoned them to his office and accused them of being "Junker-Schuetzer", adding that in contrast, he has [*was?*] "entirely satisfied with the SPD" on this issue. All four parties subsequently agreed on relatively calm press endorsement containing no reference to specific details of the program, such as possible indemnification for non-Nazi landowners, on which there had been disagreement within the bloc. Koch believes Communists will follow up settlement of this question with new demands, possibly for nationalization of large industries or for participation in industrial management by trade unions.

According to British intelligence, Catholic priests are being instructed to support the Christian Democrat Union wherever it appears in Germany.

MURPHY

862.918/9–2245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 22, 1945—11 p. m.
[Received September 22—6 : 05 p. m.]

591. In reading our telegraphic summaries of Berlin press (such as my 589, Sept 22, 10 p. m.[70]), Department should bear following in mind:

Ever since these newspapers began to appear following the capture of Berlin, the four political party organs and the *Berliner Zeitung* have been subject to considerable Russian censorship. This presumably causes little trouble for either the KPD organ *Deutsche Volkszeitung* or the *Berliner Zeitung*. Though the latter is published by the Magistrat (Berlin municipal administration) and is allegedly non-political, it rather clearly expresses the views of dominant element in Magistrat, i.e., the "Communists." However, the three other party papers are not able to express their views freely. Censorship is both negative and positive, in that papers are even instructed to carry certain articles. In fact censorship is apparently based largely on views identical with those of the other political party, the KPD. All these five papers are permitted to accept only articles passed by Russian censor, which means in practice that all of the foreign items emanate from Tass. Russian censorship is based largely on facts that papers are published in Russian sector of Berlin, and have to obtain their newsprint from Russian-controlled sources. The three non-Communist papers have to appear in much smaller formats than either the *Deutsche Volkszeitung* or the *Berliner Zeitung*, and also receive newsprint sufficient for much fewer copies than either of these two.

We are studying this whole situation with a view to taking appropriate action, through the Kommandatura or otherwise, to try and ensure each political party here freedom and equality in expressing its views.

MURPHY

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[70] Not printed.

740.00119 Control (Germany)/9–245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 24, 1945—3 p. m.
[Received 5 p. m.]

598. Following obtained from apparently reliable source (former German Ambassador Von Kemnitz [71]) regarding land reform in Saxony Province, where Russians and Communists first took action on this program.

Dr. Huebener, President of Provincial Government apparently more or less a figurehead for Communist-dominated administration, states confidentially that the decree on land reform was placed before him in its final form by local Russian commander, with instructions that he need only to sign it. In other words, he was permitted to take no part in its preparation, which was presumably the work of his Communist deputy Siewert.

At four-party meeting held in Halle just before signing of this decree, Russian commander first persuaded CDU (Christian Democratic Union) representative to withdraw his objections by tactics mentioned in my 515, September 14, 1 p. m., and then persuaded LDP representative to do likewise by asking him whether he wished his party to be "only one" of the four opposing this program which had been so obviously demanded by the anti-fascist forces of Saxony.

According to our source, the local committee to execute the program is being selected by calling together peasants, farm workers et cetera and confronting them with list of candidates already selected by KPD and thus no opportunity to vote otherwise. Source adds that though many small farmers and agricultural workers naturally want their own land, there is considerable apprehension due to way program is so obviously being pushed through under Russian and Communist direction. It is also apparent that KPD is trying to gain many new members by telling potential recipients of land that if they support their local committee and join the KPD, they will receive preferential treatment.

Finally, source describes agricultural situation in his home area near Halle as chaotic and almost desperate, in view of drastic removals of livestock and farm equipment by Russians, as well as probable effect on total food production to be expected from so suddenly breaking up the larger food producing units. In this connection, it is worth noting that *Time* and *Life* correspondent John Scott, a few days ago asked Edwin Hoernele, KPD leader and Minister of Agriculture in new Russian zonal administration, as to effects of land

[71] Possibly Hans Arthur von Kemnitz.

reform on food production and was assured that it should actually increase it as it would "spur the peasants on to greater efforts in bringing in the harvest this year".

This statement appears somewhat optimistic, but at least this is presumably the current Communist stock reply on the subject.

I discussed the general subject of land reform informally with Sobolev a day or two ago. He told me the responsibility for carrying out this much-needed reform has been left up to the Germans themselves and that its primary objective is to deprive the Junker class of their holdings which serve as a basis for their war-making potential.

MURPHY

740.00119 Control (Germany)/9–2545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 25, 1945—11 p. m.
[Received September 25—6:05 p. m.]

623. Judging by recent issues Berlin newspapers (telegram No. 589, September 22 [72]), the Communists may be preparing the ground, now that land reform issue has been carried through, for the realization of their general objectives in the field of industry, which in the first instance will presumably consist of the establishment of works councils to participate in industrial management. SPD contacts report that Communists have not yet raised this question with the other three parties. However, we know of at least one case in American sector of Berlin where following sudden appearance of an outsider trade union Communist leader last week and his lengthy speech to the workers in the National-Krupp-Registrier-Kassen plant, a new Betriebsrat [73] was at once "elected" after speaker had told workers that in future not a single decision would be taken by the management without the concurrence of their works council.

Recent speech by Wilhelm Pieck and other items included in my 613 to Department [74] summarize well the present Communist line. Pieck's speech indicates that land reform has now been decreed for entire Russian occupation zone, even though we have not seen decrees for either land Saxony or Thuringia in the press. KPD (German paper) emphasis on necessity of liquidating power of capitalist monopoly interests is worth noting, as is also the continuing call for closest cooperation between the two leftist workers parties. Thus

[72] Not printed; this telegram transmitted a digest of the Berlin press for September 15–19.
[73] Works council.
[74] Not printed; this telegram transmitted a digest of the Berlin press for September 20.

general united front tactics are still demanded, and ground being prepared for possible subsequent merger with Social Democrats, though an actual merger has not yet been suggested.

MURPHY

862.5043/10–745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 7, 1945—11 a. m.
[Received October 7—8 : 25 a. m.]

708. At Oct 4 meeting of Kommandatura a proposal was considered and strongly urged by the Russians to permit the Provisional Committee of the Free Trade unions of greater Berlin to hold a city-wide conference [75] for purpose of electing by secret ballot a governing board, the delegates to the conference to be previously chosen by secret ballot elections in the shops. The elected governing board would then draw up and submit to the Allied Kommandatura the organization's constitution and rules governing selection of Verwaltungsbezirk [76] trade union committees.

As the Dept is aware, the Freier Deutscher Gewerkschaftsbund [77] came into being last June under Russian occupation and the Provisional Committee thereof was elected more or less by acclaim. The committee is comprised of four Communists, two Social Democrats and two Christian Democrats. It has shown a strong desire to expand its activities throughout Germany but was precluded from doing so in the American and British zones by reason of our so-called grass-roots policy. It did, however, operate for a time quite freely in the Russian zone outside Berlin but now ostensibly confines its activities to Greater Berlin.

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[75] The question of trade union elections had been raised at the Kommandatura meeting September 20. In telegram 578, September 21, from Berlin, Mr. Murphy reported that the Russian representative on the Kommandatura had inquired of the British representative why British authorities had failed to sanction trade union elections scheduled to be held in the British sector on September 23. The British representative explained that the trade union officials had failed to offer the requisite proof that the elections would be held on a fair and democratic basis. (740.00119 Control (Germany)/9–2145) At the Coordinating Committee on October 6 the matter was again discussed. Mr. Murphy reported in telegram 710, October 7, from Berlin, that the British representative had then explained that the Oberbürgermeister had been unable to give assurances that the elections would be conducted in a democratic manner. "General Sokolovsky [the Russian representative] stated that Marshal Zhukov had provided for the election before the Allied arrival in Berlin, and that the matter was not within the competence of the Oberbürgermeister. The discussion was rather acrimonious, General Clay pointing out that the four part government in the Kommandatura could administer matters as it saw fit, and give suitable orders [to] the Bürgermeister. The matter was left to the Kommandatura." (740.00119-Control (Germany)/10–745)

[76] A unit of the Berlin municipal administration, a district of local government.

[77] Free German Trade Union League.

The committee has been strongly urging the Kommandatura to permit elections and regularize the existence of the confederation which has been formally recognized only by the Russians but permitted to function within the other three zones. The Social Democrat members have remarked privately that despite the fact that trade unions should be non-political in nature, they feel that elections held under apparently free conditions would be manipulated by the Communists to insure a dominant position for themselves.

Apparently aware of this possibility, the Kommandatura, under British urging but with American and French support, in letters dated Sept 17 and 28 laid down stringent conditions under which elections might be approved. These included advance submission for approval of the proposed constitution and by-laws as well as detailed plans of the election machinery. The Provisional Committee submitted much of the desired information which was considered at Thursday's meeting of the Kommandatura. The Committee's report explained why it was impractical to submit the text of the proposed constitution and by-laws in advance and gave assurances as to the democratic nature of the proposed elections which the British, strongly supported by the French, considered too vague and general. Deadlock ensued when the Russian representative contended that the committees had met the conditions prescribed by the Kommandatura and the British continued to press for advance submission of the constitution, et cetera. The American representative found himself in a rather central position, agreeing that it was not practical to submit an advanced draft constitution until personnel had been elected to prepare such a draft and holding out only for complete details of the election machinery to insure that the procedure would be fully democratic. The meeting adjourned with the British member proposing that a completely new set of conditions for the election be drafted and the Russian stoutly maintaining that all the original conditions had been satisfactorily met and the matter was referred back to the Kommandatura labor committee. The prevailing American opinion is that neither view is wholly acceptable but that further delay in our approval of elections would permit the Russians to contend that the Americans who are advocates of democratic procedures are actively opposing free elections.

MURPHY

862.5043/10–745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, October 7, 1945—1 p. m.
[Received 3 : 21 p. m.]

5901. In a conversation on October 4 with the Labor Office of the Berlin Mission Hans Jahn stated the following with regard to trade

unionism and labor political affairs in Germany: Jahn had by the middle of September completed a tour of all the major cities of the American, French and British Zones of Germany where he saw trade unionists and gave them instructions and advice for organizing. In the British Zone the organization of unions has just begun although there and elsewhere the railroad workers have organized illegally without Military Government authorization. In Bavaria no trade unions were permitted as of the time he was there. Throughout all three zones the railway workers are ready to form a regional or wider union now if this is permitted.

In all these localities the union movements are led by old men usually pre-Nazi unionists. Jahn feels it one of his primary tasks to develop a union educational system to train young leaders.

He has also been visited by many friends from the Russian Zone. There is no democracy in the unions there and apparently cannot be. Politically the Communists have lost much strength which the Social Democrats have gained. He believes that the Social Democrats would get 75% of the votes in the entire Soviet Zone if elections were held tomorrow. Knowing this the KPD is pressing the SPD for a merger. But "serious" Communists have told Jahn that Russia has embarked on an imperialistic course with which they cannot agree. The position of democratic minded leaders in the Berlin Union Federation is almost as difficult as that in the Soviet Zone. Otto Brass is definitely a Communist but is weak and old. Hans Jendretski is a strong Communist while Paul Walter is weak. Roman Chwalek a strong man has been drawing away from Ulbricht and is in danger of being spirited away. Schlimme the strongest of the Democrats has liver trouble and cannot be as active as he otherwise might be. Jahn believes that the western Allies should be prepared to evacuate democratic leaders from the Berlin area in case their lives are endangered in the future. He also discussed with Oldenbroeck and others what would happen if the western Allies decided to withdraw from Berlin.

As a result of Jahn's appeal the Danish Trade Unions are preparing to ship food this winter to keep the "best" leaders in Germany alive. The Danes are negotiating to purchase American Army trucks for this purpose. The Swiss Union plans to do likewise and also to ship prefabricated barracks. However the delivery of these things may take two or three months and Jahn would like some Allied aid in the meantime.

He is certain that many thousands will starve in the Russian Zone of Germany this winter. The Russians have taken 78% of the railway switching and signal equipment, have removed much rolling stock, and have torn up one track of every double track railroad in the zone, he explained.

Repeated to Berlin.

CAFFERY

740.00119 Control (Germany)/10–1045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 10, 1945—midnight.
[Received October 10—10 : 45 p. m.]

747. Following is summary of observations made by group of five members of the Industries Division, US Group CC,[78] while on a tour of industrial plants in the vicinity of Leipzig in Soviet zone of occupation during late September. Specific plants visited were the I. G. Farben plant at Bitterfeld and the Synthetic Gasoline plant at Leuna. The tour was prearranged with the Russian authorities and at no time were the observers in a position to travel without being escorted by Russian personnel.

Observations: 1. Very few Russian troops were seen on the way and the number in the cities likewise appeared very small. 2. Practically no livestock was seen in the fields with the exception of a few horses. 3. No double track railroads were evident, the second tracks having been removed. 4. Numerous workers in the fields, consisting mostly of old men and women. 5. No signs of ill treatment of Germans by Russians though it was evident that the Germans feared the occupation troops. 6. No evidence of current looting by the Russians. In fact, observers were given impression that Russians paid standard prices for German merchandise and services. 7. In the plants visited, Russians seemed to hold great respect for German technicians and were doing everything possible to get into good graces of Germans. 8. Observers believed that Russian troops were living entirely off the land. 9. Many families of the occupying troops were present. 10. I. G. Farben plant at Bitterfeld for commercial chemicals had received very little damage. It was producing at about 10 per cent capacity for use in the Russian zone. 11. The Leuna Synthetic Gasoline plant was damaged considerably and was producing at about 15 percent of capacity for use by the Russian Army. 12. Russians stated that considerable difficulty was experienced because Americans had removed all plant operation and production records as well as experienced key personnel during initial stages of occupation. 13. Russians did not intend to dismantle these plants but indicated they were interested only in newer and better equipment.

MURPHY

[78] The highest level Military Government headquarters for U.S. forces in Germany; the U.S. "element" of the Allied Control Authority for Germany. This body had actually been succeeded on October 1, 1945, by the Office of Military Government of the United States for Germany (OMGUS).

862.5043/10–2145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 21, 1945—2 p. m.
[Received October 21—11:25 a. m.]

825. Reference mytel 708, October 7, 11 a. m. The October 18 meeting of the Kommandatura discussed a paper prepared by its Labor Committee on the calling of a city-wide delegates convention of the Free German Trade Union League. The Labor Committee had on October 16 agreed on the following points:

1. No approval of election of delegates until receipt of a reply from the Oberbürgermeister to the Kommandatura letter of October 9.

2. Elections to be conducted according to the following general principles.

(*a*) Right of vote for all members.
(*b*) Vote by secret ballot.
(*c*) Right of unrestricted nomination of candidates.
(*d*) One delegate per 100 members.
(*e*) The elected directing committee will serve for not more than a year.
(*f*) Election rules must be approved in advance by the Kommandatura.
(*g*) All details on the election procedure will be given to the press and to radio Berlin in advance.
(*h*) The Kommandatura will accept the League's assurance that these measures will be applied, but Military Government will hear complaints and take appropriate action.
(*i*) Within 6 months the elected committee will present to the Kommandatura a constitution and regulations governing all official positions.

The Labor Committee has failed to reach agreement on two points:

3(*a*) That at least 5 days should elapse between the nomination and the election of delegates. The Russian representatives did not want to specify a time period.

3(*b*) That the Kommandatura approve the elections of delegates which have already occurred, provided they took place in accordance with approved principles. This was proposed by the Russians and refused by all others. Nobody except the Russians had previously known that such elections had taken place. Just prior to the Kommandatura meeting a reply by the Oberbürgermeister to the October 9 letter was received, which all except the Russians considered unsatisfactory. It was tentatively agreed to deal directly with the Trade Union League in the future. The Kommandatura informally accepted the points agreed to by its Labor Committee, and after considerable discussion fixed on a waiting period of seven days between the nomination and the election of delegates. With regard to point

3(*b*) the British, American and French generals declined to accept elections held without Kommandatura approval and by rules which were not submitted in advance. General Smirnoff admitted that in some cases new elections should be held, but asked that he be given time to think it over. The Kommandatura agreed to return the paper to the Labor Committee which was directed to work out detailed election procedure. The matter was placed on the agenda for the next Kommandatura meeting October 25.[79]

It appears likely that a satisfactory agreement will be reached in due time and that the convention will be held. The Russians, who had wanted to rush through the formalities in order to introduce German delegates into the World Trade Union Congress in Paris, may now be willing to repudiate the previous elections and concur with some detailed requirements for new elections, even though in really free voting the Communists would presumably not obtain a majority. The Russians believe that the American manpower officials genuinely favor the holding of the convention, but they appear to be unsure about the British and French intentions. The British are going to insist on extremely detailed and specific guarantees of democratic procedure, and the French go along with this view. Colonel Banford, the Chief British Labor Officer for Berlin, has not yet allowed any factory elections, he states, because he has not had time to supervise them. The American manpower officials are anxious not to be put in the position of opposing democratic trade unions, but are equally concerned to see that the unions are democratic. They will continue to try to bring the British and Russians together.

MURPHY

862.5043/10–2845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 28, 1945—10 a. m.
[Received 2 : 08 p. m.]

866. Now that the land reform has been almost completed the KPD and the Free German Trade Union League in the Soviet Zone of Germany have thrown into high gear a drive for social revolution in the industrial and commercial fields. Refer to my despatch 786 of August 16, 1945 [80] and to recent press telegrams, particularly 589,

[79] Telegram 856, October 26, from Berlin, reported on the discussions in the Kommandatura, October 26. It was finally agreed that each commander would draw up a statement of his position and that all four papers would be submitted to the Control Council. Pending Control Council action, the Kommandatura would make no further effort to reconcile the different views. (862.5043/10–2645)

[80] Not printed, but see footnote 47, p. 1044.

Sept 22.[81] Their disciplined and wide-spread campaign both in propaganda and in action is now concentrated on the following immediate objectives:

1. Election in all plants of works councils which will have an equal vote with management in all matters, and enactment of a new works council law. The initial appeal of the FDGB in June discouraged for the time being the further formation of works councils but called for democratic worker representation in directing economic reconstruction. In the succeeding months the KPD and SPD Berlin press reported instances of trade union participation in factory management and actual operation of abandoned plants. On Aug 29 Walter Ulbricht (KPD) in a comprehensive program speech to the FDGB local conference at Halle announced the new line, saying: "After the fall of the Hitler rule the workers and salaried employees in all parts of the Reich created works councils or committees—naturally these works councils can be successful only if they support themselves on the organization of the Free Unions in the enterprises and if leading trade union officers also belong to the works council." The workers, continued Ulbricht, must have a vote in management (*Mitbestimmungsrecht*) beginning with the single enterprise and including the highest point of the central economic organization. The works councils should bring the experience of workers, employees and technicians to bear in production planning and negotiations, of management with state authorities, help denazify management and liquidate concerns and cartels, and prevent secret war production. The *Deutsche Volkszeitung* immediately began the campaign for works councils and reported various meetings which demanded them, but the other Berlin papers remained silent on the subject. On Sept 17 a conference of 600 shop stewards at Erfurt laid down detailed rules concerning the election and functions of works councils. The initial issues of the newspaper *Die Freie Gewerkschaft* Oct 9, 12, 16, 19 and 23 are filled with articles calling for workers representative bodies and report numerous factory meetings which demanded works councils with managerial power. The second delegates conference of the FDGB for Province Brandenburg on Oct 7 unanimously resolved in favor of a works councils law which will secure fully the rights and democratic freedom of those who work. Conference of the metal workers and other individual unions have passed similar resolutions. As a result of this campaign it has just been announced in the Berlin press Oct 23, that the Thuringian Govt has passed a new works councils law which adequately secures the interests of the workers vis-à-vis management. Other laws of a like character will probably be promulgated soon in the rest of the Soviet Zone.

2. Radical breaking-up of large concerns and elimination from managerial positions of all Nazis and militarists and of those who allegedly delay reconstruction. The effort is being made in KPD and FDGB propaganda to include all industrialists in these categories. Ulbricht keynoted this theme in his Halle speech. Schlimme SPD in *Die Freie Gewerkschaft* of Oct 16 wrote: "The leaders of the German economy stand in great part next to the political and military originators of the world catastrophe and are small and hateful before the

[81] Not printed.

courts of the Allied Powers. The *bourgeoisie*, embodied in capitalism, have with the help of National Socialism dug their own grave. It is the trade unions in which all the forces for reconstruction of the economy and the state are to be found." Moericke, President of the FDGB for Province Brandenburg, said at the Oct 7 conference: "Not the employers, no, the workers, eager to build, brought about the reopening of enterprises and carried through under great sacrifice, without counting the cost." Then the conference resolved that all monopolies and concerns, especially those of mining and heavy industry, as well as all enterprises whose directors are gone, should be expropriated by the state, and that the German economy should be centralized in accordance with the Potsdam Agreement. Numerous individual employees have been singled out for special attack and not a few have been forced out and replaced by trade union leaders and others. Moreover, the local organs of the FDGB are helping to administer many abandoned enterprises, including all the lignite mines and briquette plants of central Germany.

3. Trade union participation in chambers of commerce and industry, other industrial groupings, public enterprises, and state economic offices. This part of the program has to a large extent been achieved. The FDGB has helped develop reconstruction programs for various industries and participate in all state economic planning in the Soviet Zone. Its local committee outside of Berlin handle all the labor placement work formerly done by the labor offices (Arbeitsämter). According to a reliable source, the new plan for a unified social insurance system for the Soviet Zone in the preparation of which the FDGB participated and which is now before Gundelach, provides that the FDGB should have sole control, just as the unions in the USSR manage its social insurance scheme.

The above developments reinforce other indications that within a few months the Soviet Zone of Germany will be virtually a socialized state, which will exert great pressure in the direction of similar changes in western Germany.

Sent to Dept as 866, to Moscow as 59. Copy to Vienna by pouch as 25.

MURPHY

862.5043/11–445 : Telegram

Mr. Donald R. Heath, Counselor of Mission, Office of the United States Political Adviser for Germany, to the Secretary of State

BERLIN, November 4, 1945—4 a. m.
[Received 2:50 p. m.]

937. In a conference with Generals Echols, Milburn, and Gavin,[82] it was agreed that, when the question of the proposed Berlin Trade Union Conference comes before the Coordinating Committee, the

[82] Maj. Gen. Oliver P. Echols, Assistant Deputy Military Governor; Brig. Gen. Bryan L. Milburn, Chief of Staff, Office of Military Government for Germany (U.S.); and Maj. Gen. James M. Gavin, Commanding General, U.S. Sector, Berlin District.

Americans will ask that it be referred without discussion to the Manpower and Political directorates acting jointly. Refer to my 708, October 7; 825, October 21; 856, October 26;[83] and 915, November 2.[84] The only unsettled issue is whether or not to recognize delegates elections which have already been held, provided they took place in accordance with the agreed principles reported in my 825, October 21.

Apparently between September 10 and September 23, elections occurred in every district of Berlin except Charlottenburg. At General Gavin's order, those elections in the American sector are now being investigated. Since the Western forces agreed to accept previous Russian rules when they entered Berlin and never proclaimed that trade unions needed their permission to meet and organize, the FDGB was not acting illegally in holding elections and indeed the Russian request to the Kommandatura to allow the convention might therefore be regarded as gratuitous. However, some of the elections were not democratic. Jacob Kaiser states that the FDGB Provisional Committee, including the Communists, is willing to declare all previous elections null and void. Presumably the Communists had previously consulted Russian MG,[85] before taking this position.

Several alternative American positions present themselves. (*a*) Hold out for declaring all previous elections null and void and starting over again; (*b*) Agree to General Gavin's solution of letting each commander satisfy himself that the elections in his sector will have been democratic; (*c*) Begin with (*a*) and, if the Russians are adamant, retreat to (*b*); (*d*) If prior investigation discloses that most elections were democratic, accept the Russian proposal. This would probably not be agreed to by the British and French.

It seems important to reach quadripartite agreement soon and to permit the convention, lest the Western Powers appear to oppose democratic trade unions as the Russians have already tried to make it appear. The Department's reaction at the earliest possible moment to the alternative solutions would be appreciated. The question may come up at the November 6 Coordinating Committee meeting and may be discussed there.

HEATH

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[83] Telegram 856 not printed, but see footnote 79, p. 1065.

[84] Not printed; this telegram reported that in discussions of the Berlin trade union question before the Kommandatura on November 1, lack of agreement was so great that the principle of a single communiqué had to be abandoned. (862.5043/11–245)

[85] Military Government.

862.01/11–545 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 5, 1945.
[Received November 5—7 : 20 p. m.]

3764. *Izvestiya* November 4 published inconspicuous item announcing dissolution of "Free Germany Committee" and "League of German Officers". Announcement read as follows:

On November 2, 1945 near Moscow, session was held of National "Free Germany" Committee, together with "Union of German Officers" forming part of its membership. At this session following reports by President of National "Free Germany" Committee, Erich Weinert, and President of "Union of German Officers," Von Zeidlitz, following decision was unanimously taken:

"National Free Germany Committee, and Union of German Officers adhering to it, having set as their goal unification of German anti-Fascists with USSR for struggle against Hitlerite regime and for Democratic Germany, consider that under conditions of complete defeat of Hitlerite State and development in Germany of activity of Democratic bloc of anti-Fascist parties, further existence of National "Free Germany" Committee and "Union of German Officers" is superfluous and resolve to dissolve National Free Germany Committee and Union of German Officers and to terminate publication of newspaper *Free Germany*.

Sent Dept 3764, repeated USPolAd Berlin 116.

[HARRIMAN]

740.00119 Control (Germany)/11–545

Mr. Donald R. Heath, Chargé of Mission, Office of the United States Political Adviser for Germany, to the Secretary of State

No. 1246 BERLIN, November 5, 1945.
[Received November 19.]

SIR: I have the honor to report that there has been in recent days a considerable increase in the amount of public discussion, particularly in Berlin, of the "united front" or political bloc formed by the four political parties which exist in Berlin and in the Soviet zone of occupation. The Communists are prosecuting a vigorous campaign for the retention and extension of this device throughout Germany.

The current discussion appears to have been touched off by the statement on page 3 of Monthly Report No. 2 of the Military Governor, U.S. Zone, that "The device of a political bloc will not be encouraged in the U.S. Zone, as it runs contrary to traditional American concepts of political activity and vigorous political life in a democratic sense". (Reference is made to my Despatch No. 1054 of Octo-

ber 4, 1945.[86]) This sentence was given a considerable amount of publicity in the American press and was accepted by the German Communists as an attack on the united front in Berlin. The Berlin press has recently contained numerous editorials and statements praising the united front as the only acceptable instrument of democratic political life and condemning those who oppose it as friends of Fascism and enemies of democracy. This campaign is clearly inspired by the Communists. The *Allgemeine Zeitung*, which is the overt American newspaper, has responded to these attacks by various indirect references to the defects and questionable value of the united front.

As illustrative of the Communist tactics and arguments, there is attached a copy of the Berlin Press Review for October 30, 1945,[87] which is issued by the Information Services Control Section of the Headquarters, Berlin District Command. Attention is invited first to the editorial from the *Tägliche Rundschau* (overt Soviet newspaper) as summarized on pages 1 and 2. Particularly in the last three paragraphs the editorial discusses and defends the Soviet one-party system as having its basis in the classless nature of Soviet society which permits the Communist Party to represent the interests of the entire nation. The article refers to the "limited conception of the western people of a true democracy". It is apparent that the pressure for a united front is only an interim tactic designed to pave the way ultimately for a one-party system in Germany. It is not difficult to foresee which party is expected to succeed the united front.

Attention is also invited to the first item from the *Deutsche Volkszeitung* (Communist Party newspaper) summarized on pages 2 and 3 of the enclosure. This item describes a front-page editorial by Walter Ulbricht, the foremost German Communist leader. Ulbricht strongly champions the united front as a fundamental necessity for the final overthrow of Fascism. He openly asserts the desirability of influencing the "anti-fascistic democratic powers" to a realization of the need for establishing a united front. He characterizes as reactionaries those elements within the parties who are against the united front. Rather significantly, he threatens those parties who might disassociate themselves from the united front with "unavoidable" defeat in the coming elections. These tactics naturally have their effect upon the other political parties in an area in which Communist leaders can count upon more than mere persuasion for the support of their demands. They would be less effective in other areas.

Attention is invited finally to the item on page 4 of the enclosure which summarizes a speech made at a political rally of the Communist Party (apparently in Berlin). This speech was reprinted by the *Deutsche Volkszeitung*. Two interesting points were made by

[86] Not printed.
[87] Not reprinted.

the speaker, Fred Oelssner (possibly identical with Alfred Oelssner, former Communist Party secretary in Breslau). First he cleverly attacks the statement quoted from General Eisenhower's report, without in any way referring to the report but asserting that "it should be a self-evident law of democracy for any democrat not to force one's own conception upon others." He thus diverts attention from the fact that the united front in fact represents a method of forcing one's conceptions upon others. Secondly, he asserts that whoever opposes the unity of the democratic forces in Germany, "seeks to rescue German imperialism and militarism, and acts against democracy and peace". He naturally again omits mention of General Eisenhower in this connection.

A further illustration of the Communist campaign in favor of the united front may be drawn from a front-page editorial in the *Berliner Zeitung* (organ of the Berlin Magistrat, Communist dominated) on October 27, 1945, which repeats most of the foregoing assertions and arguments.

The occupation authorities in the U.S. Zone are continuing both formally and informally to discourage and prevent the formation in the U.S. Zone of a "United Front" of the German political parties.

Respectfully yours, DONALD R. HEATH

740.00119 Control (Germany)/11–1745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, November 17, 1945—10 p. m.
[Received November 19—11 : 40 a. m.]

1051. Referring to our 632 of September 27 [88] and our 640 of September 28 [89] and Department's 612 of October 5,[90] US overt Berlin *Allgemeine Zeitung* terminated publication November 11.

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[88] Not printed; it reviewed the information control situation and requested the Department's guidance on long-range objectives in this field in Germany (740.00119 Control (Germany)/9–2745).

[89] Not printed; in it Mr. Murphy expressed two misgivings concerning American press policy, particularly in Berlin: first, the practice of withdrawing United States operated newspapers as German licensed papers were established; second, the practice of placing licensed newspapers under the control of groups which reflected a wide range of political opinion rather than that of a single party or group (862.918/9–2845).

[90] Not printed; it contained comments designed to clarify the Department's ideas on long-range information policy in Germany. The pertinent ones are here listed: primarily, the information control program was aimed at eradicating Nazism and promoting democratic political development; nevertheless, no undue haste should be taken in turning over information activities to Germans; publication of newspapers by single parties or groups was definitely to be preferred to publication by groups of parties; finally, it was felt that publication of *Allgemeine Zeitung*, the overt United States paper in Berlin, should be continued, as Mr. Murphy had urged, until it could be replaced by a Berlin edition of the planned United States zonal paper. (740.00119 Control-(Germany)/9–2745)

With suspension of *Allgemeine Zeitung* in Berlin, US is left without overt paper here except for twice weekly delayed shipment to Berlin of 50,000 copies of US all-zonal army newspaper *Neue Zeitung* published in Munich.

US licensed *Der Tagesspiegel* has daily run of 300,000 copies under German editorship.

British *Berliner* publishes 300,000 copies thrice weekly.

French *Kurier* has run of 150,000 thrice weekly.

Average daily circulation in Berlin of combined US, British and French newspapers now approximately 540,000, roughly one third daily output of Soviet-controlled Berlin press.

In contrast Soviet-controlled Berlin press now has daily run of between 1,650,000–2,000,000 copies of which over 1,000,000 copies are sold in Berlin.

Additionally are 700,000 copies of new Soviet authorized illustrated weekly *Der Freie Bauer* aimed at agricultural and peasant populations and prominently featuring the Soviet campaign for land reform.

Combined daily output of three Communist papers published in Berlin totals 1,100,000–1,400,000 copies. Output of other non-Communist papers under Soviet censorship and often required, to support Soviet viewpoint totals additionally 550,000–600,000 daily.

Above emphasized sharp lead of Soviet-controlled press over US, French and British press in Berlin.

MURPHY

862.5043/11–2245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, November 22, 1945—1 p. m.
[Received 3 : 05 p. m.]

1072. It appears that the drive for social change in the Soviet Zone of Germany, reported in my 866 of October 28 has already begun to pass from words to action. Though solid facts on status of property relations are scanty, and though many *de facto* changes have not yet been legally established, it seems clear that urban eastern Germany is now experiencing the beginning of social revolution. Perhaps the most important change so far is psychological. Radical workers, supported by Soviet MG, seem to be in ascendancy, employers are under restraint, and the workers are taking possession of the economic instruments of power.

John Scott on November 15 wired *Time*, Inc., that best estimates say 90 percent of board members and managers of economic enterprises in the Soviet Zone fled when Red Army came or were eliminated

as Nazis within a few weeks thereafter. According to Scott, in perhaps half of cases works councils put factories back into production, and these councils are becoming most important factor in economic life of Soviet Zone. The "big five" banks are still closed and Soviet MG has created municipal cooperative and state banks to replace them. In spite of these changes and Soviet removals of equipment, the Ministers for the Soviet Zone reported to Zhukov in a conference November 12–14, that industrial production is about 20 percent of 1938 levels. This figure seems doubtful, however.

According to Hans Jahn, title to most of the enterprises now managed by works councils or trustees has not been transferred and still theoretically belongs to former owners. *Die Freie Gewerkschaft* recently has reported several instances in Berlin where alleged Nazi owners have returned and usually been refused permission by the workers or the city authorities to resume their directing positions but were not expropriated. When any industrialist returns with a Soviet MG certificate that he is not a Nazi, he is reinstated with full property rights.

FDGB, KPD and SPD press campaign to identify big business as such with Nazism and militarism has continued. The first consummation of the campaign occurred November 14 when the Govt of Bundesland Saxony, where land reform is complete, officially proclaimed: "The principal guilt for the criminal Hitler war policy rests on German monopoly capital, which for decades, ruthlessly employing its economic power position, used state organs to carry out private capitalist interests. The only possibility to prevent German monopoly capitalism from plunging the world into the misfortune of a new war for the third time is the economic disenfranchisement of the German monopoly capitalists and the use of their means of production for the welfare and interests of the entire people." The proclamation decreed the expropriation without indemnity and state ownership of all the property of Friedrich Flick within Saxony. No judicial process preceded this act. On November 17 the Land Saxony Govt proclaimed the taking over of all the hard coal mines there. It has also acquired a good part of the inland shipping fleet. As of October 1 the Wilhelm-Gustloff Werke were made a workers' cooperative by the Thuringian Govt.

Thuringian works councils law of October 10, 1945, just received, provides, as did the German law of 1920, that two members of works council shall sit on control board (*Aufsichtsrat*) of each company having such a board, and shall have two votes. No employment or dismissal can be made without approval of works council. Disputes over such questions shall be settled in labor courts. Works councils shall cooperate in production programs and receive quarterly reports from management, and eliminate Nazi ideology among employees,

negotiate grievances, supervise execution of safety rules, cooperate in setting up and managing social services, and cooperate closely with the FDGB committee. The law virtually states that the FDGB shall be the only union in Thuringia, while Soviet MG will not permit any employers' associations in its zone. Campaign for works councils with voice in management continues undiminished elsewhere in Soviet Zone. Under title "Building Workers Create New Legal Foundations", *Die Freie Gewerkschaft*, November 6 reported three collective agreements in Berlin embodying provisions similar to Thuringian law. In addition, one agreement provided that all shop rules needed works council approval and another gave works council right to participate with management in discussion on production with German and Allied officials. Proposed contract presented to Aschinger Firma Berlin by food workers union would give works council two out of three votes on directing board and enlarge present two man control board to six, one of whom would represent works council, one trade union, two city govt. This proposal is now being negotiated.

Hans Jahn states railroaders union now has equal voice with management of Reichsbahn from bottom to top in Soviet Zone.

Text of Thuringian law going forward by despatch.[91]

Sent to Dept as 1072 repeated to Moscow as 74.

MURPHY

862.5043/11–445 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, November 23, 1945—4 p. m.

912. Reurtel No. 937 of November 4. The Department suggests that the United States should support the position of declaring previous elections null and void, and of holding new elections. If necessary, the United States should agree to accept the results of previous elections, but only for a short interim period which should be followed by the holding of new elections according to the general principles agreed upon by the Kommandatura's Labor Committee as reported in your 825 of October 21.

The Department does not consider General Gavin's proposed solution adequate as it fails to provide guidance on what should be done in the event that a commander is not satisfied as to the democratic nature of the elections held in his district. It also violates the principle of unified policies and procedures on trade union affairs throughout the districts.

BYRNES

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[91] Sent to Department under cover of despatch 1435, December 1, from Berlin, not printed.

740.00119 Control (Germany)/11–3045

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1439 BERLIN, November 30, 1945.
[Received December 18.]

SIR: I have the honor to report that Mr. Louis Wiesner, Labor Officer on my staff, recently called on Walter Ulbricht, who is a member of the Central Committee of the Communist Party of Germany and is the real leader of that Party. Mr. Wiesner has prepared a very interesting memorandum, reporting the conversation which took place and the impressions which he obtained, and a copy of this memorandum is enclosed.

The impression which emerges from the enclosed account is that Ulbricht is a forceful leader, hostile to the United States and its occupation forces, and prone to demagogic and inaccurate assertions rather than objective discussion. This attitude, so far as can be ascertained, appears to be typical of the higher leadership of the Communist Party of Germany.

The Communist leaders appear to pursue a definite policy of avoiding contacts with the American authorities. It is very difficult to arrange interviews with them and they have studiously rejected or avoided all social invitations, both by members of my own staff and other American officials. These remarks apply both to Ulbricht and to Wilhelm Pieck, the nominal head of the Party. On the other hand, there are a few Communist leaders such as Dr. Leo Skrzypczinsky, head of the Department of Industry in the Soviet Zone of occupation, who circulate rather freely at Allied social functions. It would appear that these men are put forward because of their pleasing personalities as a kind of propaganda measure.

Respectfully yours, ROBERT MURPHY

[Enclosure]

MEMORANDUM OF CONVERSATION—NOVEMBER 13, 1945

Participants: Walter Ulbricht, member of the Central Committee of the Communist Party of Germany.
Louis A. Wiesner, Office of Political Affairs, OMGUS.

Walter Ulbricht is the real chief of the KPD today. A dynamic and very energetic and forceful man, he refuses to be interviewed in the ordinary manner and insists on talking, in German with a pronounced Russian accent, about the points he wants to put across. Throughout this interview, conducted in his own well-appointed though not luxurious office, he exuded a self-confident awareness of his present power and made no attempt to conceal his hostility toward

the United States and, especially Great Britain. Though Ulbricht showed himself very well informed and boasted of his knowledge, he mixed fact with fancy in an unabashed fashion and seemed to take no notice of my corrections.

The interview developed out of my telephoned request that Ulbricht furnish me a copy of the Thuringian Works Councils Law of October 10, 1945. When I called at his office to get the text, he had only the proposed law put forward by the Erfurt works councils convention of September 17, but assured me that the Thuringian law would not differ appreciably from this proposal.

Ulbricht stated that the new works council policy meant only a reversion to the Weimar Republic status and that works councils would have no power to make collective contracts on wages and hours. Works councils are necessary to represent all the employees in a plant, since not all workers will belong to a trade union. Without the initiative of the works councils many enterprises would never have resumed production.

Works councils, continued Ulbricht, have been demanded everywhere in Germany and have been elected wherever the occupation authorities would allow them. This remark led Ulbricht to a torrential denunciation of the "undemocratic" policies of the British and Americans in Germany. The Western Powers, he said, are not allowing trade unions to be formed, except in a few isolated instances. I contradicted this statement, saying that unions are being permitted and are being formed throughout the U.S. Zone. Neither are the British and Americans allowing political parties, except in Bavaria, he continued. When I corrected this also, he said that local political groupings are not parties; they are no better than "singing societies". Of course, Ulbricht added with a smile, the parties, especially the KPD, are organized illegally on a broader basis. The British and Americans do not allow public meetings (again I corrected him) or party newspapers, and yet they expect the Germans to vote in elections within a short time. How can a people vote intelligently when there are no means to present the important issues publicly? Only in the Soviet Zone is there any real freedom or democracy. Then there is the matter of eliminating fascism and militarism. In this too the British and Americans are not sincere. Wehrmacht officers go around Hamburg wearing the Knight's Cross. Nazi war criminal industrialists and landowners are still running their factories and estates in the West, while they have been eliminated and the economic basis of imperialism destroyed in the East. As examples he cited the directors of Siemens and AEG [92] in the British Zone and the general manager of Telefunken in the American Zone, who, he said, remain in their positions. Moreover, we have not cleaned the Nazis out

[92] Allgemeine Elektrizitäts Gesellschaft.

of public administration, while in Berlin's city government there are no more Nazis. The British and Americans only talk about democracy but do not practice it. They pursue a "Kolonialpolitik" and ignore the decisions of the Berlin Conference. Of course, they can do this because Germany is defeated, but it is not democracy.

I pointed out that the Americans are at least as thorough as the Russians in their denazification and that no Nazi would long remain in a position of power in our Zone. Right now, I added, quite a number of Nazis are employed in the Berlin city administration. With regard to parties, our policy is to start them on a local basis and let them expand only after they become firmly established. After seeing twelve years of Nazism, we are not as confident of the democratic instincts of the German people as Ulbricht seems to be, and perhaps we also have a different conception of democracy. From talking with people in Berlin, I do not have the impression that reading the newspaper has as yet instilled into them democratic ideas.

Asked about his opinion of the current controversy over the Berlin trade union convention, Ulbricht said that he had nothing to do with it. Warming to the subject, he added the following remarks: Here again the British especially have shown that they are not democratic. Over the radio and in their newspapers the British have announced that they want new delegates' elections because the previous ones resulted in an unfavorable party balance. It is good that the British have been so frank that everybody knows where they stand. Though in some cases the elections may not have been conducted properly, the anti-fascist workers understand democracy and know the people they elected. The previous elections were not held in violation of an MG law, and there is no reason to hold new ones. As Major Kramer had suggested to me, I then told him that the Americans had investigated the elections in their Sector, found that some had been undemocratically conducted, and decided that, at least in the U.S. Sector, new elections must be held. As the unions have recruited many new members since September, these elections on the basis of one delegate per hundred members would mean more delegates from the U.S. Sector than before. Ulbricht denied this, stating that only the FDGB Provisional Executive could increase the number of delegates. A certain colonel had told the FDGB Executive that the Kommandatura had decided to send Allied officers to supervise all elections. Under no circumstances would the FDGB hold such supervised elections. I replied that the colonel was in error but that, unless new elections were held, at least in the American Sector, the convention would not be allowed. Ulbricht rejoined that it would occur anyhow.

Thanking Ulbricht for giving me so much of his time, I then withdrew.

862.5043/12–345

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1456 BERLIN, December 3, 1945.
[Received December 18.]

SIR: I have the honor to transmit a memorandum of conversation [93] with Gustav Gundelach, the German Minister of Labor and Social Welfare for the Soviet Zone. This conversation dealt principally with social insurance, labor courts, and works councils. Please refer to my telegram no. 1072, dated November 22, on the social revolution in the Soviet Zone, my despatch no. 1287, dated November 19, on the Berlin social insurance system, and my despatch no. 1435, dated December 1,[94] transmitting the text of the new Thuringian Works Councils Law.

What Herr Gundelach said confirms other evidence that, without regard for their lack of a clear popular mandate, the Soviet-appointed German governments are formalizing many of the social changes initiated by the Communist and trade union leadership, whose representative character is also open to question. This procedure contrasts with the American MG policy of discouraging revolutionary changes as long as the German people cannot express their desires freely. The technique used in the Soviet Zone is to make it appear that changes inspired from above are being carried out as a result of popular demand. Whether any or all of these reforms actually do correspond to popular desires is not known.

Since social insurance and labor courts are both being discussed now by quadripartite committees of the Manpower Directorate, it may be that uniform policies on these matters can be applied throughout Germany. The differences between the Soviet and the Western views on employer associations form one of the principal issues in the discussions about labor courts. However, works councils are not being discussed on a quadripartite basis, and so a widening gap between practices in Eastern and Western Germany in this field is to be expected, in spite of the American encouragement of shop-steward (works council) elections as a basis for trade union organization.

Respectfully yours, ROBERT MURPHY

[93] Not printed.
[94] Despatches 1287 and 1435 not printed.

862.5043/12–845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 8, 1945—noon.
[Received 2:53 p. m.]

1204. On December 6, provisional executive of the Free German Trade Union League of Greater Berlin formally decided to request Kommandatura to permit entirely new delegates elections, and also agreed on election rules. Reference my 937, November 4, and my despatch No. 1435, December 1.[95] Agreement was in answer to Kommandatura questionnaire and will probably be delivered December 8. It provides for one delegate per 400 members and for nomination lists not indicating party affiliation of nominees. Ulbricht concurred and presumably Russians also. Undoubtedly the talks with British Trade Unionists and with Charles Zimmerman,[96] all of whom expressed doubts as to democracy of FDGB, had much to do with the decision.

American, British and French members of Kommandatura Labor Committee are delighted and willing, if proposed election rules are democratic, to approve plan quickly. The reaction of higher British and French manpower officials is not yet known.[97]

MURPHY

862.00/12–2945 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, undated.
[Received December 29, 1945—6 a. m.]

1344. December has produced important developments in the so-called united front of the four political parties operating in Berlin and the Russian zone. Some months ago both Hermes (CDU) and

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[95] Latter not printed.

[96] Manager of Local 22 (New York) of the International Ladies Garment Workers Union. He had stopped in Berlin while en route to Warsaw where he hoped to arrange relief shipments to the Polish labor movement.

[97] In telegram 1294, December 19, from Berlin, Mr. Murphy reported that on December 18 the Deputy Commanders of the Kommandatura had approved the request of the Free German Trade Union League of Greater Berlin to call a convention after the election of new delegates. The Deputies also approved new election rules. (862.5043/12–1945)

Koch (LDP) predicted that an eventual showdown might be expected between their parties and the Russians (see my 583, September 21, 1 p. m. [*midnight*]). This has now occurred as regards both parties, at least to the extent of producing changes in party leadership.

The following comes mainly from SSU [98] and G–2 [99] sources, which obtained the information directly from German (CDU) sources:

Case of Hermes and the CDU is far and away the more important of the two, in view of the much greater influence of this party, as a result of which it has constituted a far greater obstacle than LDP to realization of Russian and Communist objectives through framework of the United Front. My 1345, Dec 28 [1] summarizes account of last weeks developments in Russian controlled press, indicating how this has been presented to the German people as spontaneous move by progressive CDU elements to oust their reactionary leaders. Details given in second paragraph below, however, throw added light on the apparent sequence of events. Russian decision to eliminate Hermes from CDU leadership aimed at both liquidating this unpliable political leader and teaching his party a lesson, was presumably brought to a head by: (*a*) CDU continued refusal to endorse land reforms as carried out in Russian zone, even to extent of refusing to participate in four-party appeals for help to the newly-settled farmers; and (*b*) Fact that Hermes organized a CDU conference in first half of December at Bad Godesberg in British, rather than Russian zone. CDU had also been critical of recently launched education reforms in Russian zone. A more basic consideration may well have been the outcome of recent Hungarian and Austrian elections.[2] At any rate, Russians allegedly brought pressure to bear on certain selected CDU leaders in province Saxony, hinting at possible arrest if latter would not play ball and promising long desired local CDU newspaper, cars and real estate in case of compliance. CDU Saxony leaders, especially Herwegen, apparently agreed and came to Berlin to demand change in party leadership. So-called founders meeting of CDU took place here on Dec 21, at which Hermes and Schreiber were allegedly forced to resign by direct order from Zhukov. Kaiser was informed that he and Lemmer would take over party leadership. Kaiser loath to do so under the above circumstances and has said that he will do so only if Russians agree to leading party members being informed of true story of party crisis and Hermes'

[98] Strategic Services Unit; interim successor to the Office of Strategic Services.
[99] Army general staff intelligence section.
[1] Not printed; it provided an account of the press campaign to oust Dr. Hermes from the leadership of the CDU (862.00/12–2845).
[2] See telegram 886, November 9, from Budapest, vol. IV, p. 904, and telegram 498, November 27, from Vienna, *ante*, p. 664.

forced resignation and if Russians indicate clearly extent to which they will in future permit free party activity by CDU. All representatives present at this Dec 21 meeting spoke regretfully of Hermes' resignation, except Herwegen, who made provocative speech. Entire front page of Dec 21 issue of *Die Neue Zeit*, announcing resignation of Hermes at CDU meeting, was furnished by Russians and had to be printed by editor without change. Similarly, entire first issue of CDU newspaper in Saxony which appeared on Dec 18 was written by the Russians.

British are providing Hermes with airplane transport to their zone, and have informed Zhukov of their so doing. Hermes plans to carry on party activities there, together with CDU elements already active in western Germany.

If Kaiser sticks to above position, he may not long remain as new CDU leader, as questionable that Russians will agree to his terms. We understand that Lemmer's journalistic record under Nazi regime is not absolutely pure and Russians may be using their knowledge of this fact to induce him to go along with their present plans for CDU and its new leadership. Also worth noting that according to Hermes, Russians have all along tried to bring pressure to bear on him through fact that they hold his son as prisoner of war and last September Zhukov assured him son would then be released. Fact that Hermes eventually became *persona non grata* to our eastern Ally is quite understandable, in view of his opposition to certain recent policies, such as land and education reforms as launched in zone. In these cases, as well as in way Hermes was removed from his position as CDU leader, Russians used their customary tactics of working through Germans rather than taking direct action themselves. Change in LDP leadership was not nearly as important as the above. Though there is good reason to believe that resignation of Koch about Dec 1 was due in part to Russian pressure, there also seems to have been real dissatisfaction within party circles over his leadership. While Koch has courage and ideas, he was obstinate and his personal relations with party members were apparently never very close or warm. He has been succeded by Kuelz, who impresses us as an even older and weaker personality than Koch, who on account of his greater pliability and apparent vanity should prove more tractable and agreeable. A few days after Koch's resignation LDP joined the other three parties by moving its headquarters from British into Russian sector of Berlin, apparently because of failure to obtain from British coal for office heating and fact that Russians had promised such fuel to them.

MURPHY

740.00119 Control (Germany)/12–2945 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 29, 1945—2 p. m.
[Received December 30—3 : 42 p. m.]

1356. KPD organ *Deutsche Volkszeitung* and SPD organ *Das Volk* for December 23 feature identical articles both headlined "the second phase of unity" reporting joint conference of central committees together with provincial representatives from Russian zone held Berlin December 20 and 21 concerning following agenda:

Unity of working class; elections in American zone; and manner in which workers parties should help in creation free trade unions.

Lengthy resolution [3] was approved and signed by those present without distinction as to party affiliation. After stressing accomplishments to date since Hitler's downfall towards working class unity, resolution warns that power of trusts still unbroken and consequent dangers of reactionary influences can only be guarded against by United Workers Party in alliance with peasantry and creative intelligentsia. Further steps towards unity must therefore be taken. Wherever elections take place combined election programs shall be drawn up. Members of both parties will agree in comradely fashion on political positions to be filled within local governments on basis of equal qualification. In this way elections will become not a contest between SPD and KPD, but a united fight of both workers parties for workers majority. Organizations of both parties throughout Germany are called on to carry this out.

This shall be first step towards political and organizational unification of workers movement. Historic moment to prepare for this has now come. Conference has, therefore, established joint committee to study program of such a united party. Minimum program should be completion of democratic reconstruction of Germany through creation of anti-Fascist democratic parliamentary republic with far-reaching political industrial and social rights for workers. Maximum program should be realization of socialism through establishment of working class political rule in sense of teachings of developed Marxism as laid down Communist manifesto, Eisenach program of German social democracy and Kritik of Marx and Engels of Gotha program.

This united party shall stand for protection of all truly national interests of German people which is possible only through their being led back to community of peace-loving nations. Party shall be true

[3] Text of the resolution of the conference of the central committees of the SPD and the KPD, Berlin, December 20–21, 1945, is printed in: Institut für Marxismus-Leninismus beim Zentralkomitee der Sozialistischen Einheitspartei Deutschlands, *Dokumente und Materialien zur Geschichte der Deutschen Arbeiterbewegung*, Reihe III, Band 1 (Mai 1945–April 1946), p. 346.

to idea of proletarian internationalism and promotion of fast ties with workers' movements in bourgeois countries as well as Soviet Union.

Resolution also emphasizes further development of unity of action on all questions and joint and active discussion of ideological question among all groups and local organizations. A joint journal on "unity" will be published under direction central committees of both parties.

December 24 issues of both newspapers carry supplementary articles giving text of special section of same resolution regarding coming elections in American zone, announcing that SPD and KPD have agreed to put forward joint election program and to use basis of equal qualification for offices to be filled. This joint program will include land reform, nationalization of concerns belonging to war criminals and of public utilities and educational reform to give equal opportunity to all.

MURPHY

862.00/12–3045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 30, 1945—1 a. m.
[Received 3 : 42 p. m.]

1357. For the last fortnight or so there have been intense negotiations between Berlin SPD and KPD leaders, consisting, according to SPD reports obtained by local G–2, chiefly of strong and persistent pressure from KPD for merger of the two parties, or at least joint action regarding coming elections in American zone. These negotiations have now borne fruit as indicated in my 1356, December 29.

Main points of interest in this joint declaration are as follows: It is evident that Berlin Social Democrats have conceded much ground to present apparent Communist desire for immediate merger of the two parties. In so doing they have presumably widened the rift which has been developing between them and SPD elements in western and southern Germany, which, according to latest public declarations, are opposed to any present merger with Communists.

The part of the resolution referring to elections is clearly aimed at influencing next few months program for American zone though it remains to be seen how SPD leaders there will respond. While the latter do not admit that Berlin committee has any authority over them, it is obvious that for psychological and historical reasons, this statement will have some effect in SPD circles everywhere. It will of course serve as clear directive to Communists there.

Resolution also indicates what has been fairly apparent for some weeks, namely that KPD has now swung back considerably towards

the left, i.e., as concerns Socialism and private property. Regard for certain degree of capitalist economy which was for example apparent in Communist program and propaganda issued last summer has now been replaced by frank call to the goal of Marxist Socialism and proletarian internationalism.

Among other things this resolution, particularly those sections dealing with party merger and Socialism as goals, may presumably induce some of present SPD adherents to desert the party. CDU expects to gain as a result.

MURPHY

NEGOTIATIONS IN THE EUROPEAN ADVISORY COMMISSION AND THE ALLIED CONTROL COMMISSION FOR GERMANY REGARDING THE REPRESENTATION IN GERMANY OF FOREIGN GOVERNMENTS AFTER SURRENDER AND THE ESTABLISHMENT OF FOUR-POWER CONTROL IN GERMANY[5]

740.00119 EAC/5–445

Memorandum by the United Kingdom Representative on the European Advisory Commission (Strang)[6]

E.A.C. (45) 47 2 MAY, 1945.

REPRESENTATION OF FOREIGN COUNTRIES IN GERMANY AFTER SURRENDER

I circulate to my colleagues, for consideration by the European Advisory Commission, a memorandum making proposals for the representation of foreign countries in Germany after surrender. I hope the Commission will be able to give early consideration to these proposals.

W[ILLIAM] S[TRANG]

LONDON, 30 April, [*2 May?*] 1945.

[Annex]

REPRESENTATION OF FOREIGN COUNTRIES IN GERMANY AFTER SURRENDER

1. After the German surrender, the Governments of the United Kingdom, the United States of America and the Union of Soviet Socialist Republics, and the Provisional Government of the French Republic, will be represented in Germany by their respective Com-

[5] For additional documentation regarding participation by the United States in the work of the European Advisory Commission and in the Allied Control Council for Germany, see pp. 1 ff., and pp. 820 ff., respectively.

[6] Copy transmitted to the Department in despatch 22877, May 4, from London; received May 8.

manders-in-Chief in their capacity as members of the Control Council, and their staffs. It has been agreed in Article 8 of the Agreement on Control Machinery in Germany [7] that "The necessary liaison with Governments of other United Nations chiefly interested will be ensured by the appointment by such Governments of military missions (which may include civilian members) to the Control Council, having access, through the appropriate channels, to the organs of control." Such United Nations' Governments will thus be represented in Germany by their military missions. It has not yet been decided which Governments shall be so represented.

United Nations chiefly interested

2. The United Kingdom Delegation proposes that an invitation to the United Nations accepted as "chiefly interested" to appoint military missions to the Control Council should be sent jointly by the United Kingdom, the United States of America, the Union of Soviet Socialist Republics and France. Such an invitation should be sent not later than the issue of the "public statement" provided for in paragraph 9 of the Report by the European Advisory Commission [8] covering their Agreement on Control Machinery in Germany (E.A.C. (44) 11th Meeting). The U.K. Delegation would suggest that this invitation should be addressed to the Governments of:—

Australia	Luxembourg
Belgium	The Netherlands
Brazil	New Zealand
Canada	Norway
China	Poland
Czechoslovakia	South Africa
Greece	Yugoslavia.
India	

Other United Nations

3. Representation in Germany by military missions does not seem justifiable in the case of the remaining United Nations. At the same time, it would seem impossible to refuse them representation of any character, more particularly if, as we suggested below, neutral states are to be allowed some degree of representation. The United Kingdom Delegation accordingly suggests that the Governments of these remaining United Nations should be invited to nominate "Civil Agencies" to represent them in Germany. It would be undesirable to accord the title of diplomatic mission to these agencies, as a diplo-

[7] Agreement between the United States, the United Kingdom and the Soviet Union, signed in London, November 14, 1944, Department of State, Treaties and Other International Acts Series (TIAS) No. 3070; *United States Treaties and Other International Agreements* (UST), vol. 5, pt. 2, p. 2062.

[8] Report by the European Advisory Commission to the Governments of the United States, the United Kingdom and the Soviet Union, dated November 14, 1944, *Foreign Relations*, 1944, vol. I, p. 404.

matic mission normally enjoys a higher status than that of any other foreign agency in the country of residence. It would clearly be impossible to give a higher status to the representatives of the minor Allies than to those of "the United Nations chiefly interested", which would be represented by military missions.

Neutral States

4. There remains the question of the representation in Germany of neutral states. The United Kingdom Delegation, basing its view in part on experience gained in Italy, takes the view that on the whole the convenience of having neutral representatives in Germany to look after their national interests on the spot would substantially outweigh any inconvenience that their presence might cause. The United Kingdom Delegation accordingly proposes that neutral missions should be allowed to remain in Germany; but they too should be classified as "Civil Agencies". Those neutral states e.g. Chile, which have no relations with Germany, could not be placed in a worse position than those which have maintained relations. They should therefore be permitted on request to enjoy the same facilities as those determined for other neutral states.

Privileges and Immunities

5. The military missions of the United Nations chiefly interested will not be entitled to deal with any German authorities except through or with the permission of the Allied Control Machinery. The same restriction should *a fortiori* be placed on the Civil Agencies of the lesser Allies and of neutral states. They should, however, be entitled to a certain measure, to be determined by the Control Council, of the immunities normally enjoyed by diplomatic representatives; e.g. immunity from local taxation and arrest. The representatives of Allied states, whether in military missions or Civil Agencies, should have the right to communicate with their Governments by bag and cypher. This right should not however be granted to the Civil Agencies of neutral states, at any rate in the early stages.

Consulates

6. The only consulates which will be found in Germany on the conclusion of hostilities will be those of ex-enemy and neutral states. The treatment of the former is outside the scope of the present memorandum. As to neutral consulates, the United Kingdom Delegation takes the view that they might well prove an embarrassment to the Commanders of forces of occupation and that it would therefore be desirable to close them down at the earliest possible moment. If it were later found convenient that certain foreign states should have representatives in other parts of Germany, the necessary steps could

be taken by permitting the military missions or Civil Agencies of such states in Berlin to nominate local agents. These should not have the title of consul, as that would raise numerous technical difficulties, e.g. their exequatur.

Austria

7. The position in Austria [9] is in many respects different, as there have of course been no diplomatic missions in Vienna since before the war. But the United Kingdom Delegation proposes that the representation of foreign countries in Austria after Germany's surrender should, in the early stages at least, be broadly speaking on the same lines as is proposed above for Germany.

740.00119 EAC/6–1445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 14, 1945—7 p. m.
[Received June 14—4 : 35 p. m.]

6034. Comea [10] 287. Belgian Ambassador [11] in letter to EAC June 8 (text by air [12]) requested clarification status and composition Belgian military mission to be appointed for liaison with Control Council in Germany. Specifically letter asks whether the mission (1) will enjoy status, privileges and immunities usually accorded diplomatic missions and their personnel; (2) will be guaranteed indispensable freedom of action and movement and (3) will be permitted to comprise appropriate personnel to represent different Belgian interests in Germany, notably political, financial, economic and agricultural interests.

EAC will probably consider shortly reply to Belgian Ambassador's letter together with UK memorandum on representation of foreign countries in Germany (EAC 45/47, May 2; sent with despatch 22877, May 4 [13]). Unless otherwise instructed I propose take fol-

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[9] For documentation regarding the negotiation in the European Advisory Commission of agreements regarding the zones of occupation and the control machinery in Austria, see pp. 559 ff.

[10] Series designation for telegrams from the Ambassador in the United Kingdom concerned with the work of the European Advisory Commission.

[11] Baron de Cartier de Marchienne, Belgian Ambassador in the United Kingdom.

[12] The letter from the Belgian Ambassador, which was circulated in the European Advisory Commission as document E.A.C. (45) 60, dated June 13, 1945, and entitled "Status and Composition of the Military Mission to be Appointed by the Belgian Government to the Control Council in Germany", was transmitted to the Department in despatch 23706, June 15, from London, not printed.

[13] Despatch not printed; for memorandum by the United Kingdom Representative on the European Advisory Commission, May 2, see *supra*.

lowing position with respect to Belgian inquiry and British memorandum:

(1) Military missions of chiefly interested United Nations should enjoy privileges and immunities usually accorded diplomatic missions and their personnel

(2) Members such missions should have full freedom in performing their functions limited by fundamental principle that they may not deal with any German authorities except through or with permission of control machinery of the Allies. They should also enjoy freedom of movement on understanding that temporary restrictions may have to be laid down by Control Council as result of conditions in Germany, especially practical difficulties of providing transport, food and housing

(3) There is no objection to appointment of civilian experts to these military missions, although Control Council may restrict total number of personnel serving on such missions

(4) We should permit other United Nations not included in list of chiefly interested United Nations (paragraph 2 Brit memorandum May 2) and neutral countries to nominate "agencies" (rather than "civil agencies" referred to in UK memo) represent them in Germany

(5) Control Council will determine extent of privileges and immunities to be granted such agencies. Use of code and uncensored pouch should be accorded missions and agencies of all United Nations, but not necessarily or of right to agencies of all neutrals

(6) Four govts represented in EAC should as soon as possible jointly invite chiefly interested United Nations listed in British memorandum to appoint military missions, the time of their entry into Germany to be fixed by Control Council.

Sent to Dept as 6034; repeated to Paris as 365 (for Murphy [14]).

WINANT

740.00119 EAC/6–1445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, June 19, 1945—5 p. m.

4912. Urtel 6034, June 14. Dept concurs in six points of your position re Belgian inquiry and Brit memo. Dept deems particularly important that agreement be reached in EAC as soon as possible on joint Four-Power invitation to chiefly interested United Nations requesting appointment of military missions to Control Council.

For further guidance in EAC discussion of Brit memo, we make following suggestions:

[14] Robert D. Murphy, United States Political Adviser for Germany.

(1) List of chiefly interested United Nations (par. 2 Brit memo) is acceptable. Invitation is to be sent Poland, however, only when there is a single Polish government recognized by Four Powers.[15]

(2) Determination of mode of access to Control Council and of other procedural arrangements connected with work of military missions should be left to Control Council.

(3) Determination of scope of functions of agencies (par. 3, 4 Brit memo) as well as of procedural arrangements connected with their work should be left to Control Council.

(4) It should, however, be agreed that an agency of one country may be permitted to look after the interests of other countries upon their request. In this way agency of one South American country might look after interests of several small states which may not wish to establish agencies for themselves. Otherwise undue burden may fall upon US officials.

(5) Chile given as illustration of neutral state (par. 4 Brit memo) became member of United Nations on Feb. 14, 1945.

Draft comments on Brit memo along above lines are being prepared for formal clearance by IPCOG.[16] In event cleared statement does not reach you prior to EAC discussion of Belgian inquiry and Brit memo, you may find of assistance above expression of Dept views.

GREW

740.00119 EAC/7–1345

Memorandum by the Informal Policy Committee on Germany to the Secretary of State [17]

WASHINGTON, 13 July 1945.

The Informal Policy Committee on Germany has considered the United Kingdom's memorandum on "Representation of Foreign Countries in Germany after Surrender" (E.A.C. (45) 47) (SWNCC 125/D [18]) and is in general agreement with the proposals outlined therein, subject to the following comments:

a. With regard to representation by military missions of the United Nations "chiefly interested":

The list presented by the United Kingdom memorandum of smaller United Nations deemed to be "chiefly interested," as that term is used in Article 8 of the Agreement on Control Machinery in Germany, is

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[15] For documentation regarding the negotiations between the United States, the United Kingdom, and the Soviet Union relative to the establishment of a Polish Provisional Government of National Unity, see vol. v, pp. 110 ff.

[16] Informal Policy Committee on Germany.

[17] According to document IPCOG 6/2, dated 17 July 1945, the Informal Policy Committee on Germany, by informal action on 13 July 1945, approved IPCOG 6/1 which recommended forwarding this memorandum to the Secretary of State (Mosely File).

[18] State-War-Navy Coordinating Committee designation for the United Kingdom memorandum of May 2, E.A.C. (45)47.

acceptable, inasmuch as the list includes all those states which have actively participated in the European war and which have been given a special recognition by advance notification of the declaration of 5 June.[19] No invitation should be extended to Poland, however, until such time as there is a single Polish government recognized by the four occupying powers.

The invitations should be sent jointly by the four Powers as soon as feasible. The British proposal to send the invitations not later than the issue of the "public statement" provided for in paragraph 9 of the EAC report covering the Control Machinery Agreement is no longer pertinent since this "public statement" was issued on 5 June.

The Control Council should determine the time when the military missions may arrive at the seat of the Control Council, should make arrangements for their appropriate reception, and should determine their mode of access to the Control Council as well as all other procedural arrangements connected with the work of the military missions. The military missions should be accorded the privileges and immunities usually enjoyed by diplomatic missions and their personnel.

b. With regard to representation of other United Nations:

Insofar as representation of other United Nations may be desired by these countries or may serve to facilitate the work of the Control Council, the Control Council should be authorized to provide for the representation of other United Nations in Germany by means of agencies. The Control Council should determine the appropriate time for the arrival of the members of such agencies at the seat of the Control Council, the scope of the functions of such agencies, and their mode of access to the Control Council, as well as other procedural arrangements connected with their work, including the status of their members in the matter of privileges and immunities.

In cases where a country may not wish to look after its own interests, an agency of one country may be permitted to look after the interests of another country.

c. With regard to representation of neutral states:

The Control Council may permit neutral states to establish agencies to represent their interests in Germany, under whatever specification of functions or restrictions as may be deemed desirable by the Control Council.

[19] For text of the declaration regarding the defeat of Germany and the assumption of supreme authority with respect to Germany by the Governments of the United States, the Soviet Union, the United Kingdom, and France, signed in Berlin on June 5, 1945, see TIAS No. 1520, or 60 Stat, pt. 2, 1649.

With regard to the naming of Chile as an illustration of a neutral state (par. 4 of U.K. memorandum), it should be pointed out that Chile became a member of the United Nations on 14 February 1945.

d. With regard to Austria:

The same policy as expressed for Germany should apply to Austria in the initial stage, subject to decisions of the governing body of the Allied Administration for Austria to alter it to meet more rapidly changing needs in the different circumstances of Austria. When an Austrian government, provisional or otherwise, is recognized by the four occupying powers, the governing body of the Allied Administration for Austria should determine when diplomatic or consular representatives of other nations may be accorded to the Austrian government.

For the Informal Policy Committee on Germany:
WILLARD L. THORP
Acting Chairman

740.00119 Control (Germany)/7–1345 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, July 19, 1945—3 p. m.

135. Urtel 162, July 13.[20] Dept is sending you by air pouch formal statement cleared July 13 by IPCOG re representation of foreign countries at Control Council in Germany [21] (see last par. Dept 60, July 4 [20]). This statement confirms US general agreement with Brit memo (EAC 45/47, May 2), subject to comments along lines indicated in Dept 60. Inasmuch as IPCOG statement was drafted in collaboration with War Dept and represents approved US policy, it is believed that authority to close down neutral consulates is contained therein and that Dept need not request War Dept for special instructions in this regard.

On reviewing matter of closing down neutral consulates in US zone at earliest possible moment, Dept now believes that such action should not be taken independently, but should be coordinated with similar action on part of other occupying powers. Consideration might be given if possible to usefulness at the time of Swiss consulates

[20] Not printed.

[21] The memorandum of July 13 from the Informal Policy Committee on Germany to the Secretary of State, *supra*, was transmitted in instruction 114, July 19, to the United States Political Adviser for Germany, not printed. A copy of the memorandum was also transmitted in instruction 5776, July 19, to London. Instruction 5776 read in part as follows: "The memorandum cleared by the Informal Policy Committee on Germany confirms, without change, the views of the Department as set forth in the Department's telegram no. 4912 of June 19, 1945." (740.00119 EAC/7–1945)

in looking after American interests. It might be desirable also if such action was deferred until agreement was reached in the Control Council on the principle of representation of neutral countries by agencies.

In view of these considerations Dept wishes to leave at your discretion timing of closure of neutral consulates.

GREW

740.00119 EAC/8–345

Draft Agreement Proposed by the United Kingdom Delegation on the European Advisory Commission [22]

P57/7/45 LONDON, 27 July, 1945.

The Agreement on Control Machinery in Germany approved by the four Governments and the Agreement on Control Machinery, in Austria [23] recently submitted by the E.A.C. to the four Governments, provide that: "The necessary liaison with governments of other United Nations chiefly interested will be ensured by the appointment by such governments of Military Missions (which may include civilian members) to the Control Council [Allied Council] having access through the appropriate channels to the organs of control".

The Commission now recommends:—

1. that invitations to appoint such Military Missions in Germany and Austria should be sent jointly by the Governments of the U.K., U.S.A. and U.S.S.R. and the Provisional Government of the French Republic to the following Allied Governments:—

Australia	India
Belgium	Luxembourg
Brazil	The Netherlands
Canada	New Zealand
China	Norway
Czechoslovakia	Poland
Denmark	South Africa
Greece	Yugoslavia

2. that each Allied Government to whom an invitation is issued should be free to decide the composition of its own mission, subject to the right of the Control Council to impose a limit on the total size of the mission;

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[22] Transmitted in despatch 24640, August 3, 1945, from London; received August 8. The European Advisory Commission dissolved without giving consideration to the question of foreign representation in Germany.

[23] Agreement between the Governments of the United States, the Soviet Union, the United Kingdom, and France on Control Machinery in Austria, signed at London, July 4, 1945, *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. I, p. 351.

3. that such mission should enjoy freedom of movement within the Greater Berlin area and, by agreement with the Commander-in-Chief concerned, within each zone;

4. that such missions should have the right to communicate with their governments by bag and cypher;

5. that the Control Council should determine the degree of diplomatic privilege and immunity to be enjoyed by such missions;

6. that the Control Council should be invited to make the necessary arrangements for the early arrival in Berlin of such missions;

7. that United Nations Governments other than those specified in (1) above should be permitted on request to nominate civil agencies to represent them in Germany and Austria, such agencies to have lesser status than the Military Missions;

8. that neutral governments should be permitted on request to maintain civil agencies in Germany and Austria;

9. that these civil agencies would not be entitled to deal with any German or Austrian authorities except through or with the permission of the Allied Control Machinery;

10. that the Control Council should determine the degree of diplomatic privilege and immunity to be enjoyed by civil agencies which should not in any case be greater than that enjoyed by the Military Missions.

740.00119 Control (Germany)/8–2145 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy), at Berlin

WASHINGTON, August 21, 1945—8 p. m.

317. Brit *Aide-Mémoire* of Aug 15 [24] notifies Dept that Brit Govt is instructing Brit CG in Germany to endeavor secure agreement as soon as possible in Control Council on representation of foreign countries in Germany. Dept wishes US representative on Control Council [25] likewise to seek early decision on this subject by Control Council. Authority and guidance for US representative is contained in IPCOG 6/1 [26] sent you in Instruction 114, July 19 [27] and sent CG, USFET [28] by War Dept on July 21.

Brit propose to offer for negotiation in Control Council draft agreement circulated in EAC on July 27 as P57/7/45. This draft is

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[24] British *aide-mémoire* not printed.

[25] Gen. Dwight D. Eisenhower.

[26] See memorandum by the Informal Policy Committee on Germany, July 13, and footnote 17, p. 1089.

[27] Not printed.

[28] General Eisenhower, who in addition to his duties as Commander in Chief, United States Forces of Occupation in Germany, was also Commanding General, United States Forces, European Theater.

based on previous Brit memo circulated in EAC on May 2 as EAC (45) 47, copy of which was sent you with US comment in Instruction 114. Although in general agreement with Brit proposals, US views differ in several details. For your guidance consult London's 365, June 14 to you,[29] Deptels 60, July 4 [30] and 135, July 19, and Instructions 114, July 19 and 172, Aug 14.[31]

Brit addition in draft agreement (P57/7/45) of Denmark as country entitled to representation by military mission is acceptable.

Brit draft agreement deals with representation both of chiefly interested United Nations by military missions and of other United Nations and neutral countries by civil agencies. If difficulties arise in negotiations regarding representation of other United Nations and neutral countries, we suggest that separate and prior agreement be sought on representation of chiefly interested United Nations by military missions and that invitations to appoint such missions be issued as soon as possible.

BYRNES

740.00119 Control (Germany)/9–1445 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 14, 1945—midnight.
[Received September 15—12 : 35 p. m.]

528. Reurtel 423 of Sept 8, 1 p. m.,[32] and my No. 514 of Sept 14, 12, noon,[33] concerning accrediting military missions to Control Council. Sobolev [34] has insisted consistently that the 16 countries which would send the first missions be not invited by the Council but that their applications to send missions be accepted. Soviets attach political significance to invitation as indicating Council believes governments invited are connected with activities of Council. Consider Soviet position reasonable and do not see any objection to agreement on our part. Accordingly urgently request instruction permitting my agreement to acceptance of applications from Australia, Belgium, Brazil,

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[29] Same as telegram 6034, June 14, from London, p. 1087.

[30] Not printed.

[31] Instructions 114 and 172 not printed. Instruction 172 transmitted a copy of a memorandum from the Belgian Ambassador, dated July 6, 1945, dealing with the designation of a head of the Belgian military mission to the Allied Control Council for Germany (740.00119 Control (Germany)/7–645).

[32] Not printed; it reported Department disapproval of a British suggestion that each of the following countries be asked to send one man to Berlin to serve as an advance liaison representative: Belgium, Canada, Czechoslovakia, Norway, Netherlands, Poland, and Yugoslavia (740.00119 Control (Germany)/9–545).

[33] Not printed; it reported on the fourth meeting of the Political Directorate of the Allied Control Council on September 14 (740.00119 Control (Germany)/9–1445).

[34] Arkady Alexandrovich Sobolev, Chief, Political Section, Soviet Military Administration in Germany.

Canada, China, Czechoslovakia, Denmark, Greece, India, Luxemburg, Netherlands, New Zealand, Norway, Poland, South Africa and Yugoslavia. The reason for the suggested priority of acceptance of military missions is the acute lack of housing, food, fuel, transportation and communications in Berlin. In view of the inability of the Allied authorities in Berlin to provide immediately for representatives of all countries who might desire to establish missions, we considered justified the suggestion that priority be given those who had actively participated in the war against the Axis.

MURPHY

740.00119 Control (Germany)/9–1445 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, September 17, 1945—8 p. m.

486. You are authorized to agree to acceptance from 16 countries listed urtel 528, Sept. 14, of applications to send military missions to Control Council.

Dept approves priority of acceptance of military missions as explained in urtel 528.

ACHESON

740.00119 Control (Germany)/9–1845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 18, 1945—10 p. m.
[Received September 19—8 : 55 a. m.]

562. Refer my 547 of September 17, 10 p. m.[35] Coordinating Committee at its eighth meeting considered question of relations between Allied Control Authority and foreign countries. It was suggested by General Robertson [36] that the Political Directorate could deal directly with UNRRA [37] and with the expected missions from certain allied countries when they arrive in Berlin. General Robertson stated that his Government would not favor direct dealing between the Political Directorate and the governments of countries which do not have missions accredited the authority. The question is presented

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[35] Not printed; it reported on the eighth meeting of the Coordinating Committee held on September 17 (740.00119 Control(Germany)/9–1745). On August 10 the Allied Control Council had established the Coordinating Committee, composed of the U.S., British, Soviet, and French deputy military governors, to exercise broad delegated powers from the Control Council.

[36] Lt. Gen. Sir Brian Robertson, British Deputy Military Governor.

[37] United Nations Relief and Rehabilitation Administration. For documentation regarding participation by the United States in UNRRA for the year 1945, see vol. II, pp. 958 ff.

as to (*a*) whether the Allied Control Authority should deal directly with governments who have no missions accredited to it, (*b*) if so, through what means should this be done and (*c*) does the Department believe that the Political Directorate should be the means for dealing with those missions which are accredited. The foregoing has been referred to the Political Directorate and the Department's instructions are urgently requested.

MURPHY

740.00119 Control (Germany)/9–1845 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, September 21, 1945—6 p. m.

520. Urtel 562, Sep 18. In Depts opinion, the Allied Control Authority should not deal directly with governments which have no missions accredited to it. Dept recognizes that dealings between Allied Control Authority and such governments could be conducted through Governments of Occupying Powers. Such an arrangement, however, would be cumbersome. Accordingly, although we appreciate difficulties connected with reception of foreign representatives, we believe it desirable that as soon as possible after reception of military missions, arrangements should be made for acceptance of representation from other United Nations and neutral countries in form of agencies (Deptel 317 Aug 21).

Dept is of opinion that all missions accredited to Control Council should conduct their affairs through offices of Political Directorate.

ACHESON

740.00119 Control (Germany)/9–2645 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, September 28, 1945—8 p. m.

569. Urtel 628, Sept. 26.[38] Dept is under constant pressure from neutral countries, in particular Switzerland and Sweden, regarding matter of their representation at Control Council. We understand difficulties of accommodating additional persons under present circumstances in Berlin. Nevertheless we suggest for following reasons that further consideration be given to receiving representation from

[38] Not printed; it reported that it did not appear physically possible to receive for some months further missions other than the first 16 United Nations missions expected in the near future; it also reported that it was planned, on a temporary basis, to communicate with countries not having missions accredited to Berlin through the diplomatic channels of the power which happens to be presiding at the Allied Control Council when any particular matter is raised (740.00119 Control (Germany)/9-2645).

certain neutral countries and from United Nations other than those sixteen to be represented by military missions:

1. It is to be anticipated that many of the smaller of the United Nations, in particular those in Central and South America, will not hasten to send representatives to Germany at present even if given the opportunity.
2. Staffs of representation could be limited to two or three persons of all ranks, thus keeping very small the total number of persons involved.
3. Responsibility for obtaining accommodations and necessary supplies might so far as possible be placed primarily on the foreign representatives themselves. In this regard Dept has already been advised that Swiss and possibly Swedish Governments would be glad to make all physical arrangements for their representatives in Berlin, would utilize their own properties and would transport to Berlin at their own expense all supplies required by their representatives and their staffs. After such offers, it is very difficult for Dept to justify refusals to admit Swedish and Swiss representatives on grounds of restricted housing and supply conditions, and will become more difficult if accommodations and other facilities are provided United States business men desiring to visit Germany in accordance with recommendations reported in urtel 609, Sept. 25.[39]

Procedure outlined for communicating with countries not represented at Control Council through diplomatic channels of power presiding at the time is acceptable. Dept assumes that it would be kept fully informed of all such communications between Control Council and foreign governments and receive copies of texts thereof.

Dept perceives no objection to Allied Secretariat serving as channel of communication between Control Council and military missions.

ACHESON

740.00119 Control (Germany)/10–1945 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 9, 1945—9 a. m.
[Received October 9—8 : 10 a. m.]

721. The Coordinating Committee of the Allied Control Authority for Germany, on behalf of the Control Council, has approved a report, prepared by the Political Directorate, proposing that applications to accredit mission to the Council from the following countries be accepted: Australia, Belgium, Brazil, Canada, China, Czechoslovakia, Denmark, Greece, India, Luxembourg, the Netherlands, New Zealand, Norway, Poland, South Africa and Yugoslavia.

The list is confined to the 16 United Nations most immediately interested in current problems connected with Germany, or entitled to prompt representation by their contribution to German defeat.

[39] Not printed.

The missions will be permitted to come to Berlin under the following eight conditions: (1) that each Allied Government whose application to accredit a military mission is accepted should be free to decide the composition of its own mission, but that the number of nationals of all ranks belonging to each mission should be limited to 10. This would not preclude the employment of a reasonable number of locally engaged domestic staff; (2) that it would be possible to find accommodation Berlin for 16 missions provided that they are limited to 10 members each plus a reasonable number of locally engaged domestic staff. Houses and offices could be for at least four missions in each sector of Berlin, but as no suitable undamaged houses or offices are at present available, it will take some time for the necessary repairs to be effected; (3) that each Govt. accrediting a mission should be asked to send one representative to Berlin immediately to investigate the accommodation available and to make all necessary arrangements with the visitors and administration section of the Allied Control Authority for the arrival of his mission; (4) that the members of these missions, while present in any zone of sector of occupation, will enjoy the same privileges and immunities from the jurisdiction of German courts the imposition of German taxes or the acts of German authorities as members of the Allied Control staffs. All members of these missions, both military and civil, will be subject to the military or Military Government laws made applicable by each zone or sector commander for members of the Allied Control staffs; (5) that these missions should enjoy freedom of movement with[in] the Greater Berlin area and, by agreement with the Commander in Chief concerned, within zone; (6) that such missions would have the right to communicate with their Governments by bag and cypher; (7) that each Government accrediting a mission should be asked to provide its members with all transport they require; (8) that the Allied military authorities in each sector should supply the members of those missions accredited in their sector with rations, currency (Allied military marks), petrol and oil against repayment.

It is presumed that the Department will take appropriate action.[40]

MURPHY

[40] In telegram 666, October 12, 8 p. m., to the United States Political Adviser for Germany, the Department reported that a circular telegram (not printed), was sent to U.S. missions in the 16 countries listed in this telegram, with instructions to deliver notification of Control Council's readiness to accept applications to accredit military missions to Council, under the eight conditions stipulated (740.00119 Control (Germany)/10–945). By mid-December 1945, the following countries had activated missions in Berlin: Australia, Belgium, Canada, China, Czechoslovakia, Denmark, Luxembourg, the Netherlands, Norway, and Yugoslavia. In the course of 1946, missions were established by Brazil, Greece, India, Poland, and South Africa. By the beginning of 1947, New Zealand had not yet set up its mission in Berlin.

740.00119 Control (Germany)/8–2145 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, December 28, 1945—9 p. m.

1156. Urtel 1217, Dec. 8.[41] Brit suggestion that United Nations countries other than the chiefly interested 16 United Nations should be allowed to accredit military missions to Control Council and other countries should be allowed to establish consular offices does not accord with previous Brit proposals nor with Dept's views (Deptels 317, Aug 21; 60, July 4; Instruction 114, July 19[42]). We still deem it preferable that other United Nations and neutral countries be permitted to establish agencies accredited to Control Council, which agencies may perform representative and consular functions as required.

ACHESON

INTEREST OF THE UNITED STATES IN THE DISPOSITION OF GERMAN FOREIGN OFFICE ARCHIVES[43]

840.414/1–2445

Mr. E. Ralph Perkins,[44] on Detail to the Embassy in London, to Mr. Fletcher Warren, Executive Assistant to the Assistant Secretary of State

LONDON, January 24, 1945.

DEAR MR. WARREN: An important letter was sent on January 20 by Mr. George L. Powell, Joint Chairman of the Grey List Panel[45] of CIOS, to Mr. Howland Sargeant of the Special Areas Branch, F.E.A.[46] in Washington, outlining a proposed organization for a Tech-

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[41] Not printed.

[42] Telegram 60 and instruction 114 not printed.

[43] For previous documentation relating to the policy of the United States with respect to diplomatic and consular property of enemy governments, see *Foreign Relations*, 1944, vol. I, pp. 1471 ff.

[44] E. Ralph Perkins, editor of *Foreign Relations*, was detailed on December 14, 1944, to the Embassy in London to serve as the Embassy's deputy representative on the Combined Intelligence Objectives Sub-Committee (CIOS), a committee of the Supreme Headquarters Allied Expeditionary Force (SHAEF), and to arrange for cooperation between the Department of State and the British Foreign Office in respect to their interests in German captured archives. It was arranged to send to Germany Department of State and Foreign Office teams under the leadership of Mr. Perkins and Mr. Robert C. Thomson, respectively. These two teams were to work together as a unit. They were designated as CIOS teams, but worked under the direction of their respective agencies.

[45] Grey List Panel was created to deal with military, economic, and political targets of less urgency for exploitation than those designated for the Black List Panel.

[46] Foreign Economic Administration.

nical Industrial Intelligence Branch in London to effectively put into operation for the American side of the Grey List Panel the listing and exploitation of intelligence targets in Germany. The Department will doubtless receive a copy of this plan through its representative on TIIC.[47]

In his covering letter Mr. Powell wrote:

"Also, you will note that we have not included Working Party "E" in the Technical Intelligence Branch. The reason for this is that we do not know to what extent TIIC is planning to coordinate intelligence targets for various U.S. Government agencies, such as the Department of State, Justice, Commerce, FEA, and the Library of Congress, etc., which are interested in Item 28 of the Black List, Sections 30, 31, and 32 of the Grey List.

However, it would be our suggestion, if only from the standpoint of good organization, that this field be coordinated under TIIC machinery rather than to have it coordinated by some other Government agency such as the State Department."

Item 28 of the Black List, referred to above, is the section for "Documents and Personnel". Sections 30, 31, and 32 of the Grey List are the groups to be covered by Working Party "E" and includes: (30) Business Institutions; (31) Governmental and Party Organizations; (32) Education, Religious Affairs, Fine Arts and Monuments. (See *Target Categories for Grey List Panel* annexed to Grey List Panel Minutes for meeting of January 19th, which will be forwarded to you with other CIOS Minutes [48]).

Mr. Powell's suggestions are in line with those which I made in my memorandum to Mr. Allison of December 27th,[49] forwarded to you in a letter from Mr. Daniel Hanley.[50] If the whole range of intelligence in German Archives with respect to financial, economic, cultural and other activities in addition to those of a diplomatic and political nature is to be exploited, obviously there must be close cooperation between all the interested agencies in the selection of targets and the organization of teams to investigate them. That can much better be done at the base in Washington than it can be here.

I have discussed the situation with Mr. Allison and we are in agreement that he and I are not in a position to undertake the involved specialized work of taking a leading part in setting up and administering an organization for the collecting of intelligence from the wide range of governmental, party and business archives which it is contemplated will be covered by Working Party "E". We feel that

[47] Technical Industrial Intelligence Committee.
[48] Not printed.
[49] Memorandum to John M. Allison, Second Secretary of Embassy and Consul in London, not printed. Mr. Allison was the Embassy's representative on CIOS.
[50] Senior Economic Analyst at Lisbon, at the time consulting in London.

the interests of the Department will be best served by organizing its own team to examine the major German diplomatic and political records, encouraging FEA, OSS [51] and perhaps other agencies to undertake the survey of financial, economic, cultural and other archives for which they are probably better organized and staffed. OWI [52] might be the best agency to study German propaganda records. I feel, however, that the Department should act promptly in determining the extent of its interests and making sure that they are covered either by its own representatives or by those of some other agency. A committee in Washington, such as Mr. Powell and I have suggested, would seem to serve that purpose, but, of course, it is not for us here to try to determine the organizational set-up in Washington.

At this end, I think it will be well for me to be a member of Working Party "E" of the Grey List Panel, but if practical to avoid becoming chairman or team organizer or deputy chairman or organizer. The work of the Grey List Panel here will probably continue after the collapse of Germany and I should be free to leave as promptly as possible for Berlin with the Department and Foreign Office teams. I should think that when the proposed German economic section is set up in the Embassy here, it should be in a position to play a leading part in the economic phases of CIOS work with respect to German archives.

I hope preparation in the Department for organizing a team to work with that of the Foreign Office is going forward so that when the big moment comes we will not be caught unprepared. The Foreign Office is at an advantage in that they are so much closer to the field of action. Their team members have been designated and are in consultation with the leader, Mr. Thomson, but can continue at their present assignments until called.

On January 16th Mr. Thomson and I discussed our plans with Mr. Hilary Jenkinson and other officers at the British Monuments, Fine Arts and Archives Branch (Interior Division) Control Commission for Germany. I enclose a memorandum [53] of the conversation sent to me by Mr. Jenkinson, which gives some indication of how our plans are developing, especially on the British side. It will be noted that the Foreign Office has provided for microfilming facilities. They believe they are in a position to do the work for both the British and American branches of our joint team, although they may wish to ask us for assistance in the form of securing materials, etc., should difficulties occur in the field. You will note in the memorandum mentioned above that the problem of clerical assistance has not been set-

[51] Office of Strategic Services.
[52] Office of War Information.
[53] Not printed.

tled. I raised the point, and there seems to be doubt whether we can depend on the military service for such aid.

Lieut. James S. Beddie, U.S.N.R. is anxious to join our team and I hope that the Department has done all it can to secure his assignment for that purpose. The fact that we are asking for the return of one of our own men whom we released to the Navy should be a strong point in favor of the proposal.[54]

I am enclosing a list of additional targets placed on the Black List at the proposal of the War Department.[55] The State Department will also be interested in these targets and the interest of Military Intelligence suggests the possibility of securing assistance from that source in forming our team. It will be noted that three of the Foreign Office team are British Army officers, one at least, and perhaps all, being intelligence officers.

From now on I will occasionally write reports direct to you, as Mr. Allison is finding himself swamped with other work. We have been in complete agreement and I have felt that there was no occasion to present my views separately from his.

Sincerely yours, E. R. PERKINS

840.414/3–2045

Memorandum by Mr. E. Ralph Perkins and Mr. Robert C. Thomson, Leaders of the Department of State and British Foreign Office CIOS Teams, Respectively

[Extract]

LONDON, March 20, 1945.

OBJECTIVES FOR THE COMBINED TEAMS OF THE BRITISH FOREIGN OFFICE AND THE U.S. DEPARTMENT OF STATE IN SEARCHING GERMAN ARCHIVES

The Foreign Office and the Department of State have found that their interests in locating and microfilming German archives are so similar that it has been decided to have their teams work together in closest cooperation, members of each team to consider themselves as working jointly for the interests of the two Governments. These teams are under the general agency of the CIOS, and will cooperate with other CIOS representatives working on targets of mutual interest. CIOS leaders may not, however, divert our team members for use in investigating CIOS targets other than those for which these teams are specifically sent out or targets of opportunity arising therefrom. (See CIOS minutes 11th Meeting, 31 January 1945, par. 4,

[54] Lieutenant Beddie was a Navy intelligence officer with SHAEF. He was not transferred to the Department of State team.

[55] Not printed.

page 6 as corrected in minutes of the 12th Meeting, 14 February, par. 1, page 3.[56]) With this reservation, team members will bear in mind their responsibility to proceed in harmony with CIOS directives, and, of course, to comply with all applicable military regulations in their zone of operations.

It may be assumed that the Foreign Office and the Department of State have a general interest in the whole range of information regarding German financial, economic, political and military affairs both as to domestic conditions and activities abroad. Obviously with the limited personnel available, we must restrict the field of our own study of German archives. Numerous other agencies of our two Governments will be making studies of German records for their own purposes and their reports will be available to the Foreign Office and Department of State. Our teams might well confine their efforts to a study of such major Government and Nazi Party records as deal with German international relations in the fields of diplomacy, politics and broad economic policies.

The finding of evidence on war crimes and Nazi investments and flight of capital abroad, as well as any study of propaganda methods, cultural activities, means of maintaining control in Germany, tracing of enemy agents abroad, fifth column activities, etc. will be the primary responsibility of other agencies, but the combined teams should always be on the alert for information which may be of value in these fields as well as in their own spheres of special interest. Such finds should be reported immediately to the team leaders who will notify the appropriate authorities. In like manner we may expect to receive from other investigators notifications of items of interest to us. For this reason it is important to maintain friendly contact with other teams working in fields similar to ours.

Documentation within even the limits proposed above is, of course, vast and will require months of work in examining and microfilming if the German Archives, or any substantial part of them, can be located and preserved for exploitation. With this in mind, it is important that the interests of the two offices be determined so that records which may be of immediate value will be given first attention by the combined teams.

. . . . . .

E. R. PERKINS
R. C. THOMSON

[56] Not printed.

862.414/4–2845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 28, 1945—1 p. m.
[Received 5:30 p. m.]

2176. From Murphy. With reference to my telegrams Nos. 2133, April 27, 8 p. m. and 2135, April 27, 9 a. m.[57] two members of this Mission and representative of British Element Control Council have made initial inspection of between 200 and 400 tons German Foreign Office archives, half of which discovered were in the Castle of Falkenstein, about 30 percent in the Schloss Degenershaus and the remainder in the Burg Falkenstein and Schloss Stolberg, all located in the Harz mountains near Geisburg. For security and to facilitate adequate examination it is proposed to move the archives so [*to*] the University of Marburg in the American zone. The bulk of the correspondence is pre-1943 and includes the original anti-Comintern pact. The archives were in charge of Dr. Valentin and Baron von Griesheim who voluntarily informed the American troop commander of whereabouts of the archives. [Murphy.]

CAFFERY

862.414/4–1745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 17, 1945—8 a. m.
[Received 6 p. m.]

2694. From Murphy. The books of the Foreign Office political archives, located at Meisdorf, Degenershausen, Falkenstein and Stolberg, Germany, have been evacuated to Marburg and are secured there.[58] The German FO officials in charge of the documents, together with their families, were moved with the documents. At present they are not allowed unsupervised access to the documents. The documents are in charge of the American CIOS representative Carpenter[59] and British FO representative Thomson. Thomson says British FO hopes by examination of these documents to prove

[57] Neither printed.

[58] On April 17, 1945, Ambassador John G. Winant, the American Representative on the European Advisory Commission, circulated Draft Directive No. 19 in the Commission. This Directive specified, among other things, that all records and archives of the German Foreign Office were to be seized wherever found and secured, and that all records were to be examined by the Control Council "for the purpose, among others, of obtaining information regarding the war aims of Germany and associated governments, their methods of operation, and their responsibility for aggression, ruthlessness, war crimes and other violations of international law." For text of Draft Directive No. 19, see p. 474.

[59] Gardner C. Carpenter, a member of the Department of State CIOS team.

that Germany has been planning for this war for the past 20 years. The documents comprise practically all political records from 1870 to date, excepting the most current ones. Do not believe that Thomson's optimism in finding what he wants is especially justified, since the most interesting information is probably not on record. There are, however, four small packages with the documents containing notes on conversations between Hitler and Mussolini which should be of considerable interest. The documents were transported in as good order and sequence as was possible under the circumstances but it will still take considerable time before they can really be properly arranged and indexed. The most secret documents were packed separately from the others and the investigation thereof will not be unduly delayed. [Murphy.]

CAFFERY

840.414/5–1845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 18, 1945—10 p. m.
[Received May 19—3 : 30 a. m.]

2770. From Murphy and Perkins.[60] Colonel R. C. Thomson leader of the Brit FO CIOS team arrived at SHAEF Main on May 18 with microfilms of German Foreign Ministry papers relating to Germany's foreign policy and doings from 1933 to 1944 including correspondence and records of conversations between Hitler and Ribbentrop [61] on the one side and Mussolini, Franco,[62] Laval,[63] Molotov [64] and Japanese and other personalities on the other and also reports by ambassadors and ministers on the most secret matters. Thomson reports that on May 12 he was in Muehlhausen, Thuringia where he met Dr. Ralph Collins of the State Dept CIOS team. While there Thomson was approached by Carl von Loesch who was the understudy of the well known interpreter Dr. Schmidt and interpreted at many meetings between Hitler and foreign statesmen. He was sent to Thuringia last February to house and look after the most secret archives. Owing to the sudden Allied advance orders were received to destroy the collection. This was done but not before a few of microfilms was retrieved and buried in a lonely spot. Von Loesch offered to reveal the whereabouts of these microfilms to the

[60] Mr. Perkins had left London and reported at Versailles for CIOS duty with SHAEF on April 22.
[61] Joachim von Ribbentrop, German Minister for Foreign Affairs.
[62] Generalissimo Francisco Franco, Chief of State and President of the Spanish Government.
[63] Pierre Laval, French Chief of Government at Vichy.
[64] Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.

Brit Govt. Thomson refused to consider any separate deal with his Govt. and said he would report the matter to the American authorities. Collins collaborated with Thomson in all that followed. On Monday May 14 Thomson, Collins and Von Loesch proceeded to the neighborhood of a country house named "Schoeneberg" accompanied by Captain A. M. Folkard of the Local American Command. They went to the spot where the microfilms were buried in a steep ravine. There they dug up a large can containing the documents. Later Thomson met a microfilming unit of the Brit RAF [65] and with the aid of their reading apparatus examined some of the films. They fully corresponded to the informant's description and will doubtless supply information of value which may not be obtainable elsewhere. Thomson has brought these films with him to SHAEF Main.

Thomson and Dr. Perkins will fly to London on May 19 to supervise the development of these microfilms by the Brit Air Ministry. It is planned to provide copies for the Dept State, the Brit FO and the Control Commission. The original films will later be returned to Marburg to become part of the archives of the German FO being collected at that place. [Murphy and Perkins.]

CAFFERY

800.414/5–1945 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 19, 1945—11 p. m.
[Received May 20—10:20 a. m.]

2813. From Murphy. Our present plan for the disposition of German Foreign Office archives is to assemble them so far as possible at Marburg. (See my 2694, May 7 [*17*], 8 a. m. and my 2770, May 18, 10 p. m.) This plan is based on the idea that (1) all Foreign Office archives should be assembled for greater convenience of examination, (2) they should be assembled in the SHAEF area for security reasons, (3) they should be kept in Germany for convenience of access to all interested governments.

The Dept may wish to consider, however, and discuss with the British Foreign Office whether considerations of the security of these highly important archives and their continued availability in the unpredictable future may warrant their complete transfer to the USA or Great Britain. In such event they could be studied at leisure with complete freedom from possible German interference and with no regard for the possible termination of Allied occupation.

In any case it is apparent that expert and reliable supervision of these archives is urgently needed. I, therefore, urge that the Dept

[65] Royal Air Force.

in agreement with the Brit seek to secure an archivist who could be placed in permanent charge of the records at Marburg. For this purpose there has been suggested to us a man named Posner who was formerly employed by National Archives and now believed to be on Archives Mission in Italy. I understand information about him could be obtained from Director Fred W. Shipman of Roosevelt Library at Hyde Park.

I would appreciate expression of Dept's intentions in this important problem. [Murphy.]

CAFFERY

840.414/5–2445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 24, 1945—noon.

4091. For Allison. Microfilms German Foreign Ministry documents on foreign policy 1933 to 1944 now being examined London by Thomson and Perkins re Paris' telegram 2770, May 18. Details correspondence and records, conversations between high German officials and officials all governments concerned should be reported in detail. If upon examination Drury [66] believes that original films should be examined here, Embassy should arrange to have all original films transmitted Department for examination.

GREW

840.414/5–2645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 26, 1945—4 p. m.
[Received May 26—2 : 50 p. m.]

5291. ReDepts 4091, May 24. The microfilms of German FO documents are now undergoing preliminary examination in London and prints are being made for the FO by the Air Ministry. There are 9,725 pages of documents to be gone through, and because of technical differences between the German film and British film it is not possible to make a new microfilm directly from the German one. Prints first have to be made and from these prints a new microfilm is being produced. One copy of the new film is to be left in the FO and one copy will be delivered to the Embassy, probably by May 28, for forwarding to the State Dept.

[66] Louis Mason Drury, State Department representative on CIOS.

Because of the nature of these documents the FO has expressed the opinion that no further distribution should be made until after the FO and the State Dept have had an opportunity to examine the documents fully. Dr. Perkins has made a hasty survey of approximately one-fourth of the total number of documents, and on the basis of this sampling he is convinced of their highly secret nature. Documents he has examined contain comparatively full reports of conversations between Hitler and Ribbentrop and Matsuoka [67] during his visit to Berlin in March and April 1941 at which time the Germans strongly urged that Japan attack Singapore. Perkins has also seen records of conversations between Hitler and Ribbentrop and Molotov in which an attempt was made to convince the Russians that the tripartite Axis aimed only at expansion to the south and was not directed against the Soviet Union. The documents contain the text of agreements made between Germany and the Soviet Union in Sept 1939.[68] There is also among the documents ample proof of close collaboration between Germany and the Spanish Govt under Franco. A letter dated Feb 26, 1941 from Franco to Hitler includes a pledge of his friendship and the urgent recommendation for the closing of the Straits of Gibraltar.[69] There is an agreement signed in 1943 [70] for the defense of Spanish territory and German aid in case the Allies attempted to occupy any Spanish territory as they had French North Africa.

When these films were brought to London for processing it was planned that a copy of the new microfilm would be made available to Ambassador Murphy's office. As stated above, the FO after preliminary survey of the documents feel that the original distribution should be strictly limited. This is based on the fact that the documents are of purely political character concerning the foreign policy of Germany, that they contain information regarding certain of our present Allies and that they would not be of apparent interest or use in current administration of a defeated Germany. The FO has received a request from the political section of the British element of the Control Commission similar to that received by us from Ambassador Murphy's office. According to the FO, copies of the new microfilm will not be distributed to any other British agencies until after the FO has made a thorough examination. However, it was made clear by the FO that it considers these documents a joint State Dept–

[67] Yosuke Matsuoka, Japanese Minister for Foreign Affairs.

[68] German-Soviet Boundary and Friendship Treaty and protocols; for texts, see *Documents on German Foreign Policy, 1918–1945*, series D. vol. VIII, pp. 164–166; for documentation relating to negotiations, see *Foreign Relations*, 1939, vol. I. pp. 477–482.

[69] For text of letter, see *Documents on German Foreign Policy, 1918–1945*, series D, vol. XII, p. 176.

[70] For text of Secret Protocol between the German and Spanish Governments, signed February 10, 1943, see Department of State *Bulletin*, March 17, 1946, p. 426.

Foreign Office find, and that if the Embassy requests an additional copy of the new film for Ambassador Murphy's office it will be made available. Before making such a request the Dept's instructions are requested.

WINANT

840.414/5–2945 : Telegram

The Secretary of State to the Acting Secretary of State

SAN FRANCISCO, May 29, 1945.
[Received May 29—4 : 46 p. m.]

5. Reference arrangements for one copy of negative of German Foreign Office archives. Lord Halifax [71] this morning informed me that our Embassy in London is pressing for another copy for Murphy and asked most urgently that the Embassy be instructed not to press this request but that we continue the agreement that this whole matter would be kept on the strictly confidential and limited basis for the present.[72]

840.414/6–1545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, June 15, 1945—10 p. m.
[Received 11 : 44 p. m.]

3613. From Murphy for Matthews.[73] Our 2770 May 18, 10 p. m. from Paris referred to a batch of secret microfilms of German FonOff [74] documents which were captured by CIOS representatives operating under SHAEF auspices. Under SHAEF rules such material could not be removed without its permission. After the capture of the documents I agreed, at the request of the Brit representative, to the shipment of these microfilms to London for microfilming by the Air Ministry after specific agreement with the Brit a microfilm copy would be returned to the office of the US Political Adviser for Germany for secret reference purposes. From what we know of the documents we believe that they would have a distinct utility in future interrogation of German FonOff and other captured personnel.

Much to my surprise I learned during the course of my visit to London accompanying Gen Eisenhower [75] on Monday [76] that subse-

[71] British Ambassador and Delegate to United Nations Conference on International Organization at San Francisco.
[72] In telegram 4344, June 1, 1945, to London, the Embassy was instructed not to request an additional copy of film for Mr. Murphy (840.414/5–2645).
[73] H. Freeman Matthews, Director, Office of European Affairs.
[74] Foreign Office.
[75] Dwight D. Eisenhower, Supreme Commander of the Allied Expeditionary Force in Western Europe.
[76] June 11.

quent to an exchange of telegrams between the Emb in London and the Dept about which we had not been informed, an instruction was given (Dept's 4344 June 1 to London [77]) that this office be not provided with the microfilm copy which had been agreed.

It is of course disturbing and awkward for us here to have been kept in complete ignorance of this decision, the nature and purpose of which are obscure.

I should be grateful for your advice and I submit that the original agreement made in this case should be sustained. Will you please issue the necessary instructions. I am sure that the Dept wishes this office to be as fully informed as may be possible regarding these and similar features of the German situation if it is to deal competently with the problems that confront it daily.

Sent Dept, rptd to London as 431. [Murphy.]

CAFFERY

840.414/6–1645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

[Extract]

PARIS, June 16, 1945—5 p. m.
[Received 7 : 50 p. m.]

3632. From Murphy. Reourtel 2770, May 18 regarding microfilms of secret German FonOff records. On June 12, on info furnished by Carl von Loesch, a large wooden box containing private films of Dr. Paul Schmidt, official interpreter at the German Foreign Ministry, was recovered by Gardner C. Carpenter of the State Dept CIOS team and Capt. J. I. Jones of the Brit FonOff from the grounds of a country estate near Muehlhausen, Thuringia where it had been secretly buried two months previously by Von Loesch.

The most important contents of the box were records, draft and final, of meetings during 1939 to 1944 between Hitler, Ribbentrop and other Nazi leaders on the one hand and Axis and satellite personalities on the other, at which Schmidt and occasionally Loesch served as official interpreters. The material covered a period extending some 9 or 10 months later than the microfilms previously found by Col. Thomson of the Brit FonOff, the latest memo being dated in Dec 1944.

. . . . . .

Sent Dept; rptd to London as 433. [Murphy.]

CAFFERY

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[77] Not printed.

111.762/6–1845

The Leader of Department of State CIOS Team (Perkins) to the Chief of the Division of Foreign Activities Correlation (Lyon)

[Extract]

[HOECHST,] June 18, 1945.

DEAR MR. LYON: We are in a stage of transition between scouting for archives and the exploitation of records already found. From now on the work will be chiefly a research and microfilming job. That should be kept in mind in selecting any possible reinforcements for our team. . . .

The amount of German records relating to governmental and Nazi party activities abroad is, I believe, much more than it was generally expected would be preserved. At Marburg we have some 425 tons of German Foreign Office records which we have only begun to exploit. The documents are in huge piles badly mixed, so the work of merely sorting is immense. At the SHAEF Documents Center at Fechenheim near Frankfort are documents of the Legal Division of the Foreign Office which were seized at Ravensburg, contained in 91 bags, 41 boxes and two drawers of file cards. Also at Fechenheim are ten boxes, some of large size, containing records of the German commission for the French armistice, and other documents. At the Heidelberg Documents Center are the extensive records of the *Auslands Institut* and also a collection of *Aussenhandelsstelle* records. A pile of *Reichskanzlei* documents of some 1000 cubic feet was placed in a basement room in the Seventh Army Documents Center at Munich when I was there recently. I understand these are being moved to Heidelberg. Doubtless other collections which the Department will wish us to examine will be reported from other documents centers.

. . . . . .

Sincerely yours, E. R. PERKINS

840.414/5–2545 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, June 23, 1945—6 p. m.

22. Mr. Justice Jackson, United States Chief of Counsel for the Prosecution of Axis Criminality,[78] has requested Department's assistance in making available all pertinent material from its files and other available sources for use in preparation of case against Axis criminals. Scope of prosecution will be very broad undertaking to indict Nazi Germany of criminal plan for war of aggression and

[78] For documentation regarding prosecution of Axis war criminals, see pp. 1151 ff.

conquest. Desired material covers diplomatic, political, economic, military, social and psychological fields of Nazi action. Department has made available to Justice Jackson's staff material transmitted with your Despatch 415 of May 25 [79] and will make available any other pertinent material as received here.

Please request Krumpelman [80] and Perkins to be on lookout for material of probable interest to Justice Jackson in their search of Foreign Office files.

It has been suggested to Justice Jackson that best procedure to obtain desired materials from captured German archives would seem to be through direct liaison with SHAEF G–2 [81] Document Centers. We understand such arrangements are being made by Justice Jackson. It is suggested that our men contact Jackson's group through G–2.

GREW

[Telegram 34, June 28, 1945, 5 p. m., to the United States Political Adviser for Germany, stated that because of the termination of the CIOS organization the Department's CIOS investigators on political targets, Perkins, Collins, Wittausch, Krumpelmann, Reynolds, and Carpenter were assigned directly to the staff of the United States Political Adviser for Germany. Mr. Perkins at the end of July left to return to Washington and Mr. Krumpelmann became head of the Department of State group investigating the German Foreign Office records at Marburg.]

840.414/6–2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 28, 1945—6 p. m.
[Received June 28—4:20 p. m.]

6519. Resulting from London press reports appearing at end of May to effect that three aircraft loads of German FonOff archives have been brought to England, Soviet Amb [82] here has made demand to FonOff that Soviet investigators be granted access to examine these archives. FonOff states it made preliminary reply and promised to investigate matter. *Sunday Chronicle* of June 24 carried account of photographing and recording of secret documents by Air Ministry in London which clearly refers to microfilms obtained by joint Fon Off—State Dept CIOS team and copies of which have gone to Dept. FonOff states it is investigating source of leakage.

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[79] Not printed.
[80] John T. Krumpelmann, member of Department of State CIOS Team.
[81] Army general staff section dealing with intelligence.
[82] Fedor Tarasovich Gusev.

Emb has now received letter from FonOff stating Soviet Amb is pressing for final answer on this matter, but in view of fact that United States has same rights and interests in these archives as Brit, FonOff wishes to obtain Dept's agreement to its reply. Subject to Dept's approval FonOff propose to begin reply by saying that press reports seen by Mr. Gousev regarding arrival in London of carloads of German FonOff documents are unfounded in as much as all original German FonOff documents which have been discovered by SHAEF forces are still in Germany among large mass of miscellaneous German archives located at different places under SHAEF control. FonOff would go on to say that it presumes German state archives of similar type and value have been located by Soviet forces in their area of occupation. Facilities for examination in each case doubtless depend on exigencies of military administration and progress of sorting on the spot. FonOff would then add that only relevant material which has reached London consists of certain microfilm copies which are being processed and sorted by a technical dept preparatory to thorough examination and, where worthwhile, translation. Soviet authorities have no doubt similarly taken copies of German archives in their possession as matter of routine. In view of early stage of work done on Brit side FonOff have not even taken initiative of proposing discussion between Allied powers on exchange of copies of documents under their control and in circumstances it would appear premature to send experts to London in order to take advantage of any reciprocal arrangement which may be made in due course.

FonOff letter to Emb adds that it hopes shortly to be approaching Dept with proposals on whole subject, but that in meantime it considers it necessary to send a reply to Soviet Emb and it would appreciate it if urgent consideration could be given by Dept to the terms as given above in which it proposes to draft reply. If Dept desires inclusion in FonOff reply of reference to fact that the documents in question are under joint United States–United Kingdom control FonOff states it would have no objection to amending its draft accordingly.

Dept's views urgently requested.

WINANT

840.414/6–3045

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 545 [BERLIN,] June 30, 1945.
[Received July 17.]

SIR: I have the honor to present herewith a report on the present status of the project for assembling and exploiting the records of the

German Foreign Office at the Castle at Marburg. This report is based on observations made by Mr. Perry Laukhuff [83] during the course of a visit to Marburg on June 26, 1945.

The actual site of the collection center which was chosen at an earlier date by Mr. Brewster Morris and others of my staff is Marburg Castle. This fine stone structure is, except for the relative inaccessibility of its location, quite suitable for the purpose of storing and making available any large collection of archives. It has, as a matter of fact, been used to house various German collections of archives for the past one hundred years. The fact of its location high above the town of Marburg from which it can be reached by only two steep narrow and winding roads has made somewhat more difficult the removal thence of such a large volume of archives as have been involved in the present operation. This difficulty has been reasonably well overcome however.

The mass of documents now in the castle is believed to comprise between eighty and ninety percent of the Foreign Office records. It includes practically all of the records, except for the most secret ones, up to the year 1943. Records subsequent to the year 1943 have in some cases been destroyed and in other cases scattered to various points in Germany from which it is our intention to obtain their removal to Marburg as soon as practicable. Most of the records now at Marburg were, as explained in my top secret despatch number 327 of May 1, 1945,[84] uncovered in the area of the Harz Mountains in Thuringia.

In volume the collection is estimated to amount to some 425 tons and it may be more descriptive to state that the documents arrived at the castle in 237 trucks. The greater part of the papers have been uncrated and are stacked in six or seven very large rooms in the form of the packages in which they were wrapped before being evacuated from the Foreign Office. Some comparatively small part of the archives became unwrapped in one way or another and are in a completely confused and disordered state. A small part of the packages contain documents which were partly burned during air raids on Berlin.

Although each package carries a number, the crates did not arrive in any orderly sequence and furthermore the key to the numbering system has never been found. Consequently, the Department's representative, Mr. Gardner Carpenter, who was at first our only representative at Marburg, was faced with the staggering task of sorting many thousands of bundles of documents by subject matter. Up to the present time, the British and American group working on the

[83] General Reporting Officer of United States Group, Control Council for Germany.

[84] Not printed.

documents have managed to arrange in some order by subject matter approximately half of the assembled archives and are carrying forward this work as rapidly as possible. Wooden shelves have had to be built to accommodate the documents.

At the same time as the process of sorting and arranging the documents is carried forward, progress is also being made in picking out some of the more important and more recent documents for microfilming by two RAF microfilm units. These units are capable of microfilming possibly 1500 pages a day on the average and it has been estimated by one of the British representatives at Marburg that the process of microfilming only the more important documents will go on at this rate for more than a year.

Mr. Carpenter has recently been joined by Mr. Krumpelmann. At the present time the British staff, aside from the crews of the RAF units, consists of Colonel R. C. Thomson, Captain Frame and Lt. Forward, all representing the British Foreign Office. As I set forth in my telegram number 33 of June 22, 9 a. m.,[85] I believe it is very desirable and important that our staff at Marburg be increased by the addition of three or four competent investigators if this work is to be pushed forward with satisfactory rapidity. Arrangements are now being made for two investigators from the OSS to go to Marburg to work on documents particularly connected with Far Eastern affairs. Their reports will be made to me as well as to the OSS, and I believe the arrangement will be of considerable assistance to us.

In view of the great size of the collection and the importance of having continuity of supervision over an extended period of time, I desire to renew the recommendation which was contained in my telegram from Paris number 2813 of May 19, 11 p. m., suggesting the appointment of a full time American archivist, to have general supervision over the arranging and maintenance of the archives and to facilitate their investigation by visiting research workers.

The State Department and Foreign Office representatives at Marburg now have working under their supervision five minor employees of the German Foreign Office headed by Consul Achilles, who have been of very great assistance in the work of sorting and arranging the records. They have been carefully observed and supervised and Mr. Carpenter is confident that they do not constitute any danger to the collection. The Department's observations in this regard as set forth in its telegram number 2398 of May 29, 8 p. m.,[85] are being borne in mind. With reference to this same telegram, the arrest of Baron von Griesheim and Wilhelm Nagorka was immediately ordered. Subsequent careful interrogation and investigation by the 12th Army Group Counter Intelligence has lead to the conclusion that Baron von

[85] Not printed.

Griesheim is not the same person as the Abwehr Major Baron von Griesheim mentioned in the Department's telegram. The archivist von Griesheim appears to be an unobjectionable person and my office has accordingly requested his release and return to Marburg.

The American and British staff at the castle are assisted also by fifteen Italian prisoners who do the heavy work of moving the records.

Mr. Laukhuff himself had so much difficulty in obtaining admission to the castle twice in the course of his brief visit that he is convinced that the military arrangements for guarding the premises are entirely adequate!

No account of the work which has been accomplished at Marburg would be complete without more than passing reference to Mr. Carpenter. He has been indefatigable and unremitting in his labors on a task with which he had to cope absolutely unaided for some time. He has displayed ingenuity and initiative in dealing with this task under physical conditions which were at all times difficult and which were complicated by the constant shifting of military units attached in Marburg, upon whom he was dependent for food and assistance of all kinds. The burden of administrative detail has been very great in addition to the primary responsibility for receiving, storing and assorting the immense volume of records. I cannot commend him too heartily for his services in this period, during which he was for a variety of reasons deprived of all assistance and direction from other members of the CIOS teams sent out by the Department. For some time past he has had the invaluable cooperation of Colonel Thomson and I am glad to say that the project is functioning very smoothly, if informally, as a joint American-British project.

Respectfully yours, ROBERT MURPHY

840.414/6–2845 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, July 4, 1945—4 p. m.

5419. Urtel 6519 June 28. Dept concurs draft terms Brit FonOff reply to demand Soviet Amb re access German FonOff archives allegedly brought England. Dept believes however that information on general extent and nature of German archives under control US and Brit authorities in Germany should be made available Soviet representatives earliest practicable date. It is assumed that Soviets will similarly inform us German archives which they have found. It would seem preferable not amend draft by inclusion reference to joint US–UK control of documents in question.

BYRNES

862.414/8–2045

The British Chargé (Balfour) to the Secretary of State

His Majesty's Chargé d'Affaires presents his compliments to the Secretary of State and has the honour to inform him that His Majesty's Government in the United Kingdom have now examined the question of utilising the German political and diplomatic archives under the joint control of the Foreign Office and the State Department, or in custody of British or American services or the Control Commission authorities in Germany.

2. His Majesty's Government consider that selections from all documents may be used at the trials of alleged war criminals. As the United States Government has already agreed, through the Combined Intelligence Committee, that documents made available by the C.I.O.S. could be utilised, a large quantity of extracts from captured documents has already been processed in the Foreign Office and they are now on their way to the Quadripartite authorities responsible for prosecutions. His Majesty's Government consider, and assume that the United States Government will agree, that the Foreign Office should retain discretion to determine which documents ought to be disclosed in evidence. This responsibility falls naturally on the Foreign Office inasmuch as it is being used as the repository of the evidence, and possessing, as it does, the most accessible collection of copies of the documents.

3. His Majesty's Government in the United Kingdom propose that the Soviet and French Governments should be informed generally of the range of documents (including the microfilm of German Foreign Office archives for the period from 1933 to 1944, a copy of which is in the hands of the State Department) and that they should be offered access on a reciprocal basis to the collections on which British and United States investigators are now working exclusively. This offer, which should be made jointly or concurrently by the two governments, would contain the added condition, apart from reciprocity, that any of the four governments should retain discretion to disclose any documents over which they had rights of discovery or custody to any other Allied government that might ask for them, e.g. in connection with proceedings against its own quislings. His Majesty's Government are particularly anxious to be able to communicate certain documents relating to Quisling [87] to the Norwegian Government at the earliest possible moment, and the Norwegian Government, who have learned of the documents in the joint possession of British and American authorities, are pressing His Majesty's Government for access to them in view of the imminent opening of Quisling's trial.

[87] Vidkun Quisling, Minister-President of the puppet government set up by the Germans in Norway in 1940.

4. His Majesty's Government have also considered the question of publishing German political documents but they take the view that the formulation of a policy should await more complete knowledge of the contents of all documents in possession of the Allies.

WASHINGTON, August 20, 1945.

840.414/9–2145 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, September 28, 1945—3 p. m.

564. Dept is taking up with the War Dept. questions raised urtel 575, September 21,[88] concerning archives held at ministerial collecting center. Dept feels that for present Foreign Office archives as well as archives of other ministries dealing with German overseas activities should continue to be exploited under present British-American investigative procedure. This is also true of records of such German agencies as Ausland Organization, Auslands Institut, Ibero-American Institute, NSDAP [89] and intelligence records of German commercial firms such as Farben, Telefunken, North German Lloyd, Hamburg-American and others. It is believed more desirable and practicable to work out during the next few months a document sharing program based upon actual needs and genuine reciprocity. To date Dept has no evidence of reciprocity in this matter on part of either the French or Russians.

It seems highly questionable whether any useful purpose would be served at this time by making German Foreign Office documents relating to British-German and American-German pre-war activities available to other Allied Governments. Dept is nevertheless fully aware of the needs on the part of the Allied Control Commission to centralize for administrative purposes those records which are essential to the successful administration of German domestic affairs.

Foreign Office archives and archives of other German organizations, public and private, operating overseas as mentioned above should be exploited fully with the view to uncovering all remnants of the German political, military, commercial and propaganda penetration machine in foreign countries. No plans should be made to return these archives to the Germans or to make them available for other secondary purposes until the primary objective has been reached. Dept will request War to prolong guarding of archives until such time as the investigative utility of the archives has ceased to

[88] Not printed.
[89] Nationalsozialistische Deutsche Arbeiter-Partei.

exist and a policy for their ultimate disposition has been fully agreed upon by all governments concerned.

Materials collected by political division investigators from Foreign Office, DAI and related files and transmitted by you have been invaluable to Dept in dealing with Argentina and neutral governments on Pan-German penetration problems. Any relaxation in the exploitation, protection and guarding of these archives at this time will have an extremely adverse effect on Dept's program dealing with the German threat abroad.

ACHESON

840.414/9–2145 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 3, 1945—6 p. m.

594. For Murphy and Drury. Re urtel 582, September 21.[90] Dept urges that you be guided by directives set forth Deptel 564, September 28 in agreeing to transfer of FornOff documents to Kassel. Exploitation of important classified material relating to our Allies should be carried on without interruption pending receipt of orders regarding ultimate disposition of archives. Reliable information from AmEmbassy Warsaw indicates French Deuxième Bureau files transferred to Prague by Germans after occupation of Paris have been moved to Moscow by Russian NKVD.[91]

ACHESON

840.414/10–1045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 10, 1945—11 p. m.
[Received October 10—10:25 p. m.]

730. We interpret your 594, October 3, as authorizing completion of movement of Foreign Office documents and personnel from Marburg to MCC at Fürstenhagen. This move is recommended for the following principal reasons:

(*a*) Greater security and administrative facilities including microfilming.

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[90] Not printed. In this telegram Mr. Murphy urged moving German Foreign Office records from Marburg Castle to the Ministerial Collecting Center at Fürstenhagen, near Kassel, becuase of fire hazard, security reasons, and need of better facilities for exploiting documents. (840.414/9–2145)

[91] People's Commissariat for Internal Affairs of the Soviet Union.

(*b*) More efficient processing of documents and personnel by combined British-American teams.
(*c*) The fact that several adjoining bulker [*sic*] or buildings will be used will facilitate carrying out of Dept's directive on this project as outlined in your cable 564 dated Sept 28.

Unless directed otherwise I will direct that movement be resumed on Oct 15. British will be informed of Dept's directive.

MURPHY

862.414/8–2045

The Secretary of State to the British Ambassador (Halifax)

AIDE-MÉMOIRE

The Secretary of State presents his compliments to the British Ambassador and refers to the *aide-mémoires* of August 6 [92] and August 20, 1945, conveying the views of the British Government with respect to the use to be made of the German archives taken at Marburg by forces under the command of the Supreme Commander Allied Expeditionary Forces.

2. The Department of State is in complete agreement that all the useful material from the German archives should be made available to the authorities responsible for the prosecution of war crimes but believes, however, that documents in the joint possession of United States and British authorities might profitably be examined by both the United States and British Chiefs of Counsel for the prosecution on the understanding that all materials having a political implication would be considered jointly. The Department of State has consulted Justice Jackson and is advised that he will consult the British prosecutor respecting the particular captured German documents to be offered in evidence at the forthcoming Nuremberg trials. Justice Jackson has also advised the Department of State that where a delicate case arises, he will, if there is time, consult the Department before using the document. Justice Jackson is of the opinion that this matter is not likely to cause difficulties, but as an additional safeguard in the case of the documents referred to in paragraph 4 below, the Department is requesting him not to use any documents to which his British colleague makes objection without prior consultation with the Department of State.

3. The United States Government submitted to the European Advisory Commission a draft directive which reads in part as follows: "You will take all necessary measures to make available for the purpose either of the prosecution of the war in other theatres or of military government, or for the needs of other United Nations agencies,

[92] *Aide-mémoire* of August 6 not printed.

the archives, records and documents . . .[93] (taken in Germany) as may be useful for those purposes." The Department of State, therefore, agrees that all papers from the Marburg files appropriate to the trial of Quisling should be made available to the Norwegian Government and that the Soviet and French Governments should be informed generally of the range of documents in joint possession of the United States and British Governments and that they should be offered access to such documents as are relevant to their trial interests on a reciprocal basis and on the further condition that the governments in possession of given documents should retain discretion to disclose them to any other Allied Government that might ask for them.

4. The Department of State appreciates the reasons which prompt the British Government to wish to restrict the circulation of certain documents referring to the Duke of Windsor's passage through Spain and Portugal in the summer of 1940,[94] but cannot discount the importance, for the history of the war, of the German and Spanish maneuvers for a negotiated peace at that time. This Department therefore believes that the safeguards concerning the Marburg collection, suggested in paragraph 2 above, would in large measure forestall any publication to which the British Government might object. A preliminary investigation, furthermore, suggests that it would be unlawful for the Secretary of State to authorize the delivery of the documents to the British Government or the destruction of the passages in question, without Congressional authorization and attendant publicity. The British Government is assured, however, that the Department of State will take all possible precautions to prevent any publicity with respect to the documents in its possession relative to the Duke of Windsor without prior consultation with the British Government.

WASHINGTON, October 11, 1945.

840.414/10–1845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 18, 1945—4 p. m.
[Received 4:40 p. m.]

803. Department's 654, Oct. 11.[94a] February 1, 1946 is estimated date for completion of collection of archives and not of exploitation.

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[93] Omission indicated in the original *aide-mémoire*.

[94] For documentation on this subject from the German archives, see *Documents on German Foreign Policy, 1918–1945*, series D, vol. x, documents listed in Analytical List of Documents under Great Britain, pp. XXIV–XXVI.

[94a] See footnote 95, p. 1122.

Department's instructions as to destruction of low level documents [95] are being brought to the attention of Director of Intelligence, OMGUS,[96] as well as to G–2, United States Forces European Theatre.

MURPHY

840.414/10–2145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 21, 1945—1 p. m.
[Received October 21—10:05 a. m.]

823. Reference mytel 791, October 16, 3 p. m.,[97] and Deptel 564 of September 28. Subject is German FonOff and related documents.

Latest developments: in response to a recent invitation by General Clay [98] to visit the Ministerial Collection Center near Kassel, the Russians sent Col. P. V. Safanov, Major M. A. Kreselava, Capt. A. K. Altakhov and civilian interpreter A. J. Merck. This group arrived at the MCC October 2 and remained one full week. Their inspection of all ministerial documents except FonOff was thorough and complete. The Russian officers were intelligent and thoroughly competent. They showed special interest in the German FonOff archives, asking about these daily and in considerable detail. They were told by Colonel Newton, the American officer in charge, that he had only the FonOff library and records up to the early thirties which were as yet unboxed since they had no bearing on the re-establishment of the various German central administrations authorized by the Allied Control Council. Colonel Newton also told them that some FonOff records were being exploited by a British-American team at Marburg and he felt certain that some important records had been destroyed by the Germans. After being pressed further to see these records, Colonel Newton suggested that further information could be obtained through the normal diplomatic channels, since he himself was neither familiar nor directly charged with the details. The Russians indicated that they would formally ask to examine the Marburg documents. Since they have Dr. Ullrich, Chief of German FonOff

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[95] Department's 654, which contained instructions on destruction of low level documents, not printed. The telegram stated: "We are concerned about desire to destroy certain so-called low-level documents and records, in particular, papers of the NSDAP and affiliated organizations" and declared that "under no circumstances should such papers be destroyed before examination by State Department representatives." (840.414/10–545)

[96] Office of Military Government of the United States (for Germany).

[97] Not printed.

[98] Lt. Gen. Lucius D. Clay, Deputy Military Governor, Deputy Chief of Staff and Commanding General of U.S. Group, Control Council.

archives, and some other members of his staff in their custody, it is probable that the Russians are quite fully informed as to the extent and general contents of these archives.

We and the British are in agreement that these documents should be screened if possible before release to Russians and French. With the present British and American staffs, this screening will require not less than one year. According to Mr. Michael Creswell, British FonOff representative recently here, the British FonOff believes that the State Dept and itself should decide very soon as to the ultimate disposition of these documents, namely, whether they should be sent to Berlin for use of the Allied Control Council or whether they should be removed to the United States or United Kingdom to be worked upon by historians and scholars. The FonOff is in favor of the latter solution with the plan eventually to accept the participation of Russian and French experts in the study of these documents.

At the present time, the bulk of the FonOff archives, including those up to the year 1933 and the 60,000 volume FonOff library, is at MCC near Kassel. Approximately 150 tons are still at Marburg being actively exploited by a team of five British military officers and four American auxiliary State Dept officers. One British and one American officer are handling the documents at MCC.

Up until the present time, nothing has been found which in our opinion might be embarrassing to the State Dept. The British while not pointing to specific cases, feel that certain documents should not go out of British-American control.

Two possible lines of action seem to be open:

(1) Transfer all FonOff archives, except the library to either the US or UK. This would transfer responsibility of the Military Govt for the documents to the State Dept and FonOff but would hardly satisfy the Russians who are aware of the existence of these documents.

(2) Continue the exploitation of these documents by British and American teams at MCC, excluding all other participation until fully screened. As documents are screened, they could be released [apparent omission] examination by French and Russians. The FonOff library could be released immediately. Eventually, all documents could be moved to Berlin. This will require a firm policy on the part of the State Dept, British FonOff and the Office of Military Govt. It might be used to develop a more reciprocal attitude on the part of the Russians, who thus far have not released to us any similar documentation which they may have captured in their zone.

We should receive definite telegraphic instructions from the Dept without delay and I recommend that this second plan be adopted.

MURPHY

840.414/9–2845 : Airgram

The Secretary of State to the Minister in Sweden (Johnson)

WASHINGTON, October 22, 1945.

A–396. Re your despatch #6150 of September 28[99] concerning Swedish Government's request to examine individuals and documents in Germany regarding German and Swedish Nazi activities in Sweden during war, final action on this request will have to be made by Allied Control Council but Department is opposed in principle to granting such requests. If Swedish request were granted it would presumably set precedent for similar request by Spanish, Portuguese, Irish and Swiss governments. Inasmuch as several high ranking members of certain neutral governments played an active part in assisting Germans prior to and during the war it would seem highly undesirable to make German documents relating to such neutral governments directly available to them inside Germany. In view of above, Department takes the following position:

1. Department considers it inadvisable to make German records relating to Nazi activities in neutral countries available to investigators of neutral governments by permitting them to examine documents and interrogate individuals inside Germany.
2. Department prefers to make available to neutral governments such findings of our investigators in Germany as may have a direct bearing on present domestic security in the neutral countries concerned.
3. Department believes Swedish request under reference should be denied in accordance with points 1 and 2 above.

This airgram is being repeated to Berlin, Moscow, Paris, London, Lisbon, Dublin, Bern.

BYRNES

840.414/10–2545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 25, 1945—9 a. m.
[Received 11 : 30 p. m.]

838. Reference my 823, October 21, 1 p. m. and Department's 564 of September 28. In a long discussion this morning on subject Foreign Office documents, General Clay informed me that he had recently told the British General Robertson[1] that he, Clay, had no objection to the transfer of German Foreign Office documents to British occupied area and British jurisdiction. General Clay feels that

[99] Not printed.
[1] Lt. Gen. Brian Robertson, Deputy Military Governor of the British Zone in Germany.

having given a definite promise to the British he cannot agree to change this unless he is reversed by higher authority. In describing the reasons for his promise to the British, General Clay said that he had invited the Russians and French to inspect all documents at the MCC near Kassel on a truly quadripartite basis. When the British objected to showing Foreign Office documents, he saw as a solution the transfer of these documents into the British zone of occupation where the British would assume responsibility for safekeeping and the United States continue its right of complete access. General Clay feels that in this way the United States will continue to operate on a strictly quadripartite basis as far as documents are concerned and the British be forced to accept full responsibility for refusal to participate in a quadripatite exploitation of Foreign Office documents. He feels that British are entitled to elect such action by virtue of the joint nature of enterprise. He pointed out that these documents happened to be in the American zone by British-American mutual agreement. I understand General Clay's viewpoint quite clearly, knowing his strong desires to develop a sound and workable quadripartite basis for military government in Germany. However, I did call to his attention certain disadvantages in the decision he has taken, namely:

(*a*) The Russians are fully aware of the existence and present location of these documents. Any shifting of the documents into British control with continued participation on our part and to which the Russians are excluded might well be the basis of suspicion that we have not dealt honestly with them. The fact that the documents are in British control hardly relieves us from responsibility as long as we participate with the British in the exploiting of these documents.

(*b*) In addition, I feel that turning over these documents to the British would in some sense be an admission that we are unable to cope with the problem.

(*c*) The requirements of statutory prohibition against alienating or destroying archives should be complied with before such transfer is made. See title 44 US Code section 380. (On this point, General Clay stated as his opinion that the documents were under jurisdiction of the Allied Control Council and not the United States.)

So far as we know or anticipate, there are no documents in the Foreign Office collection which will prove embarrassing to the United States. From our present viewpoint there should be no objection to permitting Russian and French participation. However, in order to meet the British view, I suggested in my 823 of October 21 that these documents be screened, including necessary sorting, prior to release on a quadripartite basis.

My suggestion, however, did not envisage any disposition of the documents which would result in destruction or continued impounding detrimental to legitimate access for political or historical studies

pending final determination of policy with respect to the whole of the German Foreign Office archives. I am therefore reluctant to agree with General Clay's decision to alienate immediate control of these documents until I see clearly what will be done with them. Unless the Department desires to take steps to reverse the decision of General Clay, these documents will be transferred to British jurisdiction. The views and decision of the Department are requested.

MURPHY

840.414/10–2145 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 25, 1945—6 p. m.

736. Reference German FonOff and related documents Dept is in agreement with your position outlined in last paragraph urtel 791 October 16.[2] Dept feels further that since FonOff archives and related records concerning German overseas activities have no bearing on reestablishment of German central administrations authorized by ACC[3] they should be held *in situ* and thoroughly screened prior to release to Russians and French. Dept agrees to plan 2 outlined urtel 823 October 21 as regards the ultimate disposition but stresses again the fact that reciprocity in sharing archives has not been shown by our Allies except the British (re Deptel 594, October 3). Every effort should be made to detail additional investigative personnel to the Marburg team in order to speed up the screening work. Dept is interested in knowing whether arrangements have been made for return visit on a reciprocal basis by an Anglo-American investigative party to survey documents found in the Russian occupied zones; any further request to examine the Marburg documents might be countered provisionally with the above suggestion.

BYRNES

840.414/10–2645

The British Embassy to the Department of State

AIDE-MÉMOIRE

It is understood that, under arrangements made between the British and American authorities in Germany, the German Foreign Office archives at present at Kassel and Marburg may in due course be transferred to the British Zone of Germany.

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[2] Not printed; in the last paragraph Murphy stated that he was requesting that access to German Foreign Office records be limited for the time being to British and American authorities unless directed otherwise by the State Department or his own office (840.414/10–1645).

[3] Allied Control Council.

His Majesty's Government would like meanwhile to reach agreement with the United States Government on responsibility for, and access to, these archives in that eventuality.

Firstly, they hope that the United States Government will continue to share the rights of His Majesty's Government in these archives just as His Majesty's Government have hitherto shared the United State Government's rights in them and that they will continue the present exploitation on an Anglo-American basis.

Secondly, they propose acceptance by His Majesty's Government and the United States Government of the principle that access should be granted to other Allies and that access should not be restricted to documents related to war crimes, which were the principal subject of the first three paragraphs of the State Department's *Aide-Mémoire* of October 11th.

Thirdly, they propose that His Majesty's Government should reply to individual applications for access from other Governments by a statement that the archives in question are the joint interest of His Majesty's Government and the United States Government and that the request would be considered on this basis. Before granting access His Majesty's Government would then consult the State Department or the United States authorities in Germany in each case.[4]

His Majesty's Government consider that the fact of their having custody and control of administration of these archives would enable them to safeguard any documents which they or the United States Government wish to reserve from outside inspection.

As regards reciprocity, there are, so far as His Majesty's Government are aware, no equivalent political documents in the other Zones of Germany. Any views the State Department may care to express on this aspect would, however, be welcome.

WASHINGTON, October 26, 1945.

840.414/10–2545 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 31, 1945—4 p. m.

774. Urtel 838, Oct 25. Proposed transfer of German FonOff documents to Brit zone should not be effected pending discussion of policy here at high level. Please inform U.S. military authorities accordingly.

BYRNES

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[4] In a communication four days later the Embassy stated that this procedure was intended to apply also to requests for the release of copies of documents (840.414/10–3045).

840.414/10–3145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 31, 1945—7 p. m.
[Received October 31—3 : 36 p. m.]

898. No action is being taken on Dept's 736, Oct 25, pending receipt of Dept's reply to my 838, Oct 25.

Russian and French authorities visited Ministerial Collecting Center on General Clay's invitation. No similar invitation has been forthcoming from the Russians. So far as is known, no request has been made by American authorities to examine German archives held by Russians. No information has become available as to the nature of any documents that may be held by the Russians or their place of deposit.

MURPHY

840.414/11–1545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, November 15, 1945—9 p. m.
[Received November 15—7 : 30 p. m.]

1012. Since my return to Berlin, I have reviewed the German Foreign Office document situation and again urgently recommend that the documents be moved from Marburg to Ministerial Collecting Center and held for exploitation in accordance with Dept's standing instructions. When I left Washington, Dept was discussing this subject with the British. In case final decision has been reached in the Dept, I urge that Dept endeavor to have War Dept issue directive to General Clay at once to the effect that these documents be continued on the British-American basis of exploitation and that the move to Ministerial Collecting Center be authorized immediately.

As previously stressed, this move to Ministerial Collecting Center has the advantages of better security and administration, greater economy in handling documents and facilities for microfilming documents on the part of the US. At the present time, at Marburg all microfilming is in the hands of the British. I should like to remind Dept that the number of personnel now allotted for exploitation of these documents is insufficient. With reference to Deptel No. 831, November 8,[5] it is urgently requested that the additional personnel arrive as soon as possible.

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[5] Not printed.

Dept's definitive instructions are urgently requested for transfer of all German Foreign Office documents to Ministerial Collecting Center at once, where they will continue to be safeguarded and exploited in accordance with Dept's standing instructions.

MURPHY

840.414/11–1545 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, November 17, 1945—1 p. m.

899. (Urtel 1012, Nov. 15.) Dept approves transfer all German Foreign Office archives from Marburg to Ministerial Collecting Center at Kassel, under proper arrangements for their safe-guarding and exploitation in accordance with Depts standing instructions.

Dept has sent letter to War Dept requesting issuance of instructions to US military authorities in Germany to effect that German Foreign Office archives should not be transferred to British zone, but should be kept for time being in US occupation zone.

BYRNES

840.414/12–1145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 11, 1945—6 p. m.
[Received December 11—5 : 19 p. m.]

1236. MCC (Ministerial Collecting Center) near Kassel is being closed by February 1 (third paragraph my 575, September 21 [6]) and General Clay has decided that all documents shall be moved to the American sector in Berlin. This necessitates the removal from MCC of those German Foreign Office archives there (Department's 899, November 17). Part of the archives were left at Marburg pending final decision as to closing MCC and because of strong British objections to removal from Marburg.

All interested divisions have concurred in transfer of ministerial archives to Berlin except as regarding Foreign Office documents. It is necessary to have Department's approval for such a move after Department has consulted with British. Consequently, I urgently recommend that Department take matter up at once with the British authorities and instruct that all Foreign Office archives both those at MCC and those at Marburg be transferred to American sector in Ber-

[6] Not printed.

lin as soon as possible. I am assured that these archives will be safe here and can be jointly exploited in accordance with Department's standing instructions by British and American authorities much more effectively and more expeditiously in Berlin than at Marburg.

In connection with foregoing it should be noted again that Foreign Office archives at Marburg are subject to fire hazard, and in my estimation are insufficiently safeguarded. The safeguarding at Marburg will continue to deteriorate as redeployment continues. Furthermore, the archives at Marburg are not being properly exploited. The British are making no concerted effort toward that end (perhaps because of their hope that these archives will eventually be transferred to British zone or to the US or UK) and the Americans are unable to exploit the archives properly because of lack of facilities at Marburg, lack of personnel and other conditions peculiar to Marburg. American microfilm units and all the desirable facilities now installed at MCC will be transferred to American sector in Berlin where they will be available for joint British-American exploitation of Foreign Office archives. Such American units and facilities cannot be made available at Marburg.

In recapitulation, I urge that Department promptly authorize transfer of all Foreign Office archives to Berlin especially since the security and safeguarding of these irreplaceable historical archives are now an American responsibility, which responsibility cannot be fulfilled properly if the archives remain at Marburg.

MURPHY

840.414/12–1245

The British Embassy to the Department of State

AIDE-MÉMOIRE

The French Ambassador in London [7] has asked of His Majesty's Government that Monsieur de Menthon's team should have access to German archives in order to make their own selection of documents for use as evidence at Nuremberg.[8]

Mr. Bevin [9] informed Monsieur Massigli in reply that His Majesty's Government would make available photostatic copies of the original documents now at Nuremberg from which evidence has already been selected. The Ambassador, however, later returned to the charge stating that the French Government wished to send experts to make a personal study of the documents. It is, therefore, clear that the

[7] René Massigli.
[8] For documentation relating to the prosecution of war criminals, see pp. 1151 ff.
[9] Ernest Bevin, British Secretary of State for Foreign Affairs.

French Government are really interested in access to German political archives generally. The French Ambassador has now been informed that as only a very few documents were found by the British forces and as the majority are in the American Zone, Mr. Bevin would consult the United States Government concerning the conditions they consider to be necessary as regards access.

While Mr. Bevin is most anxious to go as far as possible to meet the wishes of the French Government, he is apprehensive lest the work of microfilming at Marburg be retarded by the visit of a French team and by a subsequent visit by a Soviet team which would no doubt follow. He is inclined to think that the question of French participation in the exploitation of these documents should be postponed until the documents have been installed in a permanent institute. Meanwhile, he would like to give the French access, as distinct from the right of joint exploitation, to all the material which has already been microfilmed, of which prints have already reached London and Washington. He would be prepared to let the French and, if they desired, the Russians, see these prints in London with the exception of a small number which it might prove necessary to withhold.

His Majesty's Ambassador is instructed to invite the concurrence of the United States Government in the proposals in the preceding paragraph and to enquire whether, among the microfilms already in London and Washington, there are any which the United States Government would wish to withhold from either the French or the Russians.

His Majesty's Ambassador is instructed to stress the urgency of this matter since if the United States Government agree, it is desirable that His Majesty's Government should make immediate arrangements in London for installing the photographs in a suitable establishment to which Allied Governments would be given access.

WASHINGTON, 12 December, 1945.

840.414/12–1145 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)[10]

WASHINGTON, December 17, 1945—8 p. m.

1094. Urtel 1236, Dec 11. Dept agrees to removal of German Fon-Off archives to Berlin under conditions which will assure continued Anglo-American control and exploitation. War Dept informed and Brit Embassy notified of this decision.

ACHESON

[10] Repeated to Moscow as 2552 for Secretary Byrnes. Mr. Byrnes was attending the Conference of Foreign Ministers meeting in Moscow December 16–26, 1945.

840.414/12–2445

The Secretary of War (Patterson) to the Secretary of State

WASHINGTON, December 24, 1945.

DEAR MR. SECRETARY: As you doubtless are aware there has been gathered in Marburg and near Kassel in the U.S. Zone of Germany a large collection of German Foreign Office and other German ministerial records. These records have been exploited for a period of six months by United States and British investigators. The existence of these records has been made known to the Russians and French.

The Military Governor of the U.S. Zone of Germany has advised the War Department that, in the interest of quadripartite cooperation and the efficient administration of Germany, these records and similar records which may be in other zones should be made available for joint use by the four occupying authorities. Since it has been informally indicated that the Department of State does not now favor the quadripartite use of the ministerial records in the U.S. Zone, the Military Governor has been requested by the War Department to refrain from taking any action in this matter until further notice. It is our understanding that the Department of State prefers that these records be screened before they are made available to the Russians and the French, in order to avoid possible embarrassment to the British Government. Unfortunately, at the present rate of exploitation, it has been estimated that eighteen months would pass before this screening could be completed.

Wholehearted quadripartite cooperation in Germany is not only essential to the successful execution of our occupational mission but is directly related to the much more important objective of a peaceful solution of world-wide problems. At Berlin and Vienna a unique record of international cooperation has already been achieved. It is the view of the War Department that considerations of quadripartite cooperation far outweigh the disadvantages which it has been suggested might result from making these German ministerial records available for joint use by the four occupying authorities. The War Department therefore desires to authorize the Military Governor of Germany to initiate a quadripartite program for the use of German ministerial records by offering to make available those now in the U.S. Zone, subject to such arrangements with the British, Russians and French as he may consider properly reciprocal and appropriate. Furthermore, this proposal is in conformity with JCS 1067/6,[11] Paragraph 6 (*e*), which makes the disposition of such records a matter for decision by the Control Council.

[11] JCS 1067/6 was the same as IPCOG 1, April 26, 1945, p. 484.

In order that the Military Governor may receive guidance, in anticipation that the Russian and French members of the Allied Control Authority will soon raise the question of the availability of these records, an expression at an early date of your views on this matter will be appreciated.

Sincerely yours, ROBERT P. PATTERSON

840.414/12–2845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 28, 1945—8 p. m.
[Received December 28—6 : 03 p. m.]

1347. Your 1136, December 26, 6 p. m.[12] Substance conveyed to General Clay who invites attention to quadripartite interest in German documents. His point of view is that as German Foreign Office documents are a joint Anglo-American capture, it would be necessary to honor British requests to restrict disclosure to Russians and French but he does not agree that such restrictions should extend in favor of other countries. Such action would violate spirit of quadripartite administration of Germany.

MURPHY

840.414/12–2445

The Acting Secretary of State to the Acting Secretary of War (Royall)

WASHINGTON, January 21, 1946.

MY DEAR MR. ROYALL: With reference to the letter of the Secretary of War, dated December 24, 1945, dealing with the German ministerial records, I wish to point out that the position of the State Department has not been properly understood regarding the disposition of the German archives. The Department of State has at no time looked with disfavor upon the quadripartite use, in general, of the ministerial records in the United States zone. The Department has, however, maintained that the German Foreign Office archives, in particular, and archives of other ministries dealing with German overseas activities should be exploited fully under present British-American investigation procedure, before being released to other powers.

The State Department is in hearty accord with the War Department that whole-hearted quadripartite cooperation in Germany is

[12] Not printed; it referred to concern of Norwegian Government over a file in the German documents entitled "Norway, Political Correspondence." (840.414/-12–2645)

essential to the success of the occupation and related to the objective of a peaceful solution of world-wide problems. The State Department would withdraw at once its instructions regarding the German Foreign Office archives, were it to believe that they jeopardize in any way the successful fulfilment of the quadripartite task in Germany. The Department is, however, of the opinion that the German Foreign Office archives and related records concerning German overseas activities have no bearing on the re-establishment of the central German administrative agencies, authorized in the Potsdam Agreement,[13] except perhaps in the field of foreign trade. With respect to this field, the Department will instruct its representatives to make available from the German Foreign Office archives and related records under investigation any material which might be useful to the central German administrative agency for foreign trade at the time when that agency is being established.

The State Department has agreed to the removal of the German Foreign Office archives to Berlin under conditions which will assure continued Anglo-American control and exploitation. Subsequent to this agreement, the State Department has received vigorous representations from the British Government objecting to this transfer. One reason advanced by the British against the transfer of the Foreign Office archives to Berlin is that such a move might pre-judge the question of the release of this material to third parties. The State Department has informed the British Government that joint Anglo-American exploitation will be continued at Berlin, and that no documents will be released to representatives of other powers except by joint Anglo-American decision in accordance with suitable procedures agreed upon by this government and the British Government.[14]

In so far as the Foreign Office documents were, as stated in a recent British note, "captured during the SHAEF period and are, therefore, a joint capture in which the United States Government and His Majesty's Government have equal rights", the State Department believes that legitimate British rights and interests should be respected. It accordingly believes that British-American exploitation of these documents should be continued and screening procedures employed before eventual release of the document material to the French and Russians. Such release, moreover, should in the Department's opinion be based on the reciprocal access of British and American representatives to German documents of special interest in the custody of the French and Russians. The proposed method of joint British-American exploitation and exchange with third parties on a reciprocal basis is in

[13] See *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, pp. 1477 ff.

[14] *Aide-mémoire* of December 20, 1945, from the British Embassy and Department's reply of January 15, 1946, not printed.

conformity, it is believed, with the War Department's policy in the exploitation of the German military archives and in the exchange of technical information about German war material.

The State Department accordingly recommends to the War Department that the United States Military Commander in Germany be authorized to initiate a quadripartite program for the use of German ministerial records by offering to make available all those now in the United States zone pertaining to the central German administrative departments to be established under the terms of the Potsdam Agreement. Such offer should be subject to whatever arrangements with the British, Russians or French the U.S. Military Commander may consider properly reciprocal and appropriate. This offer should not include the German Foreign Office archives and related records at present under joint British-American exploitation.

Because of the State Department's responsibility for the conduct of this Government's foreign relations the Department regards the German Foreign Office archives as of special interest to it. The Department has found information already obtained from these documents of great value and considers their further exploitation to be of real importance to this Government. It believes furthermore that the work should be accelerated as a matter of urgency. The Department has agreed to the removal of these archives to Berlin on the understanding that American micro-film equipment and all necessary facilities for a more rapid and effective exploitation would be available at Berlin. The State Department would therefore be grateful if the War Department would instruct the U. S. military authorities in Berlin to assist in all ways possible, as a matter of urgency, the exploitation of the German Foreign Office archives, in particular, by providing micro-film units and other facilities as may be required.

Sincerely yours, DEAN ACHESON

840.414/12–1245

The Department of State to the British Embassy

AIDE-MÉMOIRE

With reference to the British Embassy's *aide-mémoire* of October 26, 1945 and December 12, 1945 and the Department's *aide-mémoire* to the British Embassy of January 15, 1946,[15] the State Department wishes to transmit herewith its tentative views regarding the principles and procedures to be followed in connection with making the German Foreign Office archives available to representatives of other powers:

1. The State Department accepts the general principle stated in the British Embassy's *aide-mémoire* of October 26, 1945 that access to

[15] *Aide-mémoire* of January 15, 1946, not printed.

the German Foreign Office archives should be granted to the other Allies and that such access should not be restricted to documents related to war crimes.

2. The State Department further agrees that applications for access to these archives from other governments or requests for the release of copies of documents should be decided jointly by the United States Government and the British Government.

3. The Department believes that joint British-American exploitation of these documents should be continued at Berlin and screening procedures employed before eventual release of document material to representatives of other powers. The Department recognizes that the British Government may wish to withhold for the time being a small selected number of these documents. The Department is prepared to review with the British Government at some future time the proper ultimate disposition of documents thus withheld.

4. The release of German Foreign Office documents to representatives of other powers should take place on the basis of a genuine reciprocity in sharing of German document material, particularly with regard to German documents of special interest in the custody of the French and Russians.

5. The Department sees no objection, if the British Government desires to grant representatives of other powers access in London to microfilm copies of German Foreign Office documents. The Department is not at present aware of any particular documents which it would wish to withhold from representatives of other powers.

WASHINGTON, February 25, 1946.

DISPOSITION OF PROPERTY AND ARCHIVES OF THE GERMAN EMBASSIES AND CONSULATES IN NEUTRAL COUNTRIES

800.414/3–3145 : Circular telegram

The Secretary of State to All Diplomatic Representatives [16]

WASHINGTON, March 31, 1945—3 p. m.

It seems desirable that the United Nations should have the benefit at the earliest possible moment of information contained in German embassies, consulates, and other governmental offices in neutral countries. Access to such offices should make available records and documents of great value in the effort to destroy the enemy's intelligence net work. It is believed that the terms of unconditional surrender of Germany [17] agreed to by the governments of the United States of

[16] The action taken by this instruction was proposed in telegram from Supreme Commander Allied Expeditionary Force (Eisenhower), March 12, 1945, to the War Department (862.414/4–645).

[17] For draft text of terms of unconditional surrender of Germany, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, pp. 113–118.

America, the United Kingdom, and the Union of Soviet Socialist Republics warrant such a move. Acting unilaterally, when the surrender or collapse of Germany occurs, you are instructed to communicate at once with the foreign office the desire of this Government to have any of these offices in the country to which you are accredited made available to you immediately. Whenever the foreign office notifies you that you may have access, you should then inform your British and Soviet colleagues. Please telegraph immediately if you foresee any difficulty in carrying out this instruction.

STETTINIUS

800.414/4–645 : Circular telegram

The Secretary of State to Certain Diplomatic Representatives [18]

WASHINGTON, April 6, 1945—8 a. m.

The unilateral procedure outlined in Deptelcirc March 31, 3 p. m. does not apply in countries to which you are accredited and reference was for your information only. However, you should keep the Department informed of any disposition made of such records by the countries to which you are accredited.

STETTINIUS

800.414/4–745 : Circular telegram

The Secretary of State to Diplomatic Representatives in the American Republics

WASHINGTON, April 7, 1945—2 p. m.

Re Deptelcirc March 31, 3 p. m. Upon the collapse of Germany you should point out to the Foreign Office the urgent necessity of immediately obtaining access to the information mentioned in the reference telegram so that this material might be made available through you to the United Nations in order that the enemy's intelligence network may be destroyed.

Should there be no official surrender announced over the air but a gradual deterioration, the Department will inform you when to proceed. You should not take action before such notice.

It is not desirable to approach the protecting powers, Spain and Switzerland, at this time. However, upon collapse or surrender of Germany that country will have no moral right to insist upon the immunity of the archives in question, since the espionage and propaganda activities carried on by diplomatic and consular officers of Germany involved an abuse of immunity. It will be to the advantage

[18] Sent to all American diplomatic representatives except those at Madrid, Lisbon, Bern, Stockholm, Dublin, Vatican City, and Kabul.

not only of countries of the Western Hemisphere but of all other countries that the records in question be opened up and thoroughly examined. Obviously this has a most important bearing upon measures for preventing another World War, and in such measures neutral nations, as well as the United Nations, have a vital interest. The Department realizes that it must rely upon your discretion in handling this matter and counts upon your reporting promptly any developments that should be known to the Department.

STETTINIUS

862.414/4–1445

The Legal Adviser (Hackworth) to the Assistant Secretary of State (Holmes)

[WASHINGTON,] April 17, 1945.

GENERAL HOLMES: This office has not given a written opinion on the position of the Allied Governments following unconditional surrender. However, I think that the Allied Governments would have all the rights of a military occupant, plus such additional rights as may be provided for in the terms of surrender. This presupposes that there will be a signed instrument. I do not consider that the Allied Governments would have the rights and obligations "of a successor Government" under the terms of surrender. Such a situation would ordinarily result only from annexation or transfer of sovereignty.

Military occupation has the effect of suspending the exercise by the local government of customary sovereign rights, except to the extent that their exercise is permitted by the military occupant. His orders and decrees are supreme during the period of occupation.

The terms of surrender that have been prepared for Germany are sufficiently broad in scope to give the Allied Powers authority to take possession of German diplomatic and consular establishments in neutral countries. But it remains to be seen whether there will be any authority in Germany willing or competent to subscribe to the terms of surrender. There is also the question as to whether neutral countries would, without explicit authorization from Germany, be willing to turn over such establishments so long as there is a prospect that there will eventually be a German Government with which they might be required to reckon.

I see no objection to the proposed telegram to SCAEF [19] attached at the back of these papers.[20]

GREEN H. HACKWORTH

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[19] Supreme Commander, Allied Expeditionary Force.

[20] Not found attached.

800.414/4–2545 : Circular telegram

The Acting Secretary of State to Diplomatic Representatives in the American Republics

WASHINGTON, April 25, 1945—2 p. m.

ReDeptelcirc April 7, 2 p. m. You are authorized to proceed at the moment that you think best in order to obtain access to German archives. Prior to making any official approach, however, you should inform your British colleague and should act in conjunction with him.

GREW

862.414/4–2645

Memorandum of Conversation, by Mr. Oscar S. Straus, Division of Foreign Activity Correlation

[WASHINGTON,] April 26, 1945.

Participants: Mr. Paul Culbertson—EUR [21]
Mr. Harold Moseley—EUR
Mr. D. D. Maclean—Second Secretary, British Embassy and
Mr. O. S. Straus—FC

At Mr. Matthews' (EUR) [22] request that our program be correlated with the British, Mr. Maclean was asked to come to the Department.

Accordingly, a meeting was held in Mr. Culbertson's office at 5:00 p. m. on April 25 and at this time Mr. Maclean was informed that it is the desire of the Department that Great Britain assist in the attempt to obtain information contained in German embassies, consulates, and other governmental offices in neutral countries. Mr. Maclean was familiar with the Department's circular telegram of March 31, 3 p. m. since the Foreign Office in London had been informed of the context through the Minister at Dublin [23] and the Ambassador at Lisbon [24] since our Minister and Ambassador respectively, had conferred with their British colleague on the spot.

Mr. Maclean was informed that telegrams were prepared and were ready to send out to the American Legation at Stockholm and to our missions in the other American Republics instructing them to act in this matter in conjunction with their British colleagues and that similar instructions had been drafted to our missions in the remainder of the active neutral countries. Mr. Maclean approved of the cooperative action and stated that he would immediately telegraph the For-

[21] Office of European Affairs.
[22] H. Freeman Matthews, Director, Office of European Affairs.
[23] David Grey.
[24] Herman B. Baruch.

eign Office at London in this sense. Accordingly, at the end of the meeting the Department's telegrams were released to our missions in the other American Republics and to the American Legation at Stockholm.

At the same time Mr. Maclean was informed that the Department felt that the Soviet Government should be apprised of the action proposed in the Department's circular telegram of March 31. Likewise, the Department felt that the Soviet Government should be invited to have its representatives in Kabul and Stockholm associate themselves with their American and British counterparts in an effort to obtain the desired information. Mr. Maclean agreed to the procedure and stated that he would relay this information to the Foreign Office at London.

862.414/5–145

The British Embassy to the Department of State

AIDE-MÉMOIRE

Subject: German Official Property in Neutral Countries

His Majesty's Government have some reason to believe that instructions may have been issued to German Missions abroad that the fall of Berlin should be a signal to burn all the archives.

2. The Heads of His Majesty's Missions in European neutral countries have been requested to inform their United States colleague accordingly and have been authorised to support him in any representations which he makes to Governments still entertaining German Missions.

3. The French Government have also now spontaneously proposed that French representatives should join in any approach to neutral Governments on this question.

4. Meanwhile, in a further telegram despatched to His Majesty's Missions concerned, the Foreign Office have drawn attention to the following considerations—(Paraphrase)

A. Legal basis of representations. Some formal document assuming powers to act on behalf of *ex-hypothesi* defunct German Government may, according to our reports, be required by e.g. Swiss and Portuguese Governments. Hostilities will be brought to an end either by signature of an instrument of surrender or by a unilateral declaration issued by Allied Governments on basis of a complete German defeat. In either case document will provide assumption by four Allied powers of supreme authority with regard to Germany including all powers possessed by the German Government. It will thus enable Allies to issue subsequent orders to German Missions in neutral countries. But, while our representations might assume that such a document could be available and request the action to be prepared by Host Governments in anticipation of a situation which such an instrument would record, it is questionable whether we should

promise to furnish it. The question of timing is vital because it would, in practice, be quite impossible to present such a document in due form to Host Government after the event and yet before German Missions concerned learned of their Government's final collapse and forestalled the action to be taken by Host Governments at our request by destroying or dispersing what we hoped to find. Neutral Governments must therefore be prepared to commit themselves to action at a moment to be defined by us and allow us to substantiate grounds for such action later. His Majesty's Representatives will, if the State Department agree, be authorized to use these arguments at their discretion.

B. We must decide what German establishments should be covered by proposed action. For our own part we should like to include all diplomatic and Consular Missions in country concerned and all semi-official establishments such as Nazi Party offices in Spain. Details could perhaps be left to Allied Representatives in each capital to decide individually.

C. On the other hand we deprecate extending action to Embassy in Rome now in custody of protecting power. We do not suspect Swiss of intending or permitting sabotage if anything of value remains. Moreover we do not at any rate at this stage want to take any action to discourage protecting power from provisionally continuing its duties.

D. His Majesty's Ambassador in Lisbon has recommended, apparently with the concurrence of his United States colleague mentioning to Dr. Salazar [25] the prospect of securing Nazi loot in German Missions. We should prefer to give no hint that Host Governments would profit by any assets or valuables discovered, as this might commit us to an undesirable policy over general SAFEHAVEN questions.[26]

E. We have considered, as a possible parallel method to approach to Host Governments, an attempt to use contacts through third parties with possible collaborators in German Missions to induce the latter to preserve documents from sabotage or even facilitate our entry into Missions' premises. It is doubtful whether there is time for this method to be used widely though it is being tried already in certain cases. State Department may agree that, for it to be successful, collaborators would have to be offered some effective inducement.

WASHINGTON, May 1, 1945.

800.414/5–345 : Circular telegram

The Acting Secretary of State to Diplomatic Representatives in the American Republics

WASHINGTON, May 3, 1945—9 a. m.

The Department has received numerous requests for clarification as a result of its circular of April 25, 2 p. m. and previous circulars regarding access to German archives and the following information is given for your guidance:

[25] Antonio de Oliveira Salazar, President of Portuguese Council of Ministers and Minister for Foreign Affairs.

[26] For documentation on this subject, see vol. II, pp. 852 ff.

The United States intends to take action to seize German archives in this country and if the Swiss Government as protecting power protests such action we intend to insist upon our right to the archives [27] for the reasons set forth in the Deptelcirc April 7, 2 p. m.

The British Government has been requested to issue instructions to its representatives to support your action in requesting access to German archives.

GREW

800.414/5–445 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 4, 1945—4 p. m.

1855. Redeptelcirc March 31, 3 p. m. The Department desires that you invite the French Government to associate itself with the governments of the United States of America, the United Kingdom, and the Union of Soviet Socialist Republics in obtaining access to German archives in neutral countries and the other American Republics.

In this connection the Department hopes that the French Government will issue instructions to its representatives in the neutral countries and the other American Republics to support the action of the three other powers in the countries concerned.

As the Department has previously pointed out access to German archives should make available documents and records of great value in the effort to destroy the enemy's intelligence network.

GREW

701.6241D/5–1045 : Telegram

The Minister in Ireland (Gray) to the Secretary of State

DUBLIN, May 10, 1945—6 p. m.
[Received 8:34 p. m.]

112. ReLegtel 106, May 5, 3 p. m.[28] It being evident by Saturday May 5 that the Irish Government did not intend to dismiss the German mission while there might be a chance of finding the archives intact, I drafted the following letter to J. P. Walshe, Secretary of External Affairs, after consultation with Maffey: [29]

"Dublin, May 5, 1945.

Dear Joe: As you know I was appreciative of your kind offer made during our conversation last Wednesday [30] to call me on the telephone

[27] For request to Swiss Government concerning German properties and archives under its protection, see Department press release of May 9, 1945, Department of State *Bulletin*, May 13, 1945, p. 900.

[28] Not printed.

[29] John Maffey, United Kingdom Representative in Ireland.

[30] May 2.

immediately, even in the night, to apprise me of your decision to declare the German Government no longer existent for purposes of diplomatic representation and to hand me, as representing the United Nations, the keys to the German Legation. However, since you still recognize the German Government as diplomatically extant, I feel that there no longer exists a possibility of finding the archives in a condition that would be of use to the United Nations, and I suggest that both of us enjoy our sleep without having immediate nocturnal action on our minds.

I hope to get to the country for a few days next week for a bit of rest, and if you will notify my secretary, Mr. Montgomery Colladay, when you are ready to act in this matter, he will notify the various representatives of the United Nations on my behalf. This Legation can always reach me by telephone, and in a very short time I can be in Dublin.

Yours Sincerely, David Gray"

The purpose of this letter which I sent by hand at opening of business Monday May 7 was to minimize the importance of obtaining possession of the German premises after the refusal of the Irish Government to cooperate with us and also to register on the record my claim as to the promise of Mr. Walshe on behalf of his Government to turn over German property to me as soon as VE-day was announced. I had only his word as against mine.

This morning I made an appointment to see him at 11:30 o'clock. In view of the official announcement of the Irish Bureau of Information telegraphed to you *en clair* yesterday as No. 111,[31] I was uncertain whether Irish Government was prepared to evade Walshe's promise to me and insist on acting as protecting power for German interests as German Minister requested. However, Walshe made no objection and promised to deliver keys and inventory to me at 4 p. m. today. He asked me to give him a receipt of some sort and suggested a formula which after consultation with Maffey I adopted as follows:

"Dublin, May 10, 1945.

I am authorized by my Government to inform the Irish Government that the United Nations have assumed the powers and property of the Government of Germany. I am, therefore, now prepared, on behalf of the United Nations, to take over the premises of the German Legation located at 58 Northumberland Road, Dublin, and the contents thereof.

American Minister to Ireland"

I also notified French Minister and obtained his approval to formula. Am sending Colladay and McEnelly [32] who, with Brigadier Woodhouse of British representation and a Vice Consul from French mission together with a representative from External Affairs with

[31] Not printed; it reported that Dublin newspapers had carried an article stating that the German Minister was vacating the Legation premises (740.00119 Control (Germany)/5–945).

[32] Thomas McEnelly, Consul General at Dublin.

the keys, will take over premises. Irish Government will provide police protection till further notice. Colladay's report will follow. Walshe informed me that he understood from Germans that there was nothing left in safe but a small sum in cash and the Legation accounts, that is no codes or confidential data. This is as was expected.

I further claimed and was accorded possession of the JU 88 airplane which landed at Germanston on May 5 with 3 German noncommissioned officers (ReLegtel 107, May 7, 4 p. m.[33])

GRAY

800.414/5–1645 : Circular telegram

The Acting Secretary of State to Diplomatic Representatives in the American Republics

WASHINGTON, May 16, 1945—10 a. m.

After obtaining access German archives arrange for material to be examined by working committee composed of FonServOf, MA,[34] NA,[35] LA[36] or representatives. A combined report should be submitted airmail despatch attention Chief Division Foreign Activity Correlation.

If attachés distribute direct to Washington headquarters report should be submitted in single copy, otherwise in ozalid.

GREW

800.414/5–2645 : Circular telegram

The Acting Secretary of State to Diplomatic Representatives in the American Republics

WASHINGTON, May 26, 1945—4 p. m.

Following is for your information and action when declaration[37] is issued publicly or when you receive further instructions:

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[33] Not printed.

[34] Military Attaché.

[35] Naval Attaché.

[36] Legal Attaché.

[37] On June 5 the four Commanders in Chief of the occupying powers met in Berlin to sign and issue the declaration regarding the defeat of Germany and the assumption of supreme authority in Germany. Article 8 stated that there should be no destruction of records and archives wherever they might be situated except as directed by Allied Representatives. For text of declaration, see Department of State, Treaties and Other International Acts Series No. 1520, or 60 Stat. (pt. 2) 1649; regarding the meeting of the Commanders in Chief, see *ante*, pp. 323–329, *passim*.

In the "Additional Requirements" agreement between the United States, United Kingdom, Soviet Union, and the Provisional Government of the French Republic, signed *ad referendum* July 25, 1945, at a meeting of the European Advisory Commission at London, it was stated: "The control and disposal of the buildings, property and archives of all German diplomatic and other agencies abroad will be prescribed by the Allied Representatives." For text of the agreement, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 1011.

Terms of impending declaration with regard defeat of Germany provide that supreme authority with respect to Germany has been assumed by four Allied powers. Consequently German archives and public property outside Germany are under the control of the four Allied powers. If you have not already obtained access to archives you should point out foregoing to FonOff and protecting power where such power has not already turned archives over to Govt. This is legal basis for obtaining archives by US, UK, USSR and France and you should insist on behalf of four powers that archives and property be turned over to you or be held by host Govt as trustee with immediate access granted. You should inform your Brit, French and Russian colleagues.

Examination of archives and property should be conducted wherever possible in premises of former German embassies and consulates to avoid transportation. Charges should be incurred only when absolutely necessary and then responsibility for same is to be divided between all four Allied powers—in which case you should request Department for allotment covering your share.

GREW

800.414/5–2845 : Telegram

The Ambassador in Brazil (Berle) to the Secretary of State

RIO DE JANEIRO, May 28, 1945—9 p. m.
[Received May 29—6 : 30 p. m.]

1677. Depcirtel May 26, 4 p. m. Respectfully request Dept again review instructions as applied to Brazil.

Brazil is not party to terms of surrender; and certainly has assented to nothing which would transfer Brazilian rights to four Allied Powers.

Brazil claims these archives, and a lot of other German property, as her own, by right of capture and as victor over an enemy country. Nothing has happened giving third parties rights thereto; and she would certainly not only object but bitterly resent any assumption that the four Allied Powers had become vested with right to German property in Brazil seized by Brazil.

Embassy believes Dept's circular under reference is accurate statement of position as respecting German property held by neutrals such as Switzerland and possibly in Allied countries subject to Allied military occupation; but does not believe that there is any justification in law or in fact for asserting position as against Brazil. Further it is unnecessary since Brazil has already promised access to information in question. There is indeed not the foggiest justification in international law or our present relations for demanding anything more and in practice this will, in Embassy's opinion, get us what we want.

Joint demand here by four principal Allies for possession of these archives would provoke immediate explosion. Therefore ask reconsideration of instructions. If Dept decides to make demand on Brazil for German property seized here based on mere military force of four principal Allies, Embassy would prefer to have nothing to do with it and leave it to negotiation in Washington. It was Germany who surrendered, not Brazil.

BERLE

800.414/5–2845 : Telegram

The Acting Secretary of State to the Ambassador in Brazil (Berle)

WASHINGTON, May 31, 1945—7 p. m.

1389. The Depts instructions (Depcirtel May 26, 4 p. m.) have been carefully reviewed. They specifically state that action should be taken if you have not already obtained access to archives. Instructions further point out that if protecting power has turned over archives to host Govt as trustee access should be requested. In view of foregoing the circular obviously should not be construed to apply to Brazil where you have arranged access. Consequently the Dept is at a loss to understand your request for a reconsideration of instructions. (Urtel 1677, May 28.)

GREW

800.414/6–245 : Circular telegram

The Acting Secretary of State to Diplomatic Representatives in All the American Republics Except Brazil and Argentina

WASHINGTON, June 2, 1945—7 p. m.

Depcirtel May 26, 4 p. m. Implementing Depts instruction it is not contemplated that custody of archives or property should be requested if access has been granted or arranged.

Legal argument that German archives and public property outside of Germany are subject to control of four Allied powers participating in Allied Central Control Commission may be used in your discretion in order to obtain access.

GREW

840.414/6–845 : Circular telegram

The Acting Secretary of State to Diplomatic Representatives in All the American Republics Except Brazil

WASHINGTON, June 8, 1945—8 a. m.

Concerning treatment former German diplomatic and consular archives, premises and other property following for your information

and transmission at your discretion to Govt to which you are accredited is synopsis of practice pursued by Dept regarding such property in US.

Protocol for delivery of property in US was prepared by Swiss here and signed by Swiss Minister [38] and Assistant Secretary Holmes. Statement was included in protocol at request of Swiss that transfer was being made only as Germany had surrendered unconditionally and as US Govt is trustee of govts which will exercise control in Germany.

Dept's program regarding this property anticipates that informational materials contained therein shall be made available to those agencies of the US Govt legitimately interested and as pool of information to members of United Nations according reciprocity. Dept is centralizing and organizing these materials which were placed under supervision of appropriate departmental divisions. A supervising archivist and clerical staff is being employed to render materials most usable for purpose outlined.

Viewing its obligations as trustee seriously Dept has made it a matter of firm policy that these materials should not be removed from the former German premises upon which they are concentrated until their disposition is determined by the Allied Central Control Commission in Germany.

GREW

840.414/5-2545 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, June 8, 1945—11 a. m.

961. German public property and archives outside Germany are under custody of four Powers in control of Germany and should be turned over to them.

General practice regarding custody such property is for Govt of country in which property is found to act as trustee for four Powers. Where a Govt declines trusteeship representatives of the four have assumed responsibility. Though Dept is fully appreciative of Italian status as cobelligerent, Dept does not feel that Italian Govt, still technically at war with US, should act as trustee of German official property and archives in Italy, in behalf of four Powers. (Urtel 1405, May 25.[39]) In circumstances Allied Commission should assume responsibility for this property in behalf of the four Powers in control of Germany.

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[38] Charles Bruggmann.
[39] Not printed.

Keeping your Soviet and French colleagues fully informed you should urge Allied Commission to take possession of the property from the Swiss.

Examination of German archives should commence as soon as your facilities permit and in so far as possible avoiding transportation expense.

If necessary incur charges four Govts should share equally in responsibility for same, in which event you should request Dept for allotment covering your share.

Keep Dept currently informed.

GREW

[Most nations offered no objections to request of the Allies for immediate access to German archives found within their borders, but some offered conditions. For example, Bolivia took possession of German archives and undertook to turn them over to the American Embassy subject to retention by Bolivia of those documents of particular interest to herself (840.414/5–2145). Czechoslovakia promised to make cursory survey of archives left by Germans and offered to bring to attention of Allies those documents that might be of particular interest (840.414/12–1945). Argentina at first refused to release archives to any foreign power but soon after agreed to permit the United States and the United Kingdom to examine the files (800.414/6–645). Panama agreed to turn over archives with understanding that the information obtained from a study of them be disseminated on basis of reciprocity and that they later be returned to Panama (840.414/5–1945). Some of the Latin American nations indicated they would give access only after a preliminary examination by a commission, and followed a policy of procrastination.]

740.00119 Control (Germany)/6–1145

The British Embassy to the Department of State

No. 1848/—/45

AIDE-MÉMOIRE

His Majesty's Principal Secretary of State for Foreign Affairs [40] has received from His Majesty's Minister at Berne [41] a telegram of June 7th, extracts from which are attached [42] calling attention to the possibility that the Swiss Government might seek to divest themselves of responsibility for quasi-Consular functions in respect of German

[40] Anthony Eden.
[41] Sir John Clifford Norton.
[42] Not printed.

matters in consequence of the representations recently made to them in respect of German archives and German public property in Switzerland.

2. In the view of His Majesty's Government similar difficulties are to be anticipated in other neutral countries including Spain and Portugal. As indicated in Mr. Maclean's letter to Mr. Clattenburg of June 7th,[42a] His Majesty's Government see no alternative to holding the host government responsible for the functions in regard to German citizens which were previously performed by German consular officers and which are not dependent upon the Allied Control Authorities in Germany.

3. But in order to exercise these functions the host governments may reasonably require the use of German consular archives and probably also German consular premises and may claim that the control powers cannot have it both ways.

3 [*4*]. A refusal on the part of the host governments to deal with quasi-Consular matters would, in the view of His Majesty's Government, place the Allied Governments concerned in an awkward position. There can be no question as yet of independent agencies representing the Control Council in Germany functioning in neutral countries. Furthermore if the host governments obtain an excuse for disinteresting themselves in local Germans, this may prejudice the success of future action to secure the repatriation of Germans whom it is desirable to have recalled or expelled.

4 [*5*]. In these circumstances, if the State Department agree, the Foreign Office propose to concede provisionally to the host governments the full use of German archives for quasi-Consular functions (provided the Allied powers concerned retain right of access) and also use of the German premises where necessary. The Allied right of control would not thereby be abandoned. Indeed, emphasis on "control" instead of "custody" seems desirable in general. The concession would not affect diplomatic premises or archives.

WASHINGTON, June 11, 1945.

740.00119 Control (Germany)/6–1145

The Acting Secretary of State to the British Ambassador (Halifax)

WASHINGTON, July 13, 1945.

EXCELLENCY: The *Aide-Mémoire* no. 1848/–/45 of June 11, 1945 from your Embassy and the earlier letter of June 7 to an officer of the Department from Mr. Maclean [43] touch upon an emergency situation which has had the most careful attention of this Department, namely

[42a] Not printed.
[43] Latter not printed.

the urgent need of utilizing in the common interest of our governments the power over Germans living abroad which is inherent in the archives and selected functions of German diplomatic and consular offices now generally held in trusteeship for the Four Powers which have assumed the supreme authority in Germany.

In as much as the power referred to will be quickly dissipated if not promptly used, it is the view of this Government that the maximum and quickest possible utilization of the advantage now obtained should be sought. It is therefore proposed that the United States and British Governments immediately invite all the United Nations to join with them in opening and operating under the auspices of each such government in its own territory Interim Offices for German Affairs which will perform the services outlined in the attached annex [45] under the limitations stated therein. Such offices would likewise be opened at their capitals by each of the Powers assuming the control in Germany. It is furthermore proposed that our governments proceed forthwith, with the assistance whenever possible of the French and Soviet Governments, in the implementation of a corresponding program in neutral countries with the difference that the offices would be directed by the representatives of the Four Powers who are locally available. Such Interim Offices for German Affairs would thus immediately be opened in Spain, Portugal and their possessions as recommended by our missions at Madrid and Lisbon.

With regard to Switzerland and Sweden, it is the firm opinion of this Government that those governments should be urged to transfer the functions of such offices to the representatives of the Four Powers at the earliest possible moment. Arrangements in the remaining neutral countries and possibly in Argentina and Italy should follow the same general pattern.

It follows from the foregoing discussion that the United States Government is not disposed to concur in a suggestion that quasi-consular services for Germans be assigned in Spain and Portugal to the authorities of the local governments.

In view of the pressing questions daily being placed before us by our missions throughout the world and the danger that the normal pattern of control over Germans living abroad may break down if prompt action is not taken, it is hoped that the British Government may find it possible to concur in the proposals made in this note and in the annex [45] hereto. The appropriate officers of this Department are ready and anxious to participate in discussions with representa-

[45] Not printed.

tives of the Embassy in an effort to work out the details of the scheme and the manner of its promptest implementation.[46]

A copy of this note is being sent to Ambassador Winant for circulation to the European Advisory Commission for its consideration.

Accept [etc.] JOSEPH C. GREW

DISCUSSIONS REGARDING PROCEDURES AND SCOPE OF THE UNITED NATIONS COMMISSION FOR THE INVESTIGATION OF WAR CRIMES AND THE SETTING UP OF THE INTERNATIONAL MILITARY TRIBUNAL[47]

740.00116 E.W./1–2645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, February 6, 1945—11 p. m.

920. For Deputy Commissioner Hodgson.[48] The Department assumes that you have seen my statement to the press of February 1[49] regarding the punishment of war criminals (your 921 of January 26[50]). In view of the confusion and misinformation that have resulted from speculation and unauthorized statements regarding the work of the Commission and the attitude of different members, the Department considers that regularization of the release of information by the Commission, confined to the limits of my statement and indicating that action is being taken to effectuate the objectives stated

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[46] The proposal for interim offices for German affairs was further discussed in an *aide-mémoire* from the British Embassy dated August 29 and one dated October 16, and in a memorandum from the Department of State to the British Embassy dated November 7, none printed. In its memorandum of November 7, the Department stated that the United States Political Adviser for Germany was being informed with the view of having the agreed suggestions referred to a Control Council subcommittee.

After prolonged discussion at the Directorate level of the Allied Control Authority, approval was given at the 92nd meeting of the Coordinating Committee, December 3, 1946, to a plan for the establishment of Interim Offices for German Affairs (740.00119 Control (Germany)/12–1246).

[47] For previous documentation regarding the United Nations Commission for the Investigation of War Crimes, see *Foreign Relations*, 1944, vol. I, pp. 1265 ff. For additional documentation, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, entries in index under War Criminals, p. 1030, and *Report of Robert H. Jackson, United States Representative to the International Conference on Military Trials, London, 1945* (Washington, Government Printing Office, 1949).

[48] Herbert C. Pell was United States representative on the United Nations War Crimes Commission from 1943 to 1945. When Congress failed to appropriate the necessary funds for his continued appointment, Lt. Col. Joseph V. Hodgson took his place.

[49] Department of State *Bulletin*, February 4, 1945, p. 154.

[50] In this telegram Hodgson reported that the majority of the members of the Commission were of the opinion that the work of the Commission should be publicized; they also expressed a "strong desire to revise present policy which they believe has resulted in criticism of the Commission and its members and impaired its usefulness." (740.00116 E.W./1–2645)

by the President and summarized by me, would be desirable. Discussion of the juridical theory on which we are to proceed should be postponed, since this matter is not yet settled. The publication of lists of war criminals other than those whose names are now well known to the public might well tend to defeat the purposes of the United Nations by enabling such persons to cover their tracks in one way or another. Consequently, such lists should not be published, but every effort should be made to avoid the impression that the Commission is operating mysteriously.

You should avoid the giving of any impression that you are holding back or in anywise endeavoring to stifle the release of legitimate information.

GREW

740.00116 E.W./3-645

The British Ambassador (Halifax) to the Acting Secretary of State

His Majesty's Ambassador presents his compliments to the Secretary of State and has the honour to refer to the Embassy's *Aide-Mémoire* dated October 30, 1944,[51] which was left with the Legal Adviser to the Department of State on that date, concerning various proposals made by the United Nations War Crimes Commission in London and to the *Aide-Mémoire* dated December 27, 1944,[52] concerning a draft directive regarding the functions of theatre commanders in relation to war criminals.

2. Since the delivery to the Department of State of above mentioned *Aide-Mémoires*, officials of the Embassy have had the advantage of informal discussions on the subject of war crimes and war criminals with the Legal Adviser of the Department of State and with other officials of the United States Government.

3. His Majesty's Government in the United Kingdom believe that the time has come when a general discussion of the subject between representatives of the United States and of the United Kingdom would be mutually advantageous. Lord Halifax, therefore, has pleasure on behalf of His Majesty's Government, in inviting to London Mr. Green H. Hackworth, Legal Adviser to the Department of State, Brigadier General John Weir[53] of the United States War Department, and such other officials as they or Mr. Grew may designate, for the purpose of holding such discussions. His Majesty's Government hope that the meeting may, if possible, take place in London on or about March 15th next.

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[51] *Foreign Relations*, 1944, vol. I, p. 1389.
[52] *Ibid.*, p. 1409.
[53] Director of War Department's War Crimes Office.

4. His Majesty's Government consider that the proposed discussions could profitably include such matters as the trials of war criminals, the suggested International Criminal Court, the proposed mixed military tribunals, and the procedure to be adopted for dealing with lists of war criminals produced by the Commission.

5. As regards other matters concerning the pre-surrender period in Western Europe, these appear for the most part to be covered in practice by action taken by the Supreme Headquarters of the Allied Expeditionary Forces and by Allied Force Headquarters, by the draft directive which it is hoped the Combined Chiefs of Staff will issue very shortly,[54] and by the existing liaison arrangements between S.H.A.E.F.[55] and A.F.H.Q.[56] and between other competent Allied authorities. There seem few other questions relating to this period which require discussions between the United States and the United Kingdom, but no doubt such questions as the establishment of a channel for exchange, between the United Kingdom and the United States, of information on war crimes and war criminals could also be considered advantageously at such a meeting.

6. There is, however, one outstanding question, namely, whether the Governments of the United States and of the United Kingdom should try to establish some form of liaison with the Government of the Soviet Union in the pre-surrender period for:

(*a*) the mutual collection and exchange of information about war crimes; and
(*b*) the apprehension, and possibly the exchange, of war criminals whose custody is desired by either side.

A case in point under (*a*) is the over-running by Soviet forces of Stalag Luft III at Sagan where fifty British and Allied air force officers were murdered by the Germans in March of 1944. The principal difficulty in connection with such arrangements is the manner in which the other Allies would be brought into any such liaison arrangements. The Government of the Soviet Union might feel disinclined to participate in a wide arrangement embracing a number of the Allies, but, on the other hand, if the United Kingdom and United States were to make arrangements with the Government of the Soviet Union on their own account alone, the other Allies who, as stated below, have suffered very severely in the matter of war crimes, might be offended. This matter is being urgently considered in the United Kingdom and Lord Halifax hopes to send to Mr. Grew shortly some proposals in this regard. This matter could also be discussed

[54] For text of this draft directive, issued on June 26, 1945, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. I, p. 580.
[55] Supreme Headquarters Allied Expeditionary Force.
[56] Allied Force Headquarters.

further by the representatives of the United States and the United Kingdom at the proposed meeting in London.

7. Some thought has been given to the advisability of inviting representatives of the French Provisional Government and the Soviet Government to participate in the proposed discussions in London, but His Majesty's Government see some difficulty in inviting the French Government to participate without giving other Allies an opportunity also to take part. A number of such other Allies have, in the view of His Majesty's Government, suffered in proportion, at least as heavily, if not more heavily, than have the French, from the atrocities committed by war criminals, and it might provoke great resentment among them if they were excluded, in favour of the French alone, from conversations on proposals emanating from the United Nations War Crimes Commission. His Majesty's Government also feel that at the present stage the Government of the Soviet Union would be unlikely to accept any invitation to take part in talks at a technical level on war criminals and therefore no invitation is, at the present time, being issued to that Government to participate in the discussions. His Majesty's Government are of the opinion that if it is decided to try to establish such liaison and mutual assistance with the Soviet Union, as is mentioned in paragraph 6 above, the matter would best be taken up through ordinary diplomatic channels and that there is no need for special discussion with the Soviet Union about it. Therefore the invitation to the proposed discussions is being limited to the Government of the United States. If it appeared that the Government of the Soviet Union or the French Government could assist at any stage in the discussions, appropriate representatives of such Governments could, of course, be consulted separately.

8. The Government of the Soviet Union have asked that the requirements concerning the handing over of war criminals should be discussed by the European Advisory Commission and His Majesty's Government are preparing a draft directive [57] which it is hoped will shortly be discussed by the Commission. It is understood that United States authorities are also at work on a similar draft directive.[58] The discussions at the European Advisory Commission on these two directives will enable the United States Government, His Majesty's Government, the French Government and the Government of the Soviet Union to state their views on all matters relating to war criminals and arising in the post-surrender period, except possibly the question

[57] This was draft directive EAC (45) 42 of April 20, 1945, entitled "Inclusion of Provision for the Surrender of War Criminals in the Proposed Allied Declaration", not printed.

[58] For text of the EAC draft directive on United Nations' renegades and quislings and the changes recommended by SWNNC, see *Conference of Berlin (Potsdam)*, vol. II, p. 422, footnote 6.

of the form of trials and such matters as the proposed International Criminal Court and the proposed mixed military tribunals.

9. The question of major war criminals was, as Mr. Grew will be aware, touched upon at the Crimean Conference and has been referred to the three Foreign Secretaries for further consideration.[59]

10. In these circumstances, it does not seem possible to discuss at the present stage any post-surrender matters relating to war criminals with the Government of the Soviet Union other than the discussions which will take place in the European Advisory Commission.

11. Lord Halifax will be glad to be informed, as soon as is conveniently possible, whether Mr. Hackworth, General Weir and other representatives of the United States Government will be able to visit London on or about March 15, 1945, for the purpose of the discussions above described.[60]

WASHINGTON, 6 March 1945.

740.00116 E.W./3–2245

Memorandum by the Acting Secretary of State to President Roosevelt

[WASHINGTON,] March 17, 1945.

The British are urging a meeting in London between officials of this Department, the War Department, and the British Government [61] in an effort to iron out a number of questions relating to war crimes.

On February 14 Acting Secretary Grew sent a letter to Joe Davies [62] in New York expressing the hope that he would be able promptly to make his contemplated trip on this same subject. The next morning a letter was received from him, which crossed Mr. Grew's in the mail, stating that he would be tied up for several weeks on account of illness.

A general program for the handling of war crimes was the subject of conferences between officials of this Department, the War Department, the Attorney General, and Judge Rosenman prior to your departure for Yalta.[63] Their recommendations were, I think, laid before you. The proposals contemplated the setting up of an international tribunal for the purpose of trying the principal German leaders and their associates for joint participation in a broad criminal enterprise and laying the foundation for subsequent trials of members of the Gestapo, SS, etc., on charges of complicity in the basic criminal plan.

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[59] See *Conferences at Malta and Yalta*, p. 938.

[60] In his reply of March 30, Mr. Hull informed Lord Halifax, "that Judge Samuel I. Rosenman, special counsel to the President, who is now in Europe, has been charged with the responsibility of discussing with British officials in London the questions raised in the Ambassador's note. He will be joined by Brigadier General Weir and Colonel R. Ammi Cutter of the War Department . . . Mr. Hackworth will be unable to go to London . . ." (740.00116 EW/3–645)

[61] See *supra*.

[62] Joseph E. Davies, Chairman of the President's War Relief Board.

[63] See *Conferences at Malta and Yalta*, pp. 402–413.

They also contemplated the trial of individuals for individual atrocities. The subsequent trials would take place before occupation or other appropriate tribunals. I understand this plan was not discussed at Yalta.[64]

In as much as the war crimes program is more or less bogged down and in as much as we have assured the public that we have definite plans in mind, we should take prompt steps to get things moving in the right direction.

Judge Rosenman is well informed on the subject. I suggest that you authorize the Department to have him look into the whole situation in London and discuss the proposed plan and other current questions relating to war crimes with the British officials.

I also suggest that the Department be authorized to ascertain whether the Secretary of War may not desire to have someone from his Department join Judge Rosenman in the discussion.

May I have your approval.[65]

DEAN ACHESON

740.00116 EW/3–2745

Memorandum by the Legal Adviser (Hackworth) to the Assistant Secretary of State (Acheson)

[WASHINGTON,] March 27, 1945.

MR. ACHESON: As you may know, hearings have been going on before the House Committee on Foreign Affairs on the Joint Resolution introduced by Mr. Celler requesting the President to appoint a commission "to cooperate with the United Nations War Crimes Commission, or any other agency or agencies of the United Nations in the preparation of definite plans for the punishment of war criminals of the Axis countries" (H.J. Res. 93).[66]

In his statement before the Committee which is set forth in the Appendix to the Congressional Record for March 22, 1945 (p. A1480) Mr. Celler said:

"Right under our noses there seem to be numerous agencies set up to meet the problem of war criminals. The Navy Department has

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[64] At Yalta the question of war criminals was dealt with in par. VI of the Protocol of Proceedings, signed by Messrs. Stettinius, Molotov, and Eden on February 11, 1945. "The Conference agreed that the question of the major war criminals should be the subject of enquiry by the three Foreign Secretaries for report in due course after the close of the Conference." (*Conferences at Malta and Yalta*, p. 979.)

[65] On the microfilm copy of this document from Hyde Park, the following marginal note appears, "D.A. ok F.D.R." By telegram 2294 of March 24, Judge Samuel I. Rosenman, Special Counsel to the President, was informed of the President's decision and told that two officials from the War Department would join him in London with copies of the proposed plan (740.00116 EW/3–2445).

[66] Hearings before the Committee on Foreign Affairs, House of Representatives, 79th Cong., 1st sess. (Washington, Government Printing Office, 1945).

its Division of War Crimes under Admiral Gatch; the Army, under General Weir, has its Division of War Crimes, as has the State Department. What do we know about them? Is there any coordination among them? Are they, and to what extent, working in conjunction with the United Nations War Crimes Commission, now operating in London, or are they proceeding independently? Congress and the people are kept in the dark. Should Congress and the people continue in ignorance?"

After quoting from Mr. Grew's statement to the press on February 11 [*1*],[67] Mr. Celler said:

"Unless Congress takes a hand in the proceedings, the purpose of Mr. Grew's statement will evaporate in an atmosphere of apathy, indifference, and back-stage maneuvering."

With reference to the Commission proposed in his Joint Resolution, Mr. Celler said:

"The proposed commission can be composed of some of the members of this committee or in combination with other congressional committees to work in coordination with the United Nations War Crimes Commission, to keep abreast of its work, to keep the Congress informed and through the Congress the people. Remember the punishment of war criminals is inextricably interwoven with the peace."

We are informed by an officer of the War Department who has been attending the hearings that amendments will be proposed to the original resolution as introduced and that apparently there is much sentiment in favor of establishing some sort of a Congressional committee to keep itself informed on the war crimes situation insofar as security regulations permit.

The existence of such a Congressional committee might of course be highly embarrassing, since it would desire publicity and since planning for the execution of war crimes policies involves confidential negotiations with other governments.

Contrary to the Committee's belief that nothing has been done, the truth is that the matter has received active consideration by officials of the War Department, the Justice Department, the Department of State, and Judge Rosenman from the White House. They submitted certain proposals to the President who recently approved our requesting Judge Rosenman to discuss with the British Foreign Office these proposals and various questions which the British have invited us to discuss with them. He will be joined in London by two officers from the War Department. The discussions will be highly confidential since other countries, notably the Soviet Union and France, have not been invited to participate.

A committee to keep Congress informed would undoubtedly give rise to difficulties in this and other countries.

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[67] For text, see Department of State *Bulletin*, February 4, 1965, p. 154.

It is hoped the discussion in London will result in understandings which can, without too great delay, be made public. These understandings, if our views prevail, will be broad in scope and will reveal the active and constructive steps looking to the prosecution of war criminals which can be put into execution as soon as the military situation makes it feasible to proceed.

It is to be borne in mind that the War Department and we think the Navy Department do not desire to begin actual prosecution while so many of our men are in enemy hands. They fear reprisals. It is also to be borne in mind that what Mr. Celler's resolution has in mind would be wholly inconsistent with what the military people think should be our policy as regards publicity.

The war crimes program is not a unilateral understanding. It must be worked out with other governments. One difficulty lies in the fact that people do not understand the functions of the United Nations War Crimes Commission which are limited to investigation and to the making of recommendations to the governments.

The trouble in Congress appears to be traceable to the statements made by Mr. Pell.

Do you not think that the situation should be discussed with certain leaders of the House with a view to discouraging the creation of such a committee?

GREEN H. HACKWORTH

740.00116 E.W./4–745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 7, 1945—9 p. m.
[Received 9:05 p. m.]

3564. For Hackworth from Rosenman. Please repeat to Secretary of War Stimson and Attorney General Biddle.

War crimes discussions have been proceeding with Lord Chancellor,[68] the Attorney General (Sir Donald Somervell) and the Judge Advocate General (McGeagh). General agreement has been tentatively reached that

(1) the United Nations War Crimes Commission plan for a grandiose international criminal court created by treaty is not practicable but some non-treaty tribunal must be provided and announced before any rejection of the War Crimes Commission proposal;

(2) that individual offenders will so far as practicable be returned to the scenes of their crimes for trial in accordance with the Moscow Declaration;[69]

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[68] Viscount John Allsebrook Simon.

[69] Anglo-Soviet-American communiqué, November 1, 1943, *Foreign Relations*, 1943, vol. I, p. 755.

(3) that trials of other offenders will be before military courts, such courts being mixed military tribunals of two or more Allies where for some legal or political reason a mixed tribunal is preferred by the Ally having primary jurisdiction.

Discussions are still proceeding on the problems of (*a*) the major war criminal and (*b*) the "common enterprise" approach outlined in memorandum of Secretaries Stettinius and Stimson and Attorney General, dated 22 January 1945.[70] The Lord Chancellor and the Attorney General seem inclined to accept the general principles of the "common enterprise" theory (much in accordance with the substance of the 22 January memorandum which, of course, has not been shown to them). With respect to the six or seven principal Nazi leaders, the Lord Chancellor represents that there is substantial British support for a wholly political disposition of these leaders, possibly without any hearing whatsoever. The Lord Chancellor, however, suggests a middle or compromise ground of approach which is described by him in a letter of 6 April [71] paraphrased in part at the end of this cable.

A copy of this letter is being sent by courier to you and to Mr. McCloy [72] at SHAEF. He will be here next week. I would be interested in having at the earliest possible moment any comments you, Secretary Stimson or Attorney General Biddle may have.[73]

Personally I feel that much is to be said for the Lord Chancellor's suggestion for a separate method of dealing with the top six or seven Nazi leaders. I would approve it if we can get British acceptance of the common enterprise proposal along lines of 22 January memorandum and subject to the following three comments

(1) the court to try the six or seven leaders should be military;
(2) the court should pass sentence and determine punishment, possibly subject to approval by the four major governments through the Control Council for Germany;
(3) the document of arraignment must have such adequate and reasonable documentation that oral testimony will be unnecessary to prove the accused guilty.

Because of the risk to Allied nationals in German hands, complete secrecy is desired. The British representatives will promptly explore the matters outlined above with the War Cabinet. Question of best

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[70] Printed in *Report of Robert H. Jackson, United States Representative to the International Conference on Military Trials, London, 1945* (Washington, 1949), p. 3.

[71] This letter, together with a letter from Mr. Rosenman to Lord Simon of April 6, and a memorandum of Mr. Rosenman's of the same date, were enclosed in a letter from Mr. D. Sommers to Mr. Hackworth of April 10, none printed.

[72] John J. McCloy, Assistant Secretary of War.

[73] In telegram 2824 of April 11, Rosenman was informed that Mr. Stimson was out of town and Mr. Biddle not prepared to give his views at the moment. The Department was "therefore under the necessity of suggesting that you defer for the time being presentation of your counter proposals regarding the top leaders . . .". (740.00116 EW/4–745)

method and appropriate time of approaching Russians and French is being further explored.

Follows abbreviated paraphrase of parts of Lord Simon's letter:

I send you an outline of a method of dealing with Hitler, Mussolini and other arch criminals, designed to furnish an appropriate mode of dealing with them in a way which avoids summary execution without trial, on the one hand, and a long drawn out state trial with endless witnesses to be cross-examined on the other.

The Allies would draw up a "document of arraignment" in somewhat general terms and an inter-Allied judicial tribunal (possibly including some members not professional judges) would report upon the truth of this arraignment after Hitler and company had been given the opportunity to challenge before the tribunal the truth of its contents, the opportunity of being heard, and, of producing documents and witnesses. The function of the court would be to report to the Allies whether the arraignment or any part of it had been disproved. The Allies themselves (as the Moscow Declaration announced) would then determine the punishment.

Strongly I feel that no judicial tribunal can have the responsibility of the sentence, but that is different from saying that a special tribunal could not say impartially and judicially whether the arraignment is disproved. If the sentence is left to judges they must, of course, act on their own judgment without executive prompting. This is the Anglo-American tradition. I would never consent or allow British judges to carry out the orders of any combination of Governments. My plan puts the ultimate responsibility of deciding about Hitler and company upon the Allies themselves. This must be so for the ultimate fate of Hitler may influence world history for years. By calling on Hitler and company to disprove, if they can, a carefully drawn arraignment, the substance of trial before sentence will be secured.

The document of arraignment would set forth the real offense which the world feels these major criminals have committed, that is the Nazi policy of world conquest and the methods employed to achieve it. Mussolini's share would also be alleged. One count would be the treatment of Jews in Germany and elsewhere. The arraignment would be supported by the principal documents, e.g. *Mein Kampf*, or passages of Hitler's speeches, but the whole point would be that these men would be arraigned by broad descriptions of what they have done (as the whole world knows) and that they would be left to meet this arraignment, or any part of it, if they could.

The following considerations strongly support this plan in my view:

(*a*) Trial would not be for "war crimes" in the technical sense and no discussion would take place as to whether what was charged was a crime by any law. The issue would be, can Hitler prove to an impartial court that the facts alleged are untrue.

(*b*) The plan would include the Nazi infamies such as the attempted annihilation of the Jews. Hitler could not say that international law does not forbid a ruler to maltreat his own subjects.

(*c*) If Hitler and company deny the jurisdiction of the court and refuse to take any part, they will have been charged with

facts known to the world as true. The fact that an impartial tribunal was prepared to hear him would justify any sentence to history.

(*d*) If he challenges the arraignment in an interminable speech, this will not in the end affect approval of this judicial pronouncement. To deal with the man judicially you must offer to hear what he has to say, so far as it is relevant.

(*e*) History may be distorted, and it would be helpful to have the Foreign Offices of the principal Allies and others prepare a document with considerable, but not excessive, documentation, making a record for all time of the grounds upon which we dealt with the man.

I have been much impressed by the word I have received of Mr. Stimson's strong feeling that there should be a judicial proceeding before execution. However, I have been worried by the prospect of a long trial in which all sorts of things were discussed, legal or historical—leading to controversy and debate in the world at large, with unpredictable reaction. I regard it as the first condition for the success in this most difficult matter that there should be agreement between your Government and ours.

In sending this description of the plan, I do not write with authority of the War Cabinet, though the Government members with whom I have talked view with favor the suggestion.

The number of individuals dealt with under this plan would be quite limited; only those the public knows as principal leaders. Concerning the intermediate class of chiefs and members of the Gestapo and the SS, I appreciate the value of your suggestion based on an allegation of conspiracy in a common criminal endeavor. I will study the document which sets out this scheme in more detail.

(End of paraphrase.)

[Rosenman]
WINANT

500.CC/5–345

Memorandum of Conversation, Held in San Francisco May 3, 1945

PRESENT

AMERICAN	BRITISH	RUSSIAN
Mr. Stettinius	Mr. Eden[74]	Mr. Molotov[75]
Judge Rosenman	Sir Wm. Malkin	Ambassador Gromyko
Ambassador Harriman	Sir A. Cadogan	Mr. Sobolev
Mr. McCloy		Mr. Pavlov
Mr. Dunn		Mr. Golunsky
Col. Cutter		
Mr. Wechsler		
Mr. Bohlen		
Mr. Yost		
Mr. Noyes		

[74] Anthony Eden, British Secretary of State for Foreign Affairs, Chairman of the British Delegation at the San Francisco Conference.

[75] Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union, Chairman of the Soviet Delegation at the San Francisco Conference.

1. The Secretary stated that the U.S. policy on War Criminals had been established and that the President had just recently appointed Mr. Jackson, Justice of the U.S. Supreme Court as the U.S. representative to take charge of the prosecution of the trials of War Criminals. He said that the President had asked Judge Rosenman to come to San Francisco to take this matter up with the representatives of the four major powers involved in the European war. This meeting had been called for this purpose. The Secretary asked whether it would be appropriate to have Bidault, the French Foreign Minister at this meeting or whether he should be asked to another meeting later today or tomorrow. It was agreed that Bidault could not reach the meeting in time to participate in the discussion, and that it might be possible for the foreign secretaries to leave these matters in the hands of technical representatives with whom the French representative could associate himself.

2. Judge Rosenman stated that he had been sent here by the President to place the U.S. proposals for the treatment of war criminals before the Foreign Ministers of the United Kingdom, U.S.S.R., and France who with the United States were the four powers represented on the Control Council for Germany. He realized that this question was not germane to the business of the San Francisco Conference and that he had been sent here merely because of the opportunity which was presented while the four Foreign Ministers were here. He realized that this was not an official meeting of the Foreign Ministers. He stated that the U.S. Government had reached a decision in regard to the plans of the Treatment of War Criminals and also with regard to the organization to handle these matters. In the Moscow Declaration, it was stated that war criminals would be returned for trial to the country in which his crime was committed. The Declaration had also mentioned that in the case of crimes which had no geographical location, the proper procedure would be left for further discussion with the Allies. The U.S. is very much interested in settling these matters and feels that an agreement must be reached promptly.

3. Judge Rosenman summarized the American proposal as follows: We believe that there should be organized an international military tribunal rather than a civilian tribunal. This court should consist of one representative of each of the four powers represented on the Control Council for Germany. There should also be organized immediately a committee of one representative of each of the four powers to start collecting evidence and preparing for the trials to come. It was our thought that the representatives on this committee would act in the capacity of council to try the cases before the international military tribunal. The President had already appointed Justice Jackson for this purpose.

4. Judge Rosenman said there were several categories of criminals concerned:

(*a*) there were the top Nazis. We had formerly considered these to be Hitler, Goering, Goebbels, Mussolini, and two or three others. It now looked as though we might not have to concern ourselves with these men.

(*b*) there were also the criminals which were going to be returned to the country where their crimes had been committed.

(*c*) there were others whose crimes were not geographically located.

(*d*) there would be numerous others who had committed crimes but could not be proven because of the fact that the witnesses were dead or there was no evidence still in existence. He gave, for example, the case of Gestapo and SS troops who had undoubtedly committed crimes but we would not be able to prove them.

(*e*) It was the U.S. belief that these crimes must be sought out and punished, not only to punish the guilty for its moral value but also because these men would certainly provide the nucleus of a future Nazi party and would lead any future uprising.

5. Judge Rosenman stated that we had a plan which we felt would solve this difficulty. We proposed to place on trial the Nazi organizations themselves rather than the individuals and to convict them and all their members of engaging in a criminal conspiracy to control the world, to persecute minorities, to break treaties, to invade other nations and to commit crimes. We are convinced we can convict these organizations of these crimes. Once having proved the organizations to be guilty, each person who had joined the organization voluntarily would *ipso facto* be guilty of a war crime. While we do not necessarily want to put all the guilty persons to death, we would definitely want to sentence them at least to hard labor to rehabilitate the countries which the Germans had despoiled.

6. Judge Rosenman stated that we had prepared a memorandum on our views to be submitted to the four powers.[76] The Russian translation had been made which, however, should be checked. He handed copies of these memoranda to all present. Judge Rosenman stated that we had also prepared a draft memorandum of agreement [77] which he desired to present to the other Governments as a basis for discussion with the four powers. He also handed out copies of these.

7. The Secretary stated that before we proceeded further, he wanted to settle the matter of bringing the French into these discussions. Mr. Molotov and Mr. Eden stated that they had no objection to bringing the French in. Since it was impossible to bring Bidault into this meeting, the Secretary suggested that he was seeing him at 5 p. m. this afternoon and asked whether it would be all right for him to inform him of all that had taken place at this meeting and to ask him

[76] For text, see *Report of Robert H. Jackson*, pp. 28–38.
[77] *Ibid.*, p. 23.

to appoint a French representative who could meet with our experts. This was agreed.

8. Mr. Eden stated that his colleagues in London had been considering this matter of war crimes for some time. Their position was that the major war criminals, the top 7 or 8 Nazis, should not be tried by judicial procedures. Their position had, however, recently changed greatly due to the fact that many of these top Nazis had already been killed and no doubt many more would be killed within the next few days. The War Cabinet still saw objections to a formal state trial of war criminals for the most notorious Nazis whose crimes had no geographic location. If, however, their two great Allies definitely wanted a judicial trial of such men, the British were willing to bow to them in the matter. They would, however, like to review the proposed procedure. The War Cabinet favored the proposed procedure as outlined by Judge Rosenman for a criminal conspiracy to convict members of the Gestapo and other similar Nazi organizations. They would like to review the proposals in detail. He stated that the British understood that the normal military courts of the four Allies would be used to take care of the ordinary war crimes committed inside Germany. This would take care of a large number of cases. There would also be a large number of cases of criminals who would be returned to the country where their crimes were committed. He felt that the smaller the number of people who were dealt with by a formal state trial, the better.

9. Mr. Molotov stated that he felt Judge Rosenman had made proposals on a matter of great importance and that we should pay great attention to them. He reserved the right to express the views of his Government on the documents which had been submitted, stating that it was difficult to make any comment on such short notice. He asked for time to study the documents and thought that after they had done so, it might be appropriate to have the experts discuss the questions.

10. The Secretary stated that the proposals Judge Rosenman had made had the full support of the American Government and suggested that the three Governments appoint representatives to meet as soon as possible to discuss these matters on a technical level. When they had reached the point where other Foreign Ministers meetings would be useful they could be called. Mr. Molotov appointed Mr. Golunsky and Mr. Arutiunian [78] to represent him. Mr. Eden appointed Sir Wm. Malkin to represent him, and the Secretary appointed Judge Rosenman and Mr. Hackworth to represent the U.S. (Mr. Dunn to take Mr. Hackworth's place if the latter did not get well in time). He said he would tell Bidault of this meeting and would advise the others later of the name of the French representative.

[78] A. A. Arutiunian, adviser to the Soviet Delegation at the San Francisco Conference.

740.00116 EW/5–1545

Judge Samuel I. Rosenman, Special Counsel to President Truman, to the Acting Secretary of State

WASHINGTON, May 15, 1945.

DEAR MR. GREW: As you know, I participated with Mr. Stettinius in San Francisco in the presentation to the British, the Russians and the French of proposals with respect to the prosecution of the German war criminals. Each of the participating representatives has referred our proposals to his own capital for instructions. Though the urgency of the matter appeared to be appreciated by all, some delay must necessarily be anticipated before an agreement is reached on all the points that are involved.

One of the elements in our proposal is that each of the four nations designate a representative to act as its chief of counsel in the preparation and presentation of charges. Mr. Justice Jackson is already at work on our behalf. In many respects, the preparation of the charges is the most difficult part of the task, calling as it does for the examination of all the evidence that has been collected and the adoption of measures to obtain such further evidence as may be necessary for the purpose.

It would greatly facilitate the advancement of the enterprise if the other nations involved would follow the example of the President in designating Justice Jackson by promptly appointing a representative with responsibility comparable to Justice Jackson's for the preparation of the cases. It would thus be possible for the four chiefs of counsel to undertake immediately the consultation and organization that will be necessary if cooperative action is to be achieved, as contemplated in the Moscow Declaration and as the present proposals of the United States explicitly provide.

I therefore suggest that a note be transmitted to the British, the Russians and the French calling attention to our proposals already submitted to their representatives at San Francisco by me, and stressing the urgency of getting the preparatory work under way at the earliest possible time. The note should advert to the President's appointment of Justice Jackson to represent the United States in this endeavor and suggest the desirability of similar designations by each of the other nations involved.[79]

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[79] An instruction along the lines suggested by Rosenman was sent to the American Embassies in London (No. 4014), Moscow (No. 1114), and Paris (No. 2217), on May 21. It suggested that the respective governments send representatives to Washington to proceed with the negotiations. (740.00116 EW/5–2145) In his reply, telegram 5143 of May 23, Ambassador Winant reported that the Foreign Office agreed that the matter was urgent and suggested that the proposed negotiations could be carried out in London more expeditiously (740.00116 EW/5–2345).

This suggestion was approved by Mr. Stettinius with whom I discussed it in San Francisco. For your information, I attach a copy of the Executive Order appointing Justice Jackson and also of the draft agreement submitted in San Francisco. The designation of representatives is provided for in Article 22 of this draft.[80]

With kindest personal regards,

Very sincerely, SAMUEL I. ROSENMAN

740.00116 E.W./5–2645

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)[81]

WASHINGTON, June 7, 1945—7 p. m.

1252. Deptel 1157, May 26.[82] Please address communication to Fon-Off along following lines.

This Govt is advised that Brit Govt has designated Sir David Maxwell Fyfe, Attorney General, to join with Justice Jackson and French and Soviet representatives in preparing and prosecuting charges against certain war criminals. It is also informed that French Govt will make similar appointment shortly. Except for fact that Brit and French Govts have indicated that they accept in principle the US proposals submitted by Judge Rosenman to Brit, French and Soviet representatives in San Francisco, agreement on terms of draft protocol to govern trials has not yet been reached between the four Govts, as it particularly concerns conduct of trials.[83] The US Govt therefore suggests that the Soviet Govt immediately appoint a prosecutor to meet with Justice Jackson and Sir David Maxwell Fyfe and any prosecutor French Govt may name at earliest possible date, together with any other representative whom Soviet Govt may desire to appoint to complete negotiations on draft protocol. It is suggested that such meeting take place in London. US Govt understands that an invitation for such meeting from the Brit Govt[84] will be issued at once if acceptable to the French and Soviet Govts.

GREW

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[80] Not printed.

[81] A similar instruction was sent to Paris on the same day as telegram 2605.

[82] Not printed. It stated that Justice Jackson would remain as United States representative and chief of counsel and informed Ambassador Harriman that consideration was being given to having the negotiations take place in London rather than in Washington (740.00116 EW/5–2445). This conference of representatives of the United States, the United Kingdom, France, and the Soviet Union, to chart a common course of action regarding the trial of major war criminals of the European Axis, met in London June 26 to August 8, 1945.

[83] For the American position on the conduct of the trials and related matter, see the "Report to the President by Mr. Justice Jackson, June 6, 1945" in the *Report of Justice Jackson*, pp. 42–54.

[84] This suggestion was contained in an *aide-mémoire* from the British Embassy to the Department of State, June 3, *ibid.*, p. 41.

740.00116 EW/7–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, July 4, 1945—5 p. m.
[Received July 4—3 : 50 p. m.]

6729. From Justice Jackson. Your cable 5383, July 3.[85] Negotiations of agreement trial principal war criminals progressing slowly due difficulty Russian understanding our system of law and our difficulty comprehending theirs. British and French in substantial agreement with us. Russians, however, present complete counterproposal of dozen typed pages.[86] On its face their proposal rejects substance of ours and substitutes many trials by Russian procedures largely in Russian-controlled territory and after surrender of our prisoners to tribunals instead one main trial at Nuremberg as suggested by Clay.[87] Some difficulties have disappeared on negotiation after Russians understand our proposal. Today we reached stage of referring all to subcommittee for drafting.[88]

Deep difference in legal philosophy and attitude, however, is difficult to reconcile and even after words are agreed upon we find them understood to mean different things. We insist on trial by methods acceptable our people as fair but are trying to adopt enough of their proposals to result in a Four Power agreement. Too early to be sure we will get it but by no means hopeless to do so.

Unless we can get substance of our proposal shall want further instruction. Only alternative then will be to agree on general principles as to substantive law governing crimes and to let each set up own tribunals and try own prisoners by its own system of procedure. This would be easier for me and faster. But think desirable give example unity on crime problem if possible.

Am rather appalled at thought of Big Three trying to discuss subject so technical and involved and one where details so important. Mr. Dean of British Foreign Office explains British suggestions[89] as not intending detailed discussion but rather as intended to allay Russian suspicion that prosecution is being evaded.

If Big Three undertake discussion seems important that I review matter in some detail President and you because important differences lurk in small phrases. Also problem complicated by Russian in-

[85] Not printed.

[86] With regard to these negotiations and the Russian counterproposals, see *Report of Justice Jackson*, pp. 69–154.

[87] Lt. Gen. Lucius D. Clay, United States Army, Deputy Military Governor, United States Zone in Germany.

[88] See *Report of Justice Jackson*, pp. 155–163.

[89] This is apparently a reference to Ambassador Halifax' suggestion of June 29 (printed in *Conference of Berlin (Potsdam)*, vol. I, p. 198), that the subject "War Criminals" be put on the agenda of the Potsdam Conference.

sistence that we incorporate agreement concerning turnover of prisoners wanted in other countries for trial. I have taken position all except international cases are beyond terms of my authority and except to advise my own Govt whether we have objections in any case, the question of surrender prisoners is not before us. This is likely to become very delicate problem as demands probable for surrender persons who are not war criminals but politically objectionable. You will need to decide what terms to impose and what showing will be required of criminality. As suggested cable to Grew re Czechoslovakian demand for turn-over of Frank a uniform policy needed as to all prisoners and demands from all countries.[90] Glad help on this any way experience thought useful and to receive instructions if I have construed my authority too narrowly.

Have kept Rosenman informed. Have consulted Clay on details concerning trial and matter affecting control commission work. Can cable to you whole Russian proposal if desired but in view the necessity to know interpretation in order understand it have not thought useful. [Jackson.]

WINANT

[On August 8, 1945, representatives of the United States, Great Britain, France, and the Soviet Union signed an agreement in London for the prosecution and punishment of the major war criminals of the European Axis. For text, see Department of State Executive Agreement Series No. 472, or 59 Stat. (pt. 2) 1544.]

740.00116 EW/9–1145 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant) [91]

WASHINGTON, September 11, 1945.

7828. The President will announce tomorrow morning, September 12th, the appointment of Francis Biddle of Philadelphia as United

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[90] In a note of May 31, to the Department of State, the Ambassador of Czechoslovakia asked that Karl Hermann Frank, former State Secretary of the Reich Protectorate of Bohemia and Moravia, then in the custody of Allied military authorities, be turned over to the Government of Czechoslovakia for trial as a war criminal (740.00116 EW/5–3145). On July 25, Mr. Francis T. Williamson of the Division of Central European Affairs informed the Czech Ambassador that the Acting Secretary had asked the Secretary of War to release Frank and hand him over to Czech officials in accordance with procedures previously agreed upon (740.00116 EW/7–2545). In a letter to the Secretary of State of July 30, the Secretary of War stated that the War Department was taking the necessary steps to arrange for the prompt delivery of Frank to the Czechoslovak Government (740.00116EW/7–3045). Frank was handed over to the Czechoslovak Government by American authorities on August 7.

[91] The same, *mutatis mutandis*, to Paris and Moscow, September 11, as telegrams 4282 and 1993, respectively.

States Judge on the International Military Tribunal to be established for the trial and punishment of major war criminals of the European Axis, and Judge John J. Parker, of Charlotte, North Carolina, as alternate. It is of course well known that Mr. Biddle recently retired as Attorney General. Judge Parker is the senior judge of the United States Circuit Court of Appeals for the Fourth Circuit.

Please promptly notify the Foreign Office of these appointments and express the hope that the British Government will find it possible to appoint its judge and alternate in the very near future in order that there may be no unnecessary delay in establishing the Tribunal.

ACHESON

DISCUSSIONS CONCERNING GERMAN REPARATIONS AND RESTITUTION; WORK OF THE ALLIED COMMISSION ON REPARATIONS; ESTABLISHMENT OF THE INTER-ALLIED REPARATION AGENCY; EFFORTS TO ESTABLISH A LEVEL OF INDUSTRY FOR GERMANY [92]

740.00119 EAC/1–945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 9, 1945—midnight.
[Received January 10—12 : 18 a. m.]

312. Comea [93] 147. My 313, January 9, midnight.[94] At today's meeting of the European Advisory Commission, Strang,[95] supported by the French, pressed for early consideration of the British proposal for the establishment of a restitution commission (my 10368, November 24, 10 p. m. Comea 131 [96]). In line with Department's 10731 of December 27, 4 p. m.,[97] I gave no indication that we would be ready for early discussion of restitution and reparation.

WINANT

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[92] For related documentation, see pp. 369 ff. See also *Foreign Relations*, The Conferences at Malta and Yalta, 1945, entries in Index under Germany : Reparations, p. 1005.

[93] Series designation for telegrams from London dealing with affairs in the European Advisory Commission. Ambassador John G. Winant was U.S. representative on the Commission.

[94] *Infra.*

[95] Sir William Strang, United Kingdom representative on the European Advisory Commission.

[96] Not printed.

[97] *Foreign Relations*, 1944, vol. I, p. 426.

740.00119 EAC/1–945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 9, 1945—midnight.
[Received January 10—12 : 47 a. m.]

313. Comea 148. Under date of January 8 French delegation has submitted to the EAC a memorandum on restitution. Full text by air.[98]

Beginning of summary.

Memorandum begins by reference to United Nation's declaration of January 5, 1943,[99] and calls for determination of "a general economic policy towards Germany which will balance, for the better protection of Allied interests, the relation between economic activities maintained for purposes of reparation and activities which must disappear for security reasons, without prejudging the economic status of certain parts of German territory which may be subjected to a special regime".

Section 1 calls for restitution of identifiable objects; of "identical" objects when the original ones cannot be found; and of "equivalent" objects in the case of artistic and cultural objects, gold and precious metals. Section 2 calls for assigning to the despoiled states a priority upon German resources. Before there if [*is*] any general compensation for the Allies, the stolen goods, in the broadest sense of the term, should be restored to the invaded countries; this priority for the invaded countries would be limited automatically to the assets found in Germany upon surrender. Some deviation from this priority might be found necessary in order to meet German needs for transport and supply, but the distress of the victim should have precedence over that of the robber.

Section 3 proposes four principles of regulating transfer of German assets. (1) Assets subject to transfer would include factories and equipment, transport equipment, patents, processes of production and labor, skilled and unskilled. (2) The transfer will be rapid and will be limited only by the requirements of the forces of occupation. (3) German proprietors of transferred goods will be compensated in *Reichsmarks* placed at the disposal of the beneficiary Allied governments. (4) Unsatisfied balance of claims of despoiled nations will

[98] E.A.C. (45) 3, January 9, memorandum by the French Delegation to the European Advisory Commission, was transmitted by the Ambassador in the United Kingdom in his despatch 20329, January 11; neither printed. Corrigenda to the French memorandum were transmitted by the Ambassador in despatch 20374, January 15; neither printed.

[99] For text of the declaration regarding forced transfers of property in enemy-controlled territory, see *Foreign Relations*, 1943, vol. I, p. 443.

be regulated as part of the general problem of reparation for war damage.

Section 4 defines "spoliation" as covering (1) "the seizure, confiscation or requisitioning by the Germans of goods, rights and interests of any kind not recovered in the liberated territories", (2) "the 'purchase' by the Germans of goods, rights and interests of any kind, regardless of the manner of fictitious payment adopted by them (payment in national currency extorted from the occupied power, assignment to an unbalanced clearing account, et cetera)". This definition includes goods, rights and interests owned abroad by the United Nations or their nationals and seized by the Germans in whatever manner.

An inter-Allied office should be created to enforce these principles, charged with safeguarding stolen goods, receiving the requests of the Allied nations and taking action on them. Relations between it and the reparation, deliveries and restitution division under the Control Council for Germany would have to be defined. While waiting for each despoiled country to present a complete picture of damage suffered, the French delegation urges earliest possible agreement on the principle of restitution. *End of summary.*

WINANT

740.00119 EAC/1–1845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 18, 1945—9 p. m.
[Received January 19—7 : 02 a. m.]

648. Comea 153. The United Kingdom representative on the European Advisory Commission has circulated a memorandum amending the United Kingdom memorandum of November 21 on restitution,[1] transmitted in my despatch 19457 of November 24.[1a] The United Kingdom representative now feels that:

Three of the November 21 memorandum is too restrictive [2] inasmuch as many identifiable United Nations properties situated in enemy territory have not been placed or kept under custodianship.

The new memorandum proposes that the restitution commission should adjudicate such additional claims and proposes the following wording as a substitute for (1) in paragraph 7 of the November 21

[1] *Foreign Relations*, 1944, vol. II, p. 1048.
[1a] Not printed.
[2] This paragraph of the memorandum of November 21, 1944, had provided that United Nations property which had merely been placed under custodianship by the enemy authorities, who continued to respect the ultimate title to it, should be excluded from the purview of the Restitution Commission which the memorandum proposed be established (740.00119 EAC/11–2444).

memorandum (EAC) 44 (28): "To receive, consider and determine claims of the Governments of the United Nations, presented either on their own behalf or on behalf of their nationals, for the restitution of identifiable property (other than ships and inland transport units), which has been the subject of an act of dispossession by the enemy and was located either (*a*) in Germany, at the date of the outbreak of hostilities between Germany and the United Nation concerned, or (*b*) in the territory, from which it was subsequently removed, at the date of the German invasion of that territory. Only claims to property which has been recovered shall be adjudicated." Copies by air.[3] Please furnish paraphrase to General Hilldring and Strong.[4]

WINANT

740.00119 EAC/1–945 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 18, 1945—midnight.

418. Department has had under consideration the British proposal for a Restitution Commission, reference your despatch 19457, November 24, 1944,[5] and your 312, January 9, 1945 (Comea 147). Comments of Department are as follows:

(1) Although Department's 10731, December 27, 1944,[6] indicated discussion here with respect to reparation was not yet sufficiently advanced to permit statement of a position, no doubt was intended by the Department's 10731 to be cast upon the principle of restitution of identifiable looted property. It is agreed here that this principle should be supported, and you are authorized to indicate our adherence to that principle.

(2) On the other hand, the question of replacement, in so far as that term is more broadly construed than merely the replacement of looted and unrecoverable or destroyed works of art and similar unique objects,[7] is closely related to the general problem of reparation on which discussion is still going forward here. You should, therefore, with-

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[3] The full text of the memorandum by the United Kingdom representative which was circulated in the Commission as document E.A.C. (45) 5, January 17, was transmitted by the Ambassador in the United Kingdom in his despatch 20445, January 18; neither printed.

[4] Maj. Gen. John H. Hilldring, Director, Civil Affairs Division, War Department, and Maj. Gen. George V. Strong, Senior Army Representative on the Joint Post-War Committee, Joint Chiefs of Staff.

[5] Not printed; for emendations to the British proposal, see telegram 648, January 18, *supra*.

[6] *Foreign Relations*, 1944, vol. I, p. 426.

[7] For documentation relating to measures for the protection and salvage of artistic and historic monuments in the war areas, see vol. II, pp. 933 ff.

hold comment on any replacement proposals other than those limited to the class of unique cultural objects above outlined.

(3) The Department finds the British proposal for a Restitution Commission generally consistent with the restitution policy already forwarded to you in the document on reparation and restitution.[8] Department's comments on portions as to which it has doubt are as follows:

(*a*) It should be definitely provided that the Restitution Commission will be a sub-commission of whatever Reparation Commission is eventually set up. This should not require postponement of establishment of a Restitution Commission, since the two can be integrated at any time after the Reparation Commission is set up. See Paragraph 4 of the British proposal.[9]

(*b*) The British proposal (Paragraph 5) indicates that property should be restored to each interested government representing its nationals from whom property was looted. Department feels it preferable to establish a rule of return of looted property to the government having jurisdiction over the *situs* from which property was taken, in order that any controversies with respect to ownership, liens, etc. may be adjudicated in the place, and as nearly as possible under the circumstances, which would have been normal had the looting not taken place. For example, a share of stock belonging to an American national living in Paris would be returned to Paris rather than to Washington. The *status quo ante* looting would thus be restored as nearly as could be.

(*c*) Although the principle of restitution of all identifiable looted objects is endorsed, it is felt that in practice there may be considerable difficulty in extending restitution beyond such classes of property as works of art, securities, capital goods such as machinery, etc. Although the general principle of restitution should be applicable to such items as rolling stock also, it is agreed that special considerations may make it desirable to put these items under the jurisdiction of a separate organization. It may be desirable to point out that the Restitution Commission should concentrate on such objects as these, rather than attempt completely to restore all looted property of whatever description which may theoretically be identifiable and returnable. Other difficulties in the phrase "identifiable looted property" also are not discussed in the British document, as, for example, whether restitution will extend only to objects in existence prior to German occupation, what standard of identification should apply to mingled or improved looted objects, gold, and so forth. These problems might be handled either in the Restitution Commission's terms of reference,

[8] Presumably reference is to a memorandum approved by the Executive Committee on Economic Foreign Policy on August 4, 1944, entitled "Summary: Report on Reparation, Restitution, and Property Rights—Germany" (ECEFP D–37/44); for text, see *Foreign Relations*, 1944 vol. I, p. 287. For further elaboration of U.S. planning on establishment of a Restitution Commission, see *Conferences at Malta and Yalta*, p. 196.

[9] This paragraph of the British proposal indicated that the Restitution Commission could be readily "worked into" any potential Reparations Commission for Germany, but that "the differing character of its work would result in its remaining more or less an autonomous body." (740.00119 EAC/11–2444).

or by the Commission itself, but it should be pointed out that they exist and may prove a fertile ground for debate. With respect to definition of "looting", see sub-paragraph 3 (*e*) hereinafter.

(*d*) Although the rule of return of looted property to the situs from which the looting took place will probably dispose of many problems with respect to the jurisdiction of the Restitution Commission, it should be emphasized that the Department does not agree with Paragraph 6 of the British document, in so far as that paragraph indicates that the Commission should make final and binding determinations of ultimate rights as between the Allied Governments. It is entirely possible that there may be disputes between the Allied Governments with respect to tangible property and, even more likely, with respect to intangible ownership rights arising out of such property as securities. The attempt finally to adjudicate ultimate rights in a situation of this sort would make the Restitution Commission a center of controversy and it would seem that the Commission would better be able to fulfil its functions if it can merely return such property to the place from which it determines it has been looted, without going into the equitable rights between the Allied Governments concerned with respect to each other. Moreover, it is not clear that the British proposal excludes adjudication on such questions as the ultimate rights when securities (for example) of a Czech corporation, owned by a Frenchman, have been purchased by the Germans from the Frenchman with franc funds derived from the levy of occupation costs. It is not thought desirable that the Restitution Commission in such a case do anything more than return the securities to the place from which they were taken, without going into the question of the significance, in terms of legal consequences, of such a return.

(*e*) It will be noted that we are using the term "looting" broadly to include any transfers of the sort proscribed by the United Nations' Declaration of January 5, 1943 with respect to Axis acts of dispossession.

(4) Comment with respect to the French proposal on restitution, reference your 313, January 9, 1945 (Comea 148), will be contained in a later message. Preliminarily, it may be indicated that French proposal seems substantially more broad than would be our proposal with respect to restitution. The French proposal seems to call for replacement in a sense of reparation in kind from any assets found in Germany upon surrender. This is substantially broader than our principle of restitution of identifiable looted objects, together with replacement for strictly limited classes of unique objects, such as works of art. The Department believes that the French proposal can be favorably commented upon only to the extent of our restitution proposals as above outlined and that to the extent that it goes into broad questions of replacement or reparation in kind, comment should be deferred pending determination of the general reparation problem. Department is agreed on desirability of early agreement on the principle of restitution but prefers at this time that the principle be limited in the manner above stated.

STETTINIUS

740.00119 EAC/3–145 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, March 8, 1945—midnight.

1795. Reurtel 1783, February 21, 1 p. m. and 2107, March 1, 7 p. m. Comea 191.[10] It is not the understanding of the Department that it was decided at the Crimea Conference to include restitution along with reparation in the agenda of the Moscow discussions of compensation.

As the problem of restitution may become urgent with the capture of additional German territory, and as the Moscow Conference may not meet for some time, Department believes that the European Advisory Commission should continue to handle this subject provided that its agenda is such as to permit it to give prompt consideration to this problem.

Department is firmly convinced (1) that restitution should be confined to identifiable property (2) that the concept of replacement should be limited to works of art and similar objects as indicated in our telegram no. 418, of January 18 (3) that any restitution agency should be closely linked to whatever reparation body may be established. If in your opinion there is a strong probability that these principles will be accepted by the representatives of the other three governments it is suggested you take the first opportunity to propose that EAC deal with this question and that you press for early consideration.

GREW

740.00119 EW/3–1245 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, March 12, 1945—10 p. m.

571. On March 8 the French Ambassador left with the Acting Secretary a note [11] expressing the desire of his Government for French representation on the commission to be set up in Moscow, in accordance with one of the decisions taken at Yalta,[12] to deal with the problem of compensation for damage caused by Germany to the Allies. The note states that the British Government has already informed the French Government of its approval subject to American and Soviet concurrence.

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[10] Neither printed.
[11] Not printed.
[12] See *Conferences at Malta and Yalta*, p. 971.

The decision to invite France to be represented on the European Advisory Commission last November was based in part on the realization of France's vital interest in the solution of the German problem. In as much as reparation questions have been under discussion in the EAC, it would seem logical for France to be represented in the new organization to be set up to deal with that particular problem and this Government would be disposed to agree to French participation. We have not discussed this matter with the French or the British, however, and before replying to the French note, we would like to receive an indication of the views of the Soviet Government.

Please communicate the foregoing to the ForOf and request an early reply.

Repeated to Paris as 982 for information.

STETTINIUS

855.24/3–1445 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, March 14, 1945—midnight.
[Received March 16—1 p. m.]

755. I have received Department's telegram sent to Brussels and repeated to this Mission as 517, March 6, 9 p. m.[13] concerning exports from areas in Germany occupied by Allied forces, and I note the Department's view that more extensive exports of this nature should be undertaken only after consultation with the Russians.

I have no comment to make on this view and will await further instructions concerning such consultations, which will presumably fall within the sphere of activity of the preliminary reparations commission contemplated by the Crimea decisions. I feel I should make it clear, however, that until such discussions are held we have no indication that the Russians will be bound by any similar scruples, as far as their zone of occupation is concerned. All available evidence would indicate that they feel themselves free to take whatever they find there which they need, and that they are proceeding to do so. The Soviet press has indicated that German war plants in Soviet occupied areas are considered as booty and are already being adapted to production for Soviet needs. Experience in satellite countries, furthermore, has made it clear that lack of preliminary tripartite con-

[13] For text of telegram 159 to Brussels, see vol. IV, p. 92; it stated that United States approval had been given to the policy of delivering limited quantities of German goods to liberated areas in the case of commodities deemed essential to the economy of these areas. The question was soon to be taken up in the Combined Civil Affairs Committee.

sultations will not inhibit Russian commanders from removing to the Soviet Union such supplies, equipment, and even such human labor contingents, as they see fit.

HARRIMAN

740.00119 EW/3–1645

The British Embassy to the Department of State

AIDE-MÉMOIRE

His Majesty's Government is of the opinion that arguments in favour of French representation on the Reparations Commission to be established in Moscow are so strong that they feel justified in proposing that the question be reopened with the United States and with the Soviet Governments in spite of the disagreement on this subject at the Crimean Conference.[14]

The principal reasons that occur to His Majesty's Government are as follows:

(*a*) The French Government will have a zone of occupation in Germany and will be represented on the Allied Control Commission. They will thus be in the physical position to influence the execution of reparation policy and if confusion is to be avoided it will be essential that they should be associated from the start with the formulation of that policy. Any reparation policy that was not pursued on lines agreed by the occupying powers would be doomed to failure.

(*b*) If the French are excluded they will have what will seem to many countries a justifiable sense of grievance. This might assist them in taking the lead among the smaller European Powers and in organizing opposition to the decisions of the Great Powers. Such a development would have a serious effect on the ability of the Great Powers to organize Germany and Europe on lines which would avoid general friction.

(*c*) France has a peculiarly vital concern in policy towards Germany. Reparation is only a part of such policy but it looks very large in the eyes of the continent of Europe and is closely connected with many other aspects of the policy towards Germany which will require willing French co-operation.

(*d*) France is represented on the European Advisory Commission on whose agenda some of the questions connected with reparation already stand. She is thus entitled to raise these questions in the European Advisory Commission and can hardly be kept in ignorance of what is happening in the Moscow Commission.

These arguments seem to constitute an overwhelming case in favour of French participation in the Moscow Commission from the start. Problems being considered in the European Advisory Commission

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[14] For British proposal that France be included on the Allied Commission on Reparations at Moscow, see *Conferences at Malta and Yalta*, p. 874; for agreement to set up the Commission with three members, the Soviet Union, the United Kingdom, and the United States, see *ibid.*, p. 979.

and to be considered by the Moscow Commission are so interconnected that unless the parties concerned are the same nothing but confusion and delay can result. Whatever view is held on the contribution of France to the war or on her claims to reparation, such confusion and delay in settling these major issues are to be deplored on every ground and His Majesty's Government find it difficult to understand what advantage there can be in a policy which causes great administrative difficulty while increasing the alienation of the French Government. They therefore urge most strongly that the United States, Soviet and United Kingdom Governments should agree without delay to invite the French Government to take part from the start in the work of the Moscow Reparation Commission.

His Majesty's Government is also making representations in the above sense to the Soviet Government.

WASHINGTON, March 16, 1945.

851.01/3–1645

Memorandum of Conversation, by the Assistant Secretary of State (Dunn)

[Extract][15]

[WASHINGTON,] March 16, 1945.

Participants: Mr. Henri Bonnet, French Ambassador
The Secretary
Mr. Dunn

The French Ambassador, Mr. Henri Bonnet, came in this morning and left with the Secretary the attached memorandum [16] of matters which he stated are of great interest to the French Government at the present time and on which they would be glad to have the views of this Government. I told the Ambassador that all these questions would receive prompt study and that we would communicate with him just as soon as we could on each subject.

He then brought up the question of the French representation on the German Reparations Commission, set up in Moscow as a result of the Crimea Conference. He said that the French Government and people considered that France had suffered severe devastation during the war and they would not be able to understand why France was not included in the discussion of the reparations to be obtained from Germany. He made a very strong plea in this regard. The Secretary said that it could not be considered that France had suffered

[15] This document is printed in full in vol. IV, p. 677. The portions here omitted deal with the questions of Indochina and United Nations trusteeships.

[16] Not printed.

anywhere nearly as much as Russia had suffered, and that he himself had seen, in flying over Russia and in visiting certain portions of it on his recent trip, startling evidences of the extent of damage and devastation caused by the Germans in that country. The Ambassador admitted that the French damage had not been as great as the Russian, but he insisted there had been such losses in France that it would be a very difficult thing to explain to the public if France were not to be a member of the Commission in Moscow to assess the German reparations. The Secretary stated that there was no thought on the part of this Government or any other government, as far as he knew, to do other than favor French participation in whatever reparations could be obtained from Germany; that the matter of reparations [*representation*] on the Commission was one which would have to be taken up with the governments represented at the Crimea meeting.[17]

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740.00119 EW/3-2445

Draft Memorandum To Be Sent by President Roosevelt to the United States Representative on the Allied Commission on Reparations (Lubin) [18]

WASHINGTON, March 22, 1945.

Subject: United States Policy on Reparations

In implementing the Reparations Protocol [19] that was agreed upon at Yalta, you should be guided by the following general principles as representing the policy of the United States Government in this matter:

I. The basic principle, which is controlling under all circumstances, is that reparations should contribute to the maximum extent in eliminating Germany's war potential and making Germany economically weak.

II. Reparations should aid in rehabilitating, strengthening and developing industries in the devastated countries of Europe as part

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[17] Subsequently, in telegram 1229, March 29, 5 p. m., Ambassador Caffery was informed that French Ambassador Bonnet had been told that the American Government was "favorable to French membership (on the Reparation Commission in Moscow) and that he could so inform his Government." (740.00119-EW/3-2945)

[18] This document was sent to President Roosevelt on March 22 under cover of a memorandum from Mr. Lubin, which indicated the latter's authorship (copy obtained from Franklin D. Roosevelt Library, Hyde Park, N.Y.). It was transmitted to the Secretary of State on March 24 under a covering memorandum from Mr. Roosevelt, asking Mr. Stettinius' advice on whether the President should sign it. Announcement of Isador Lubin's appointment to the Allied Commission on Reparations had been made by the Secretary of State on March 12; for text, see Department of State *Bulletin*, March 18, 1945, p. 434.

[19] *Conferences at Malta and Yalta*, p. 982.

of a broad program of reconstruction for these countries and should assist the liberated countries and England to expand their exports.

III. With respect to a minimum standard of living for the Germans, it should be borne in mind that the peoples in the devastated countries of Europe have priority and no policy should be adopted designed to maintain the German standard of living above that of any other country of Europe.

In accordance with these principles, you should undertake to secure an agreement in Moscow on a program embodying the following specific objectives:

A. To the maximum extent possible, reparations should be taken from the national wealth of Germany existing at the time of collapse, including the removal of industrial machinery, equipment and plants, particularly the metallurgical, electrical and chemical industries (including all industries producing synthetic oil, synthetic nitrogen and synthetic rubber), ships, rolling stock, German investment abroad, shares of industrial, transport, shipping and other enterprises in Germany.

B. Delay in determining the total amount and division of German reparations should not prevent the immediate removal of plants, equipment and raw materials from Germany and the confiscation of German assets abroad, as parts of a program of reparations and restitution.

C. To the extent that reparations are collected in the form of deliveries of goods over a period of years, such goods should be of such a nature and in such amounts as not to require the Allies to take any steps designed to maintain, strengthen or develop the German economy or to develop a dependence of other countries on Germany after reparations cease.

This policy can best be realized by making recurring reparations over a period of years, after the removal of plant, equipment, etc.,

(i) As small as possible in relation to the reparations to be paid in the form of industrial plants and equipment.

(ii) Primarily in the form of natural resources, such as coal, metallic ores, timber and potash, and *not* in the form of manufactured products.

(iii) In as small annual amounts as possible.

(iv) Over a period of approximately ten years. (The period recommended in the Russian proposal made at Yalta.[20])

(v) Arranged to taper off toward the latter part of the reparations period.

D. We are opposed to any reparations program which for its achievement would require the United Nations to take widespread,

[20] See *Conferences at Malta and Yalta*, p. 707.

detailed and continued control and responsibility for the efficient running of the German economic and financial system.

If the policy outlined in the preceding pages is adopted, there would still remain the following industries:

Coal mining
Iron ore mining
Salt mining
Potash mining
Petroleum refining
Stone
Ceramics
Porcelain
Glass
Optical Instruments
Watches
Textiles
Carpets
Paper and Pulp
Printing and publishing
Leather
Rubber *products* (not synthetic)
Sawmills
Wood
Furniture
Musical instruments and toys
Food processing
Flour mills
Bakeries
Sugar
Candies
Fish
Meats
Dairies
Margarine
Canned goods
Coffee
Breweries
Wine
Tobacco
Clothing
Furs
Shoes
Public utilities
Transportation
Building construction

740.00119 EW/3–2445

Memorandum by the Adviser on German Economic Affairs (Despres) to the Assistant Secretary of State (Clayton)

[WASHINGTON,] 24 March, 1945.

The attached memorandum from the White House [21] represents the most extreme statement which I have yet seen of the Treasury doctrine with respect to economic treatment of Germany.[22] It calls for pulverization of German industry, and it opposes any attempt to assume comprehensive control over the German economy. The resolution of all this with reparation is achieved by emphasizing reparation through transfer of existing wealth rather than current production. It essentially ignores the fact that the Russians are resolutely determined to get large reparation, including, of necessity, substantial reparation from current production. Moreover, the subject memorandum takes no account of the need for keeping our im-

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[21] *Supra.*

[22] For pertinent documentation on the position of the Treasury Department, see pp. 376–377, 388–392, 423, and 455–473 *passim.*

positions on Germany within limits which will obviate the necessity for permanent outside relief to Germany.

Mr. Stettinius, in arranging for Mr. Lubin's appointment, emphatically took the position that he would represent the Department of State in undertaking this assignment. In conformity with this principle, it would seem appropriate that Mr. Lubin's instructions should come from the Secretary, though with Presidential approval, rather than from the President directly. On the assumption that the letter of instruction would be prepared here, Mr. Luthringer has drafted a short policy statement for inclusion in such a letter. A copy of this draft statement is attached. It seems to me to provide much sounder guidance to Mr. Lubin than the memorandum received from the White House. I suggest that the policy statement to be contained in Mr. Lubin's letter of instruction should be considered by your new Germany Committee [23] and by Mr. Lubin.

[Enclosure]

Memorandum by the Chief of the Division of Financial Affairs (Luthringer)

[WASHINGTON,] 24 March 1945.

It was agreed at the Yalta Conference that Germany must pay in kind for the losses caused by her to the Allied Nations in the course of the war.[24] The primary purpose of the Reparation Commission should be the formulation of a general program for the exaction of reparation and the establishment of the policies under which this program is to be implemented.

The principal interest of the United States in reparation is not to obtain as large a share as possible for this country; it is rather to assure that the reparation program will not jeopardize the economic and security objectives of this country with respect to Germany. The position of the United States on the various issues involved may be summarized as follows:

(*a*) This Government would oppose any reparation program which would entail the continued existence of industrial capacity in Germany considered to be dangerous to the security of the United Nations.

(*b*) Another important interest of the United States is to prevent a reparation program of such magnitude as to face us with the alternative of permitting mass starvation in Germany or assuming sustained responsibilities for relief of the German people. It should also be made clear to the Reparation Commission that consideration of the

[23] Reference is to the Informal Policy Committee on Germany (IPCOG); for the establishment of this committee, see memorandum by the Secretary of State to President Roosevelt, March 8, p. 433.

[24] See *Conferences at Malta and Yalta*, pp. 978, 982.

amount of reparation to be fixed should not be based on an assumption that the United States will finance reconstruction in Germany.

(*c*) Similarly, it is to the interest of the United States to see that payment of the costs of the occupation of Germany and payment for such minimum German imports as may be determined to be essential receive priority over reparation. In seeking to establish this principle, it will be necessary to secure agreement as to what shall be included in occupation costs as distinct from reparations.

(*d*) Each United Nation should retain and dispose, as it sees fit, of German property within its territory, the proceeds to be applied against its reparation claim. Agreed principles should be formulated to achieve the disposal of German property in neutral countries.

(*e*) In order to prevent reparation from furnishing a pretext for rehabilitation of the German economy, this Government favors a short reparation period, preferably five years and in any event not over ten.

(*f*) The United States will not wish to receive labor services as reparation. It is the policy of this Government that labor supplied by Germany for reparation should be recruited primarily from Nazi groups. It is anticipated, however, that you will probably be unable to obtain agreement with this policy. This Government will in any event insist that Nazi labor should be segregated from general reparation labor and that the latter be obliged to serve for only a short time and under safeguards.

(*g*) It is anticipated that the representatives of the U.S.S.R. will press for the definitive establishment of the total sum of the reparation obligation and for agreement on detailed schedules of reparation deliveries even in the absence of knowledge of the extent to which the German industrial plant will have been destroyed at the conclusion of hostilities. If a definite sum is agreed upon, it is of prime importance that it should be low enough not to interfere with sharp restriction of German production for export of metals, machinery, chemicals and electrical equipment, as part of a program of economic disarmament. The combination of reparation exactions and economic disarmament measures imposed on Germany should be such as to leave Germany with enough means to provide low subsistence standard for her population, without outside relief. Any agreement on detailed schedules should be made conditional on the extent of damage to the German industrial plant, and such schedules should be subject to revision whenever they are found, in actual practice, to be excessive.

(*h*) It is not the objective of the United States, however, to prevent reparation deliveries until the facts concerning extent of destruction are known or until there is final agreement on apportionment of reparation payments. It is accordingly suggested that one of the first tasks of the Reparation Commission be the formulation of a plan

for the establishment of an interim advisory body to recommend the allocation of such commodities and equipment as the military authorities shall determine to be available for removal from Germany. Records should be kept of all deliveries made on reparation account under the interim arrangement and such deliveries should be made without prejudice to the final allocation of reparation shares.

The reparation program will be intimately related to the question of economic disarmament of Germany and to the restitution of property looted by Germany from Allied Nations. Discussion of these two matters will take place in the European Advisory Commission in London concurrently with the discussion of the reparation question at Moscow. In order to provide for the proper integration of reparation policy with policies in these related fields, it will be necessary that the Department and Ambassador Winant in London be kept fully informed as to the progress of the work of the Reparations Commission.

740.00119 EAC/3-2445 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, 24 March 1945—1 p. m.

698. From the Secretary. In response to a question from Ambassador Winant I have informed him that the Department would strive to assure effective coordination between his negotiations in EAC and the work of other Allied authorities and special missions by keeping him fully informed concerning the scope and progress of negotiations elsewhere, and by assuring conformity of other policy discussions with policies developed in EAC. I request that you keep this matter in mind, particularly with respect to the forthcoming deliberations of the Reparation Commission. [Stettinius.]

GREW

740.00119 E.A.C./3-2745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, March 27, 1945—3 p. m.
[Received March 27—11 : 30 a.m.]

3141. Comea 201. In connection with my foregoing 3140, March 27, 3 p. m.[25] concerning Foreign Office desire to enlarge scope of repara-

[25] Not printed; this telegram indicated British interest in learning, during the Reparations Conference in Moscow, as much as possible concerning Soviet handling of food and raw material surpluses in Soviet-occupied areas of Eastern Europe. The British felt that uncoordinated removals of supplies to Russia as reparations from these occupied countries would divert potential supplies from other liberated areas. (740.00119 EAC/3-2745)

tions discussions in Moscow, Hall-Patch [26] made it clear to Mosely [27] and Penrose [28] that the Foreign Office hopes that restitution discussions will be carried through in the EAC and will not be raised at Moscow. He believes the French would be willing to work out the restitution problem in the EAC on the basis of the strict United States–United Kingdom definition of return of identifiable property provided they were not required specifically to renounce eventual discussion of their much broader definition.

WINANT

740.00119 EW/3–2745 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, March 27, 1945—5 p. m.

715. ReDeptel 571, March 12. Under date of March 16 the British indicated to us their views,[29] which generally coincided with our own, in support of the French request to be represented on the reparation commission to be established in Moscow.

In view of the urgency and importance which the French attach to this question and, in our opinion, of the justice of their claim, please endeavor to obtain an early and favorable decision from the Foreign Office.

Repeated to Paris as 1198 for information.

GREW

740.00119 EW/4–145 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, April 1, 1945—5 p. m.
[Received 7 : 25 p. m.]

1003. ReDept's 571, March 12, 10 p. m. Molotov [30] has written me that the Soviet Government considers it expedient to include a French representative in the Moscow Reparation Commission.

He continues that his Government also considers it expedient that Polish and Yugoslav representatives be included in the Commission from the very start since they are countries that have suffered se-

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[26] Edmund L. Hall-Patch, Assistant Under Secretary of State, British Foreign Office.

[27] Philip E. Mosely, Political Adviser to the United States Delegation to the European Advisory Commission.

[28] Ernest F. Penrose, Special Assistant to the Ambassador in London.

[29] See *aide mémoire* from the British Embassy, p. 1177.

[30] Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.

verely from the Germans and at the same time have greatly contributed to the war against Germany. He concludes that the Soviet Government expresses the hope that this proposal will meet a favorable attitude on the part of the American Government.

Repeated to Paris as 55.

HARRIMAN

740.00119 E.W./4–345 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, April 3, 1945—3 p. m.
[Received April 3—2:58 p. m.]

1027. In a talk with Maisky [31] yesterday I told him that Dr. Lubin was ready to leave shortly for Moscow. He asked whether I knew when the British were coming. I could give him no information on this and as he had none, he seemed puzzled why Lubin should come before the British. I would appreciate being informed what information the Department has regarding the British plans and also the plans of the French, now that they are to be admitted. I suggest that Lubin and his party do not come to Moscow at least until the British. I request that I be urgently informed whether he is leaving on the 10th as I am now insisting that his quarters be available on that assumption.

The Russians have shown little willingness to implement a number of the Crimea decisions and I therefore see no reason why we should show eagerness in expediting decisions on reparations, which is one subject to which the Soviet Government is most anxious to get us committed. I recommend that Lubin be instructed, that he should, of course, work earnestly in studying and analyzing Maisky's figures, but to indicate no opinion or take no commitment until the United States Government decides as a matter of over-all policy what position we wish to take on this question in which the Soviet Union is most anxious to get our cooperation. On the other hand, in his studies he should show at all times a sympathetic approach towards the Soviets' desire to obtain large reparations from Germany.[31a]

HARRIMAN

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[31] Ivan Mikhailovich Maisky, Assistant People's Commissar for Foreign Affairs of the Soviet Union and Soviet representative on the Allied Commission on Reparations.

[31a] A summary of the information contained in this telegram was transmitted to President Roosevelt in a memorandum dated April 4. On April 6, President Roosevelt sent a note to Mr. Lubin informing him that Ambassador Harriman advised caution in making commitments to the Russians on reparations. The President also indicated that Mr. Lubin could refer back to him any proposals presented to him in Moscow. (Copies of documents obtained from the Franklin D. Roosevelt Library, Hyde Park, N.Y.)

740.00119 EAC/3–2745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 5, 1945—7 p. m.

2663. From Lubin. Concerning the problem of restitution, I have read your cables 3141 of March 27 and 2107 of March 1.[32]

I am very much disturbed by the suggestion that discussions on restitution should not be raised in Moscow. Personally I cannot see how it will be possible completely to separate the two problems, particularly in so far as plant, equipment and productive facilities are concerned. I can readily see how we can separate the restitution of art objects and financial securities from reparations. To handle all aspects of restitution independently in London through the EAC, however, might involve conflict of authority and all sorts of difficulties particularly in those instances where machinery may be found in a plant which it may be decided to move to a liberated area as part of reparations.

In so far as productive equipment is concerned I urgently recommend that the policy suggested in the Department cable number 418 of January 18, 1945 under paragraph 3*a* be accepted by the E.A.C. This paragraph, as you remember, recommends that it be definitely provided that the restitution commission should be a sub-commission of the Reparations Commission. This should not require postponement of establishment by E.A.C. of a restitution commission, and, in practical effect it is not likely that there would be any real difficulty on the principles to be followed by a restitution commission so far as works of art and securities are concerned. It would mean that so far as problems of plant or plant facilities are involved, the decisions of the Restitution Commission would be recognized as being subject to over-all reparation policy. I understand that the Department's reparation document in any event always contemplated that the right to obtain restitution of such identifiable looted property as machinery and rolling stock would be subject to decisions based on over-all necessity. A reparation decision to transfer a plant to one claimant should not, in other words, be frustrated by the absolute right of another claimant to remove a vital and irreplaceable machine, which is a minor part of such plant.

The one thing that I wish to avoid is conflict of authority and possible difficulties in the future when the actual transfer of reparations items take place. I cannot see how such difficulties can be avoided if the restitution of productive equipment is handled by a body independent of the Reparations Commission.

[32] Latter not printed.

On the other hand, they can be avoided by explicit agreement that the operating Restitution Commission which will presumably eventually be set up in Germany will both organizationally and in operational authority be a body subsidiary to the similar operating Reparation Commission.

Department concurs in above. [Lubin.]

ACHESON

740.00119 EW/4–545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 5, 1945—7 p. m.
[Received 9 : 14 p.m.]

3470. For Despres [33] from Knapp.[34] Following is summary of British views on work of Reparation Commission elicited in informal conversations with Turner,[35] Hall-Patch and Playfair.[36]

The British think of the Commission as an *ad hoc* chartering body which within a period of months should draw up a basic reparation program for submission to member governments and then dissolve. They appear to contemplate rather vaguely a permanent commission with much wider alien representation which would consult with the occupation authorities in Germany in the implementation of the program. They regard the Commission's work as of utmost importance and plan to send a very strong technical mission; for example, both Turner and Playfair will probably go, although they recognize that there will be most pressing demands for their services by London in the coming months during which the control machinery will be set up and commence functioning in Germany. At the same time, the British hope to be able to circumscribe the agenda at Moscow rather closely. In particular, they would prefer to see other basic elements in the economic treatment of Germany, notably policy with respect to economic security, negotiated in London through EAC. They recognize, however, the very great difficulty of so confining the Moscow discussions or alternatively of reconciling and harmonizing separate negotiations in Moscow and in London.

The British are anxious to hear more about the constitution of the United States Mission and Hall-Patch expressed the hope that Mission

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[33] Emile Despres, Adviser on German Economic Affairs in the Office of Assistant Secretary of State William L. Clayton.
[34] J. Burke Knapp, Assistant Adviser, War Areas Economic Division.
[35] Mark Turner, Principal Assistant Secretary, Economic Advisory Branch, British Foreign Office.
[36] Presumably E. W. Playfair, British Treasury.

might travel by way of London and have some preliminary discussions with the British here.

The British are much concerned at the anomalous absence of France from the Commission and appear to hope that something can be done about it, especially in view of the obvious impact upon the reparation program or [*of*] the French proposals for economic partition in the west.

The British appear to be quite satisfied to accept Russia's proposal for her share in reparation,[37] but seem firmly convinced that the total sum proposed by Russia cannot be extracted within a 10 year period. They are of course particularly critical of the extravagant Russian estimate of the value of capital equipment which might be removed. When this figure has been written down to a fraction of the Russian estimate [apparent omission]. The balance, according to British views, can only be paid by a prostrate Germany within 10 years if a deliberate policy of restoring Germany's industrial strength is pursued. In short, the British believe that a program of reparation from current output on this scale conflicts with economic security objectives. It appears that British experts, particularly Playfair, drafted a very strong statement on this subject at the time of the Yalta Conference which was approved by the War Cabinet and read out at one of the Yalta sessions by Mr. Churchill.[38]

The British also point out that until measures of territorial truncation and partition are decided upon it is impossible to judge the burden of a given reparation demand. The judgment described above is based on the assumption that Germany will remain intact, except for East Prussia and Upper Silesia.

The British are much concerned that value of labor services is excluded from the Russian formula. They fear that this exclusion will encourage unbridled demands for German labor.

The British are also at a loss to explain the inclusion in the Yalta protocol of reference to shares in German industry as a medium for reparation.[39] They have given considerable study to this proposed solution for reparation and economic security problems and have completely rejected it on grounds familiar to us. Turner suggested the possibility however, that if a definite sum for reparation is fixed and if it proves impracticable to attain this amount over a 10 year period, delivery of some kind of German securities with some pro-

[37] At the Yalta Conference, the British had opposed stipulation of a definite figure for German reparations; in the Protocol on German Reparation, however, the British Delegation had not registered opposition to the Russian proposal that 50 per cent of German reparations be allocated to the Soviet Union. See *Conferences at Malta and Yalta*, p. 983.

[38] See *ibid.*, p. 902.

[39] See *ibid.*, pp. 979, 983.

vision for amortisation might be called upon as a face saving device to make up the balance.

The reference above to French proposals for economic partition in the west is not meant to imply that the British have any clear idea what these proposals are. Apparently the French have been unable thus far to present a coherent proposal, and the British believe that there is a cleavage of this issue between the French military and French civilian element. [Knapp.]

WINANT

740.00119 EW/3-2945 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, April 5, 1945—8 p. m.

1366. Bonnet has informed Department that his Government is much concerned over delay in receiving invitation to join Reparations Commission.

French already know of our approval (see Department's 1229, March 29 [40]). Since Soviet, British and American governments are all agreed on desirability of French participation and since Commission is to function in Moscow, Ambassador Harriman has been instructed to inform Soviet authorities that we expect them to extend the invitation to the French in behalf of the participating governments.

Please inform Bidault.[41] London is being asked to inform Eden.[42]

ACHESON

855.24/4-645 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, April 6, 1945—10 p. m.
[Received April 6—3 : 45 a. m.]

806 [*1057*]. From the Department's 775, April 3, 11 a. m., which was apparently addressed to some other mission and repeated to Moscow,[43] I note that the Department does not favor any broadening of the principles under which SHAEF [44] is now authorizing exportation from Germany of commodities, including civilian supplies. The Department points out in this connection that a Restitution Commission to

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[40] See footnote 17, p. 1179.
[41] Georges Bidault, Minister for Foreign Affairs, Provisional Government of the French Republic.
[42] Anthony Eden, British Secretary of State for Foreign Affairs.
[43] Same as telegram 247 to Brussels, vol. IV, p. 98.
[44] Supreme Headquarters, Allied Expeditionary Force.

deal with return of identifiable property taken by Germans is being discussed in EAC and that early consideration by the Reparations Commission in Moscow of interim program and machinery for reparation exports is expected. The Department lays stress on its desire to retard crystallization of independent policies in advance of agreement with the Russians.

I have no desire to enter into the question of what supplies it may be desirable to remove from Germany to other areas of western Europe, which is clearly a responsibility of SHAEF. I do wish to stress, however, that we would only be penalizing ourselves if we were to go on the assumption that by voluntarily restricting our own policies in these matters we could exercise any influence on the policies of the Russians during this interim period. We have no reason to doubt that the Russians are already busily removing from Germany without compunction anything which they find it to their advantage to remove. We have heard of numerous examples of this sort of practice. In many instances such removals are probably considered by the Russians as restitution, although there is no evidence that the items removed are restricted to those which can be proved to have been previously removed from USSR. *Red Star*, official press organ of the Red Army, has made it clear furthermore, that Russian soldiers are to regard material treasures captured in Germany as state property and that there will be no hesitation in turning the productive facilities of the occupied territory at once to Russian uses. There is little that is reprehensible or even surprising in this; but the point I wish to emphasize is that the Russians do not dream of placing any restraints on their policies in this respect out of a fastidious regard for possible further international engagements, and we would accordingly not be justified in assuming that any forebearance on our side would serve to retard the crystallization of an independent Russian policy along these lines.

Nor do I consider that we would be justified, from the standpoint of American interests, in banking on the achievement of early agreement with the Russians concerning restitution and reparations. While the establishment of a Restitution Commission may indeed be under discussion in EAC I am told by the British that that body has not met since the end of January and I do not have the impression here that the Russian interest in the establishment of such a commission is sufficient[ly] lively to warrant hope that it will be functioning at any early date. As far as the Reparation Commission is concerned it is not expected that its work will be completed in the near future and furthermore it is only to make recommendations to the respective governments. Therefore the crystallization of our policy in the interim period should not be delayed awaiting the results of the Commission's work.

Altogether, therefore, I do not think that SHAEF should go on the assumption that the interim period which must elapse before agreement can be reached on these two questions with the Russians will be brief; and I think we must reckon that as long as it lasts Russian action with respect to the removal of property of all sorts from Germany will be governed solely by what Moscow conceives to be the interests of the Soviet Union.

HARRIMAN

740.00119 EW/4–145 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, April 7, 1945—7 p. m.

816. ReEmbs 1003, April 1, 5 p.m. This Government is glad to learn that the Soviet Government considers it expedient to include a French representative in the Reparation Commission. Please inform Soviet authorities that since Commission will be established in Moscow we will expect them to extend the invitation to the French in behalf of the participating Governments.

With respect to the inclusion of representatives of other countries in the Commission, it is the view of this Government that the membership of the Commission should be identical with that of the European Advisory Commission which is concerned with related questions. Other states could be invited to send representatives to sit with the Commission when matters of direct concern to them are under discussion as is the case with EAC. This Government considers that it would not be equitable to invite additional states to participate as full initial members unless all states concerned were to be included.

US Government hopes that before questions of direct concern to Poland are raised in the Commission, the new Polish Provisional Government of National Unity will have been established.[45]

Please communicate substance of foregoing to Molotov.

STETTINIUS

740.00119 E. W./4–845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 8, 1945—midnight.
[Received April 9—5 a. m.]

3590. Comea 211. For Mr. Lubin. After careful consideration of your message, Department's 2663, April 5, 7 p. m., and after reviewing

[45] For documentation on this subject, see vol. v, pp. 110 ff.

Department's instructions on restitution, I believe there is no insuperable problem involved in working on reparation in Moscow and on restitution in the EAC. Discussing restitution separately from reparation may actually facilitate reaching an agreement in principles and preliminary machinery of restitution along lines advocated by the Department in its 418, January 18, midnight, its 1220, February 16, midnight,[46] and its 1795, March 8, midnight. Early working agreement also appears urgent to the military now burdened with conflicting claims for restitution and to liberated United Nations.

I have always understood that any restitution commission would be closely linked with the Reparation Commission when established. Within Germany the four power control machinery will in any case have operational responsibility for giving effect to both restitution and reparation programs.

As you have noted the Foreign Office also hopes to reach an early agreement on restitution. It is not clear whether the French will be ready to discuss restitution in EAC if they do not participate in the Moscow talks. The Russians have not taken a position on the separate discussion of restitution.

Your message makes particular reference to 2 types of cases on borderline between restitution and reparation: 1, a case in which it is better to leave a looted machine *in situ* in order not to disrupt a larger plant of which it forms an essential part; 2, transfer of an identified looted object to a reparation claimant instead of returning it to the government of the owner claimant. In the first case, the Allied Control authorities in Germany would have power to defer removal; an Allied Government could also defer its return pending appeal to the restitution commission. In the second case, the good grace with which an owner claimant would relinquish his claim in favor of a reparation claimant would depend on whether agreement had been reached on an overall ratio for balancing damage recovered thru restitution against damage made good thru reparation.

One approach broadly stated to the general question of compensation is to lump both restitution and reparation claims in one account, treating all property found in the enemy country whether looted property or not as a single fund for meeting reparation claims according to a single agreed ration. Under this concept a restitution program would deal only with return of unique cultural objects. A different approach is to attempt to restore to owner claimants (or their governments) as much looted property as practicable particularly productive equipment leaving it to reparation to balance out inequities between restitution-receiving countries. I have understood that the second approach to restitution is advocated by the Department.

WINANT

[46] Telegram 1220 not printed.

740.00119 EAC/4–945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 9, 1945—9 p. m.
[Received April 9—7 : 55 p. m.]

3629. ReDepts 1220, February 26 [*16*],[47] paragraphs 1 and 2.

1. In regard to the alteration in the United Kingdom restitution memorandum reported in Embassy's 648, January 18, Coulson [48] told Mosely and Penrose informally that United Kingdom officials agree that the return of property which has been the subject of official sequestration by Germany should be dealt with directly by the governments representing the former owners. The alteration of paragraph 7(1) of the restitution memorandum does not imply any change in this position.

2. United Kingdom officials are giving further consideration to the question whether a rule should be established to return looted property to the government having jurisdiction over the sites from which the property was taken (reDepts 418, January 18) 3(*b*) and the question whether the Commission should make binding determinations of the respective rights of Allied Governments concerning property in dispute (reDepts 418, January 18) 3(*d*). It does appear that United Kingdom officials conceive of a restitution body as adjudicating claims of title rather than determining original location. We will inform the Department of the results of further consideration of these points by United Kingdom officials as soon as possible.

WINANT

740.00119 E.W./4–1045 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, April 10, 1945—10 a. m.
[Received 10 : 28 a. m.]

1110. In conversation with Vyshinski [49] this afternoon I told him that Lubin and his staff were ready to leave for Moscow but were awaiting word as to the British plans. Our latest information indicated that the British would be ready to leave around first of May. I then informed him that I had written Mr. Molotov today a letter [50]

[47] Not printed.
[48] John E. Coulson, Acting Head, Economic Relations Department, British Foreign Office.
[49] Andrey Yanuareyevich Vyshinsky, Assistant People's Commissar for Foreign Affairs of the Soviet Union.
[50] Letter not printed; copy in the Moscow Embassy files is dated April 9, 1945.

in accordance with Department's 816, April 7, 7 p. m. regarding the extension by the Soviet Government of an invitation to the French and expressing our views regarding Yugoslav and Polish participation at this time and that of other interested nations.

Vyshinski said that although he had not been authorized to discuss this question formally with me it was his feeling that the time had come to invite the Yugoslavs and the Poles to Moscow to participate in the reparations discussions. They had suffered more and therefore had greater rights. I said that we believed that there would be difficulty with other western European nations if all were not invited at the same time. I referred to Norwegian and Dutch losses during the war, especially shipping, to their contribution to the war effort and stated that we did not wish to differentiate between Germany's enemies. Vyshinski maintained that Poland had suffered most and had made a greater contribution to the war effort than Norway and the Netherlands. He stated that "he believed his Government would insist that Poland and Yugoslavia should not be placed in a worse position than France" in so far as reparations were concerned.

I stated the question of Polish participation at this time involved political considerations and said that I hoped that the Soviet Government would not press for Polish participation until the next new Polish Government had been formed. Vyshinski maintained that because of the proximity of Poland to Germany it could be of great help in the reparations discussions; in any event they would not hinder them. He made it quite clear that the Soviet Government would press for Polish and Yugoslav participation in the discussions.

I emphasized the importance of the four nations now participating in the EAC first coming to agreement on the basic questions of reparations such as the amount and character before bringing into the discussion other nations. I pointed out certain overlapping questions as between the Reparation Commission and the European Advisory Commission.

From this conversation I cannot say whether the Soviet Government will extend an invitation to the French unless the Yugoslavs and Poles are included.[51] Under these circumstances I strongly recommend that Lubin does not leave Washington until these matters are settled to our satisfaction.

HARRIMAN

[51] Telegram 1317, April 23, 5 p. m., from Moscow, reported that Assistant Commissar for Foreign Affairs Maisky said that the Reparations Commission would have the composition decided on at the Yalta Conference, i.e., the United States, the United Kingdom, and the Soviet Union (740.00119 EW/4–2345).

728–099—68——76

740.00119 EAC/4–1345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 13, 1945—2 p. m.
[Received April 13—12 : 35 p. m.]

3781. Comea 216. At the close of last night's meeting of the EAC the French representative distributed to the members a statement urging immediate negotiation on problems of restitution. Full text by air.[52]

Summary of French statement. Referring to United Kingdom, French and United States memoranda on restitution (EAC papers 44/28,[53] 45/3,[54] 44/31 [55] and 45/22 [56]) and to press reports of large stocks of gold and art works uncovered by United States forces in Germany, Massigli [57] urged EAC to agree urgently on general principles to be adopted in regard to restitution. *End of Summary.*

In the discussion the Soviet Representative asked for certain clarifications of the concept of restitution. He asked if restitution covered both property taken by force and property handed over voluntarily to the Germans by persons and organizations; if both state and private property were included; and if restitution covered the subject of compensation for property not found and recovered. In reply Strang stressed the need for limiting restitution to return of identifiable specific objects, and for returning objects to the governments rather than to individual owners. Massigli brought out briefly the French view that restitution should be extended to cover replacement. It was agreed to discuss restitution at the next meeting of the Commission April 16.

WINANT

740.00119 EW/4–1045 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, April 13, 1945—5 p. m.

856. Reurtel 1110 April 10. It is the Department's view that participation on the Moscow Reparations Commission should not be

[52] Text of statement transmitted with despatch 22498, April 18, from London, neither printed.

[53] *Foreign Relations*, 1944, vol. II, p. 1048.

[54] Not printed; for summary, see telegram 313, January 9, midnight, from London, p. 1170.

[55] For text, see *Foreign Relations*, 1944, vol. II, p. 1060.

[56] Memorandum by the French representative, dated March 3, not printed; it called for firm measures to insure prompt return of confiscated material and replacement of art treasures in case the originals had been lost or destroyed.

[57] René Massigli, French Ambassador in the United Kingdom and French Representative on the European Advisory Commission.

determined by the extent of the devastation suffered by a particular country. The U.S., the U.K., the USSR, and France are the four countries which will be responsible for the occupation and control of Germany. Since these four powers will be primarily responsible for the execution of the reparations program it seems appropriate that they should be responsible for the initial formulation of the program. Moreover, it does not seem to us that the inclusion of France in the Moscow discussions need place Yugoslavia and Poland in a "worse position than France" insofar as allocation of reparations are concerned if this was what Vyshinski meant to imply. On the contrary, it seems to us that there would be a far greater likelihood of discrimination in this regard if certain of the Allied countries not participating in the occupation of Germany were included in the discussions and others excluded on some arbitrary basis of differences in degree of devastation suffered.

The Department suggests that you discuss this question again with the Soviet Government on the basis of the considerations cited above.[58]

Lubin has requested us to advise you that he will not leave until you have decided that it would be advisable for him to do so.

STETTINIUS

740.00119 EW/4–1645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 16, 1945—6 p. m.
[Received April 16—2: 30 p. m.]

3884. In reply to the Embassy's note communicating the substance of the Department's telegram No. 2665, April 5, 8 p. m.[59] regarding French participation on the Reparations Commission, the Foreign Office now advises that instructions somewhat along the lines of the Department's reference telegram have been sent the British Ambassador in Moscow [60] who will inform the Soviet Government that it is the thought of the British Government that at the outset the Reparations Commission should be confined to representatives of the United Kingdom, United States, Soviet and French Governments; that the British Government hopes that the Soviet Government will not press their proposal for additional representatives; and that in the meantime the British Government proposes advising the French Govern-

[58] In telegram 1179, April 15, 11 p.m. (740.00119 EW/4–1545), Ambassador Harriman replied that Vyshinsky was not authorized to discuss the matter and that no useful purpose would be served by raising the question again, at least until a reply had been received to the letter sent on the basis of the Department's telegram 816, April 7, 7 p. m., p. 1192.

[59] Same as telegram 1366 to Paris on same date, p. 1190.

[60] Sir Archibald Clark Kerr.

ment that their membership has been agreed to by the other three Governments. The Foreign Office adds that the French Government has already been told that their claim to membership on the Reparations Commission has the support of the British Government.

WINANT

740.00119 EW/4–845 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 16, 1945—6 p. m.

2965. From Lubin. The following refers to your telegram 3590 of April 8 which I am sure you read and signed but which I am willing to bet you did not write.

1. Although there was apparent agreement on the point that restitution may be worked out in EAC on the terms suggested in Department's 2663 April 5, I am disturbed by the last paragraph of your reference telegram.

I fully agree that all property in enemy country should not be lumped together for reparations purposes. On the other hand while the Department's policy has been to advocate restitution of all identifiable looted property (subject to qualifications known to you) I understand that the Department still deems it desirable that the restitution of productive equipment should be treated as a separate category and should be limited by reparations principles. While productive equipment like other looted property may be considered in EAC, it should be borne in mind that the problems of possible conflict with or subordination to reparations principles are particularly acute where such equipment is concerned. For this reason as well as the possibility that on the basis of the French views restitution of such property is likely to merge into replacement or even into reparations in kind, the principle of the restitution of large amounts of productive equipment should be avoided as far as possible.

2. Is it possible for you to judge possibility that Russians may object to separate discussion of restitution in EAC? This possibility would be relevant to preparations for Moscow talks.

3. Department concurs with substance of above. [Lubin.]

STETTINIUS

740.00119 EAC/4–2045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 20, 1945—5 p. m.
[Received April 20—5 p. m.]

4043. See Embassy's 3140, March 27, 3 p. m.[61]

1. Coulson in a personal conversation informed Penrose that United Kingdom officials have considered the points concerning United Kingdom views on restitution which Mosely and Penrose informally raised.

2. United Kingdom officials, he said, now agree that a restitution commission cannot be charged with the determination of individual ownerships since this would necessitate placing the commission above national courts of justice. They agree that the objective of a restitution commission should be to determine to which government's jurisdiction of a given object should be restored, after which individual claims would be made in each case through the courts of that government.

3. United Kingdom officials agree that in practice this will generally lead to the restoration of looted property to the situs from which it was taken but they would prefer not to adopt a specific provision to that effect. They point out that dispute may arise not only on ownership but also in some cases on the situs from which certain types of property were taken. In such cases they consider it to be the function of a restitution commission to obtain agreement as to which government is to undertake the responsibility of deciding the individual ownership. They believe that if the provisions are drafted in fairly general terms, the prospects of obtaining such agreement will be maximized, since the commission would not be bound in every case to resolve the question of situs where evidence was conflicting, and might find it easier to obtain agreement on some other basis.

4. In regard to the questions which we raised on the provision in the United Kingdom memorandum for making the decisions of the commission final and binding upon governments, Coulson agreed that the first part of paragraph 6 of the memorandum will need to be redrafted. He said that the United Kingdom did not propose to prepare any further paper on the subject to put into EAC but would agree to the necessary amendments to the memorandum during the discussions in EAC. He is himself starting to redraft paragraph 6.

WINANT

[61] Apparently this is an erroneous reference; the substance of this telegram indicates that the reference should be to telegram 3629, April 9, 9 p. m., from London, p. 1194.

740.00119 EW/4–2745 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, April 27, 1945—1 p. m.
[Received April 27—8 : 23 a.m.]

1381A. ReEmbtel 755 March 14, 2 p. m. [*midnight*] and 1057 April 6, 10 a. m. [*p. m.*]. Additional evidence of Soviet policy of seizing and removing to Soviet Union German material or equipment in advance of any reparation settlement is given by observations of a competent official American observer who has just returned to Moscow from trip through Ukraine, eastern Poland and White Russia. He reports extensive movement eastward of used German machinery and equipment of all kinds. He observed, for example, two entire trains loaded with turret lathes, one trainload of steel rails and bars, one of threshing machines from East Prussia, one of farm wagons, etc. French, German and Italian rolling stock which could not be used on Russian gauge without adjustment was being moved east on flat cars. All information reaching Embassy indicates that Russians are seizing and transporting to Soviet Union without compunction any German materials, equipment or supplies which they feel could be of use to them.

KENNAN

740.00119 EAC/4–1345 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, April 27, 1945—7 p. m.

3315. Reurtel 3781, April 13, Comea 216. It is noted that the question of looted gold may come up in the EAC discussions on restitution. The gold question may be accentuated by the discovery of the Reichsbank gold by the Third Army. For your guidance, the Department's views are as follows:

(1) The Gold Declaration of February 22, 1944 [62] indicated explicitly that United Nations subscribing thereto would not recognize the German title to gold taken from the occupied countries.

(2) The reparation documents prepared in the Department, of which you have copies, indicated that looted gold found in Germany would not be subject to restitution but would be prorated. (See final report of Interdivisional Reparation Committee, ECEFP D–19/44,[63] Part 2, page 10; and Summary: Report on Reparation, Restitution, et cetera, ECEFP D–37/44,[64] page 11 para (*g*)).

[62] For text, see *Foreign Relations*, 1944, vol. II, p. 213, or 9 *Federal Register* 2096.

[63] Not printed.

[64] *Foreign Relations*, 1944, vol. I, pp. 287, 295.

(3) It seems necessary to revise the views of the Department as expressed in the reparation documents, since the public announcement that transfers of gold would be regarded as invalid would seem to mean that looted and identifiable gold found in Germany is still regarded as the property of the persons or countries from whom it was taken. It does not seem politically or otherwise feasible to attempt to prorate gold which is thus declared to be the property of Allied countries.

(4) For purposes of your discussions with EAC, therefore, you should adhere to the principle that gold, like other property, is subject to restitution if identifiable. However, it seems important to make the point that in this case especially restitution should be limited to the returning of identifiable looted property and should not be extended to cover the replacement of looted gold by gold which cannot be identified as having been the property of the country in question. Since the application of the restitution principle as above defined may result in one country recovering its stock of gold while another does not, Department believes gold recovered in Germany should be presumed to be unidentifiable unless convincing evidence to the contrary can be presented.

GREW

740.00119 EW/4–2345 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)[65]

WASHINGTON, April 28, 1945—7 p. m.

970. The President has appointed Edwin W. Pauley, Treasurer of Democratic National Committee, as the American member of the Reparations Commission with the rank of Ambassador.[66] Mr. Lubin will be his associate with the rank of Minister.

Since Maiski raised with you (reurtel 1317, April 23[67]) the question of the Reparations Commission by asking about Lubin's plans, you may inform him that:

1. The date of the American delegation's departure has not definitely been fixed.

2. The United States Government does not understand why the Soviet Government has not issued an invitation to the French Govern-

[65] This telegram was repeated to London as Department's 3347 with the following paragraph added: "Since your 3384, April 16, indicates full British support of French claim to membership on the Reparations Commission, it is hoped that the British Foreign Office will follow the same policy as the United States and will not have the British delegation leave for Moscow until the question of the composition of the Reparations Commission has been settled." (740.00119 EW/4–2845)

[66] President Truman's letter of appointment, dated April 27, is quoted in the letter of September 14 from Mr. Pauley to the Secretary of State, p. 1290.

[67] Not printed.

ment to send a representative to Moscow especially since Mr. Molotov in his letter (reurtel 1003, April 1) informed Ambassador Harriman that he considered it expedient to include a French representative.

3. The United States Government feels strongly that France as one of the Control Commission powers who will be responsible for the execution of the German reparations program should participate in its initial formulation as one of the original members of the Reparations Commission.

4. The United States Government hopes for an early reply to Ambassador Harriman's letter of April 10 [9] [68] in the above sense.

You should use any of the arguments in Department's telegrams 816 and 856 [69] which you deem appropriate, reiterating especially that your Government sees no reason why any of the United Nations other than members of the German Control Commission should be included in the first instance in the Reparations Commission or why preference should be shown to any one nation which has suffered at the hands of Germany. This does not in any way preclude the issuance by the Commission of invitations to other nations to send representatives to sit with the Commission when matters directly affecting them are under discussion.

For your confidential information it is understood that the British have selected but not announced the head of their delegation which is tentatively planning to leave England late in first week of May. Department is attempting to have the American delegation's departure coincide with the British departure but Pauley does not contemplate leaving until the question of the initial composition of Reparations Commission has been settled.

GREW

740.00119 EW/4–3045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 30, 1945—8 p. m.
[Received 9 : 15 p. m.]

4389. 1. Hall-Patch, in a conversation with Penrose this afternoon, expressed his personal agreement with the suggestion that the United Kingdom Delegation to the Reparations Commission should not leave for Moscow until the question of the composition of the Commission has been settled, and that its time of departure should be arranged to coincide with that of the United States delegation. He added that he would have to clear the matter with Ministers but he was almost certain that they would agree (reDepts 3347, April 28, 7 p. m.[70]).

[68] Not printed, but see telegram 1110, April 10, 10 a.m., from Moscow, p. 1194.
[69] Dated April 7 and April 13, pp. 1192 and 1196, respectively.
[70] See footnote 65, p. 1201.

2. Hall-Patch said that United Kingdom officials consider it to be essential to concentrate first on obtaining agreement among the four controlling powers before bringing in any of the Allies. During this stage Hall-Patch thinks it would be undesirable to invite any other European Allies to Moscow. Since reparation affects all the other Allies in some degree so would be difficult to invite one or a few without inviting all of them. When four-power agreement is reached the question will arise what machinery for consultation with the other Allies shall be adopted to discuss the agreement with them and to decide (*a*) allocation among them of the overall allocation to be made available to them, (*b*) the organization and timing of deliveries. For both (*a*) and (*b*), Hall-Patch said, there must be some form of machinery on which all the Allies concerned are fully represented. For (*b*) he thinks that semi-permanent machinery will be necessary. Though the control authorities will deal with the extraction of reparation from Germany they cannot by themselves determine the organization of deliveries at the receiving end. As regards (*a*) he doubts whether allocation between the other Allies should be dealt with on the body about to sit in Moscow. Possibly, he added, it can be done on the body that will have to be set up under (*b*), but these matters will have to be considered carefully.

3. The conclusion from this conversation is that it seems probable that the United Kingdom will agree with all the points mentioned in Department's 3347, April 28 including the points raised in Department's 970 to Moscow with the exception of the last sentence in the penultimate paragraph of Department's 970 to Moscow. We will inform you immediately when Hall-Patch has cleared the matter with Ministers.

Repeated to Paris as 229 and Moscow as 152.

WINANT

740.00119 EW/5–345 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 3, 1945—1 p. m.
[Received May 3—12:05 p. m.]

1448. I note from a recent information telegram that a new directive on German reparations is being completed. The following tentative conclusions on Russian attitude toward reparations, based on what we have seen thus far of Soviet practices in general and reparations practices in particular may be useful to the Department in this connection. They are, of course, open to revision in the light of subsequent experience; and they refer to probable actual Soviet practices rather than what the Russians may be induced to agree to on paper.

1. By the time any reparations settlement can be arrived at a considerable portion of existing German assets will already have been removed from the Soviet zone in the guise of war trophies or otherwise. All available evidence from the Balkan countries and from areas already occupied by the Russians in Germany plainly shows that the Soviet Government intends to proceed unilaterally regardless of existence or non-existence of a reparations agreement in removing industrial plants, equipment and materials in enemy countries to which it has access and which it feels might be useful to the economy of the Soviet Union or satellite areas.

2. We will probably never be able to obtain really detailed or reliable information concerning these removals. Soviet reluctance to disclose information regarding economic operations by Soviet authorities is rooted in both tradition and policy and has been amply apparent both in the experience of this Embassy and in the discussions for the establishment of various inter-Allied economic controls in Europe. Attempts by the Commission to determine or control Soviet actions in the Soviet zone of occupation will probably meet with opposition and suspicion on the Russian side. Supervisory activities by representatives of the Commission in the Soviet zone, if permitted at all, will be obstructed and such representatives will not readily be granted freedom of movement and access to information.

3. The Russians will consent to make available reparations deliveries from their zone to Western countries only, if at all, on a strictly *quid pro quo* basis. They will regard the Reparations Commission primarily as an agency for strengthening Soviet economy at the expense of defeated enemy countries. They will insist that the sacrifices of the Soviet Union and Soviet satellite countries in eastern Europe have far outweighed those of the Western countries. They will probably take the position that the Commission should concentrate on the question of how to make available deliveries from the Western zones to Eastern Europe. Unless the latter are withheld as a bargaining lever the Russians will probably balk at agreeing to any important deliveries from their zone.

4. If counter deliveries are worked out on this basis the Russians will demand a considerable disproportion in their favor. This again will be based on the thesis of greater sacrifice of the Eastern European countries.

5. The Russians may be expected to accept enthusiastically the principle of dismantling German industrial equipment since that is one of their basic war aims. They will not await a reparations settlement before taking steps in this direction in their own zone and will not readily submit, at a later date, to guidance from any Reparations Commission in this respect. A good deal of the industrial plant in the

Soviet zone which has not been destroyed during the war may prove to have been already dismantled by the time a permanent reparations body begins to function. Again there may be difficulties in getting accurate information on this subject. It is possible that the Russians make here a sharp distinction—and demand that the Reparations Commission do likewise—between the areas which have already been allotted to Poland by the Soviet authorities and the remaining territory of Germany.[71]

6. The Russians can hardly be expected to accept our thesis that reparations should be derived principally from German assets existing at the termination of hostilities. They have made clear their determination that the standard of living in defeated countries is not to surpass that of the victors. Since it will not be possible for years to raise the Soviet standard of living to that of central Europe, the implementation of this policy will mean the imposition of heavy tribute, open or disguised, both during and after the period of Soviet occupation.

Sent Department as 1448, repeated to Paris for Murphy [72] as 95.

KENNAN

740.00119 EW/5–445 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 4, 1945—2 p. m.
[Received May 4—11 : 30 a. m.]

1458. ReDeptel 970, April 28, 7 p. m. Roberts received yesterday a letter dated May 2 from Vyshinski on the subject of reparations. This letter is in reply to one addressed to Vyshinski on April 14 by Clark Kerr, voicing objection to the inclusion on Reparations Commission of representatives of Poland [and] Yugoslavia in the Commission.

In his reply Vyshinski takes strong stand in favor of inclusion of these countries, stating that the Soviet Government deems that Polish and Yugoslav representatives "must take their places on the Commission from the very beginning of its work simultaneously with the representative of France." He then points out that this question, especially in view of recent events, [is] assuming a particularly urgent and acute character. He finds it urgently necessary to work out a plan on the basis of the principles adopted at the Crimea "in order to avoid possible divergencies in action on this question . . .[73] which

[71] See telegrams 1251 and 1252, April 18, and 1467, May 4, from Moscow, vol. v, pp. 229, 231, and 277, respectively.

[72] Ambassador Robert D. Murphy, United States Political Adviser for Germany (USPolAd) whose offices were located at Versailles.

[73] Omission indicated in the original telegram.

would render still more difficult the solution of the already sufficiently complicated economic questions of postwar Europe." He ends by requesting the British Government to appoint its representative without delay and thus not to delay initiation of the work of the Commission.

I have not yet received a similar letter. My letter of April 30 [74] sent to Vyshinski in pursuance to Department's telegram under reference probably reached him just about the time his letter to Roberts was being drafted. It may have caused him to delay final drafting of a similar reply to Ambassador Harriman's letter of April 9 [75] on this subject. In any case, I expect that I will receive shortly a letter similar to that addressed to Roberts.

KENNAN

Pauley Files

The Acting Secretary of State to President Truman

WASHINGTON, May 7, 1945.

DEAR MR. PRESIDENT: After several very helpful talks between Mr. Edwin W. Pauley and officers of this Department, the purpose of this letter is to bring to your personal attention, with great respect and in full deference to your own wishes and decision, certain considerations regarding Mr. Pauley's mission which we believe to be of fundamental importance. In the absence of Secretary Stettinius,[76] I should be remiss were I to fail to reflect to you what I know to be his views, so that you may have these views before you in coming to whatever decision you may think best.

As I have said to Mr. Pauley and wish to assure you, there is no personal issue whatever involved in this matter. Mr. Pauley has assured us of his intention to work in close harmony and cooperation with the Secretary of State on a basis of mutual helpfulness, especially in matters involving negotiation with foreign countries or having to do with the implementation of our foreign policy under your direction.

The purpose of this letter, therefore, is to lay before you certain principles of organization and procedure which, as I have said, the Secretary of State regards as of fundamental importance in undertaking the responsibilities and in carrying out the duties, under your direction, with which he is charged.

In the letter of April 27 [77] Mr. Pauley is designated as your personal representative to represent and assist you in exploring, develop-

[74] Not printed.

[75] Not printed, but see telegram 1110, April 10, p. 1194, and footnote 50.

[76] Secretary of State Stettinius was in San Francisco, as head of the United States Delegation to the United Nations Conference on International Organization, April 25–June 26: for documentation on this Conference, see vol. I, pp. 1 ff.

[77] Quoted in letter of September 14 from Mr. Pauley to the Secretary of State, p. 1290.

ing and negotiating the formulae and methods of exacting reparations from the aggressor nations in the current war; to represent you in this matter in dealing with other interested nations; to represent the United States and the President personally as a member of the German Reparations Commission; and on all matters within his jurisdiction to report to you personally.

I am sure that you would be the first to recognize the harmful results of any implication that these instructions were intended to remove from the responsibilities of the Secretary of State the supervision, under your direction, of negotiations with foreign nations in this important field, or the formulation for your consideration of the policies and methods to be employed, which must of necessity be closely integrated with other phases of our foreign policy. The President has, in fact, charged the Secretary of State with the direct responsibility and duty of implementing, under your direction, the Crimean agreements of which the subject of reparations is an important part.

The question then inevitably arises whether the Secretary of State, unless our representative on the Reparations Commission is directed to act under the supervision of the Secretary, to report to him, simultaneously with such reports as you may wish Mr. Pauley to send directly to you, and to be guided by the Secretary's instructions subject to your direction, can properly and adequately fulfill the responsibilities and duties thus conferred upon him. Confusion has resulted in the past and would inevitably arise in future if there were to be any diffusion of the representation of the United States in dealing with foreign countries and in the formulation and supervision, under the President's direction, of the foreign relations of the United States.

These responsibilities, as they relate to the post-defeat treatment of Germany including reparations, the Secretary of State has been carrying out in close cooperation with the Treasury, War, and Navy Departments and the Foreign Economic Administration under an authorization from President Roosevelt, which you reaffirmed on April 27 at the time the draft "Directive to Commander-in-Chief of United States Forces of Occupation Regarding Military Government in Germany" was submitted to you for your approval.[78]

As in the case of all Ambassadors, Mr. Pauley is the personal representative of the President. Yet unless, as in the case of other Ambassadors, Mr. Pauley's negotiations with foreign countries were to be carried on under the direct supervision of the Secretary of State, interpreting the foreign policy of the United States as formulated by the Secretary under the direction of the President, to whom the

[78] See memorandum of conversation by the Acting Secretary of State, April 27, p. 503.

Secretary would report the proceedings constantly and in detail, seeking the President's guidance on every important issue, it appears to be clear that the Secretary would in effect be deprived of the direct and essential authority called for in the fulfillment of his responsibilities for the conduct of negotiations with foreign governments and in the orderly discharge of his duties to the President.

Should the foregoing considerations meet with your approval, you may wish to consider the insertion of a clarifying clause in your instructions to Mr. Pauley. If however your decision is to leave the letter of instructions to Mr. Pauley as it is, please be assured that your wishes will be loyally and cheerfully observed by all of us in the Department of State.[79]

Faithfully yours, JOSEPH C. GREW

500.CC/5-745

Memorandum by Mr. Charles E. Bohlen, Assistant to the Secretary of State, of Conversation Held at San Francisco, May 7, 1945

Present:	Mr. Molotov [80]	Mr. Pauley
	Ambassador Harriman	Mr. Bohlen
	Ambassador Gromyko [81]	Mr. Pavlov [82]

MR. MOLOTOV After an exchange of amenities, Mr. Molotov inquired whether Mr. Pauley expected to leave for Moscow. He added that his Government attached the greatest importance to the work of the Reparation Commission and hoped it would soon get started.

MR. PAULEY replied that he hoped it would be soon and that studies were being made in the State Department and elsewhere and a report had been submitted to the President on the subject of Reparations.[83]

MR. MOLOTOV remarked that the British had not yet appointed their representative.

MR. PAULEY then said there were a number of current pressing problems involving reparations which were facing us at this time. He said that because of our decision to have a world reparation policy for Germany in our zones of occupation, all demands and requests for

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[79] In memorandum of conversation dated May 7, Acting Secretary Grew stated that the President had read this letter when it was handed to him at their meeting that morning and then said that he would work the matter out before Mr. Pauley left (740.00119 EW/5-745).

[80] Mr. Molotov was Chairman of the Soviet Delegation to the United Nations Conference on International Organization.

[81] Andrey Andreyevich Gromyko, Soviet Ambassador to the United States, was a member of the Soviet Delegation to the United Nations Conference on International Organization.

[82] Vladimir Nikolayevich Pavlov, Personal Secretary and Interpreter to Marshal Stalin, Chairman of the Council of People's Commissars of the Soviet Union.

[83] See instructions for the U.S. Representative on the Allied Commission on Reparations, May 18, p. 1222.

German material or equipment which our Commanders were receiving from other European countries had been refused since we felt it would be a mistake to pursue separate policies in the different zones of occupation.

MR. MOLOTOV replied that a good overall basis had been established in the Yalta Agreement and all that was necessary was for the Commission to get to work.

MR. PAULEY replied that he was familiar with the discussions at Yalta.

MR. MOLOTOV then said in that case Mr. Pauley was aware of the fact that the Soviet and American representatives at Yalta found it easy to agree but that there had been difficulties with the British.

MR. PAULEY said that he hoped that the Commission in Moscow could come to a complete agreement very quickly and then possibly move into Germany because there were a number of practical questions which could be best examined on the spot such as the problem of evaluation and the consideration of the minimum needs of the German civilian population. He, therefore, hoped that the meeting in Moscow could be completed quickly and the Commission adjourned to some mutually acceptable place in Germany.

MR. MOLOTOV said that he felt they should start in Moscow and get on with the implementation of the Crimea decision but that if the Commission then considered it desirable to proceed to Germany there would be no serious objection. He added, however, that he must again point out that the Commission had not even started its work in Moscow and inquired whether Mr. Pauley saw any difficulties in the way of the Commission getting to work.

MR. PAULEY replied that in so far as the U.S. Government was concerned there were no difficulties and he hoped that soon he could start for Moscow.

AMBASSADOR HARRIMAN mentioned the desire of the British and American Governments to have France represented on the Moscow Commission. He said that this was not only logical since France was to be a member of the Control Council for Germany, but he felt it would also speed the work very much since in Germany itself France would be involved as a member of the Control Council. If France was not represented at the first phase it would only mean that long explanations of what had happened in Moscow would have to be given to the French Government.

MR. MOLOTOV replied that the Soviet Government was not against French participation but felt that Poland and Yalta [*Yugoslavia*] had no less right to be represented than France. He added that in his opinion, it would be best to go forward on the original Crimea provision which provided for the three powers on the Moscow Commission.

MR. PAULEY then said that while in our zones we were adopting the principle of not allowing any German material which might fall in the category of reparations to be transferred from Germany, we had reports that in the Soviet Zone, German material and equipment were being moved to Russia.

MR. MOLOTOV said that he assumed that whatever was needed for the prosecution of the war was being taken.

MR. PAULEY said that now that the war in Europe was over he presumed that the need to remove this material and equipment would no longer be present.

MR. MOLOTOV said he did not think the need would stop as quickly as that and inquired whether the U.S. Government did not think it was important to the Soviet Union to keep up its war production. He added that the Soviet industry had suffered very greatly during this war.

MR. PAULEY replied that the U.S. also had great need since it still had the war in the Pacific to win but nevertheless for the sake of unified policy we had refrained from allowing any German material to be moved from our zone of occupation to other countries. He said he assumed from Mr. Molotov's remarks that there would be no objection, however, if the Commanders in our zone desired to remove material which could be used for the war.

MR. MOLOTOV said he assumed the U.S. Commanders were taking what they needed for war. He added that in regard to removal in the Soviet zone, he had no detailed information and, therefore, could not give any concrete answers on the subject. He added that he felt if the Commission could get to work quickly they could work out an agreed policy on this question of present removals which he personally felt was a very small matter.

MR. PAULEY in conclusion said that he hoped to leave as soon as he could complete the final work of preparation.

740.00119 E.W./5–845 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 8, 1945—midnight.
[Received May 8—6:50 a. m.]

1516. ReEmbtel 1458, May 4, 2 p. m. Roberts has replied to Vyshinski's letter of May 2 stating that the Soviet Government is aware of the reasons which prevent the British Government from accepting a Polish representative on the Reparations Commission at this stage. Even if an acceptable Polish Government had been formed by the time the Commission met, the British Government could not agree to participate in the work of a commission where Poland and Yugoslavia were represented while other countries like

Norway, Greece and the Netherlands, whose claims the British Government considered no less good, were excluded. The British Government accordingly adhered to its view that only the four powers who will be controlling Germany should have initial representation on the Commission.

Sent to Department as 1516; repeated to Paris as 109.

KENNAN

740.00119 EW/5–1345 : Telegram

The Acting Secretary of State to the Chargé in the Soviet Union (Kennan)[84]

WASHINGTON, May 13, 1945—1 p. m.

1061. Pauley and Lubin are planning a hasty inspection of some of the industrial areas of Germany on their way to Moscow in order that they may have a realistic picture of what is available for reparations claims. They propose inviting Maisky to accompany them as well as the British representative on the Reparations Commission.

It is their belief that in order that the work of the Reparations Commission may yield the maximum results, it is necessary for them to visit all four zones under the direction of the Control Council that are to be occupied.

You are instructed to get in touch with Maisky and extend to him the invitation to accompany Pauley and Lubin. In discussing this with Maisky you should make it absolutely clear that Pauley and Lubin feel that they should also have an opportunity to get a quick picture of the conditions of the plants and equipment in all zones including that to be occupied by Soviet forces. Four or five advisers will accompany Pauley and Lubin on their trip of inspection. Their plans call for them to leave on or about May 20 for Paris. A similar invitation is being sent to the British representative on the Reparations Commission.

GREW

740.00119 EW/5–1445 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 14, 1945—noon.
[Received 1:07 p. m.]

1563. Personal for Ambassador Harriman. There are several matters connected with our work which are causing me some concern. I

[84] This message was repeated to London as Department's telegram 3763, with the addition of the following paragraph: "Please extend similar invitation to British representative, making same explanation as Moscow is instructed to make to Maisky." (740.00119 EW/5–1345)

am not wiring about them officially for fear that I might unwittingly put statements on record which are counter to your views. I hope you will not mind, however, if I put my thoughts frankly before you in this manner for whatever use you can make of them.

1. Preparations for arrival of Reparations Commission. In accordance with your message, Department's 1057, May 12, 6 p. m.[85] I will endeavor to see Maiski at once. I will also press the visa applications mentioned in Department's 1060, May 12, 7 p. m.[86] and will take up the proposed visit to Germany. I am afraid, however, that this will lead the Russians to think that we will give way on the admission of Poland to the Commission if they just hold tight. I believe our best chance of getting Russian concurrence to our views on the composition of the Commission would be to show no further interest in plans for the movement to Moscow and housing of our delegation until they come around on the question of participation.

2. Increase in size of reparations delegation. The increase in the size of this delegation to 30 people seems to me to indicate a certain misunderstanding as to the realities of this question. I gather from this that we are still proceeding on the expectation that we are going to sit down at a table with the Russians and work out a settlement on the basis of careful study and consideration of the various factors involved; and that out of this will arise detailed, realistic decisions which we can jointly put into effect. If Mr. Pauley comes over here with such expectations, his visit, in my opinion, will be dogged with frustration, will cause trouble for this mission, and will constitute a further burden on Soviet-American relations.

I strongly doubt that there can be any detailed joint study here of the real factors involved in the reparations settlement. The Russians are going to advance global demand, probably in staggering figures, for payment and service to the Soviet Union, and they will ask that the lion's share of this come from the other zone [s] of occupation. Their demands will be formulated backstage among themselves, on the basis of considerations which will never be revealed to us, but which will certainly be political rather than economic. Any efforts on the part of foreign delegations to pull discussion down to a basis of economic equalities will be met with repetitious orations about what the Germans did to Russia. In the end, it will come down to a simple horse trade. How much are we going to make available to the Russians from our zones, and what price are we going to demand for it? These are points which we and the British ought to make up our minds about

[85] Not printed; this telegram dealt with transport arrangements and living accommodations for the United States Delegation to the Reparations Conference.
[86] Not printed.

before we come here. Once we get here we shouldn't need any 30 people to drive the bargain with the Russians.[87]

[Here follow paragraphs numbered 3 and 4. Paragraph 3, dealing with the establishment of a government of national unity in Poland, is printed in volume V, page 295; paragraph 4, concerning the Control Commission in Bulgaria and Hungary, is printed in volume IV, page 814.]

KENNAN

740.00119 EW/5–1445 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 14, 1945—9 p. m.
[Received 11 : 35 p. m.]

1578. Pursuant to instructions contained in Department's 1061, May 13, 1 p. m., I called on Maisky this afternoon and transmitted to him the invitation to accompany Pauley and Lubin on tour of German industrial areas. Maisky replied by raising questions about the purpose of the trip. What was it proposed he asked, that the participant in the tour should ascertain? The Crimean decisions for example, had foreseen the removal from Germany of certain German national property for the purpose of destroying Germany's military potential. Were the participants in the tour to examine German industrial plants from the standpoint of their possible removal or from the standpoint of their possible reconstruction? Before we could decide what plants should be removed, we would have to decide what constituted Germany's military potential.

I said that while I did not have instructions on this point I thought I could speak for those concerned in our Government in saying that there was no intention that the persons participating in the tour should be limited in their examination by any specific questions. I said I was sure that the tour would be entirely without prejudice to subsequent discussion of any and all questions relating to reparations in the Commission; that it was merely to give the members of the Commission a vivid first-hand impression of the physical facilities which

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[87] Ambassador Harriman sent his reply via Department telegram 1111, May 20, 11 p. m., to Moscow. The pertinent portions are here quoted: "The following are my brief comments on your numbered points. I will expand upon them when I return to Moscow: 1. As you now know, it has been decided to conduct the initial reparations discussion on the original tripartite basis in accordance with the agreement at Yalta and therefore there is no question of admitting Poland to these discussions. 2. I feel we have nothing to worry about in regard to the size of the reparations delegation. The principal point is that Mr. Pauley's instructions are very firm and while we may not reach any agreement I have no fears about us giving in." (740.00119 EW/5–1445)

they would later have to discuss and of the conditions surrounding their possible use or removal; and that each member would be free to make such utilization as he cared to of his individual observations in the subsequent deliberations of the Commission itself.

Maisky inquired when the tour would begin and how long it would last. On this point too, I told him I had no definite information; that I assumed it would begin sometime between May 20 and the end of the month. I gave it to him as my guess, subject to confirmation from Washington, that it could be completed in 10 days or 2 weeks at the outside.

Maisky undertook to let me know his answer on this subject when he had had an opportunity to discuss it with his Government.

The talk then turned to the question of the delay in the convening of the Commission and to the question of its composition. Maisky expressed the view that it had been a mistake to introduce the question of widening the composition of the Commission after it had once been decided at the Crimea, and he reiterated the proposal recently made to the British that the Commission should undertake its work as a tripartite Anglo-American-Russian Commission, and that the question of the admittance of the French and other powers could be examined while the Commission was working.

I replied to this by repeating our view that it was desirable that the Commission should have the same composition as EAC, to which its work was closely related, and as the Control Council [in Berlin. I pointed out to him that the Control Council would have to work, as far as I knew, as a Council; that its decisions would require the assent of all the participating governments; that if the French Government were not represented on the Reparations] [88] Commission it might not be willing to recognize the decisions of that Commission in its own zone of occupation or to cooperate in making them valid for Germany as a whole through the Control Council. I said I thought if we were to have full cooperation of the French in this respect, it was desirable that they should have a part in forming the decisions in the execution of which they, as members of Control Council, would be asked to cooperate.

To this Maisky replied by asking me whether it had been decided what the French zone of occupation was to be. When I said that I was not informed on this point, he said that he thought it would be very small and implied that he did not think it was very important whether the French cooperated or not. He pointed out particularly that the French zone would probably include the Saar Basin and that the Saar industrial facilities would in point of fact revert to the French anyway, no matter what formal decisions might be taken.

[88] Bracketed insertion on basis of copy in Moscow Embassy files.

He implied by this that they were not so important from the standpoint of a reparations agreement. (I invite particular attention to these statements in connection with the German industrial districts which have been allotted to Poland in the east.)

Maisky showed considerable concern at the delay in the convening of the Commission and expressed the fear that if this delay continued, a number of the countries interested in receiving reparations from Germany would take unilateral action to get what they could. In this respect he mentioned particularly Yugoslavia and Czechoslovakia. He thought it highly undesirable that this sort of thing should begin. I told him that I agreed with him thoroughly on this point, but thought the danger greater in the case of those countries which had zones of occupation in Germany than in the case of those which did not; I too felt it important, I said, that there should be an early overall preliminary agreement on German reparations which the Control Council in Berlin would be in a position to apply to all areas of Germany.

Maisky inquired as to whether Mr. Lubin and Mr. Pauley would be coming on to Moscow after their tour. I said I thought they would. He then returned to the question of the composition of the Commission and stressed the desirability of getting on with this. I pointed out that we were still waiting for a reply to Mr. Harriman's letter of April 9 [89] and that the next move lay with them. Maisky did not say so directly but he made it evident that at the present time he had no authority to recede from the position they had taken and that further exchanges of notes would therefore not be helpful. Since I could see that he was wondering whether the plan of Mr. Pauley to arrive here in June would mean that we were prepared to open conversations on the tripartite basis, I told him, in parting, that I was sure that our Government hoped that by the time Mr. Pauley arrived we would have had opportunity to complete our discussions and come to an agreement on the composition of the Commission.

Sent to Department as 1578, repeated to London, for EAC, as 201, to Paris, for Murphy as 116.

KENNAN

740.00119 EW/5–1445

President Truman to the Acting Secretary of State

WASHINGTON, May 14, 1945.

MY DEAR MR. SECRETARY: Mr. Pauley and Mr. Lubin have informed me of the meeting they held with you on May 3, 1945.

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[89] Not printed, but see telegram 1110, April 10, and footnote 50, p. 1194.

I understand that both Mr. Pauley and Mr. Lubin informed you that it was their determined intention to conduct their negotiations on reparations matters in constant consultation and with the advice of the Secretary of State and in accordance with the foreign policy of the United States. I am further informed that they will undertake to transmit all requests for directives directly to the Secretary of State and will inform him in advance of any communications to me which have any bearing upon our foreign policy.

I can assure you that both gentlemen have the greatest desire to work in close harmony both with the Secretary of State and all other government agencies including the War Department which will be responsible for the administration of the United States zone of occupation and for representing the United States on the Control Council.[90]

Sincerely yours, HARRY TRUMAN

Pauley File

Memorandum by the Chief of Counsel for the Prosecution of Axis Criminality (Jackson) to the United States Representative on the Allied Commission on Reparations (Pauley)[91]

[WASHINGTON, May 14, 1945.]

Re: Draft of Instructions.

A part of this draft affects the trial of war criminals. Section 4 from this point of view is open to serious objections.

Section 4 *d* provides that "compulsory labor service should be required only from war criminals and *individuals* definitely *determined* by appropriate process *to be members of the Gestapo, the S.S., the Sicherheitsdienst*[92] *der S.S., leaders of the S.A.*,[93] or *leading collaborators, supporters of* and *participants* in the Nazi party or administration".

This subjects persons to compulsory labor service for mere membership in these organizations. That would make it farcical to conduct

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[90] On May 15, the Acting Secretary of State transmitted President Truman's letter to the Secretary of State under a covering note in which he made the following comment: "While the arrangement now laid down may not be completely satisfactory to us, nevertheless I think we have gained a great deal and the fact that we have registered your position with regard to your responsibility in matters of foreign policy will probably reflect upon such decisions as may be taken in future cases." (740.00119 EW/5–1445)

[91] Original of this memorandum in Ambassador Pauley's files is attached to a covering note by Mr. Jackson, dated May 14. It was transmitted to Secretary of the Treasury Morgenthau by Mr. Pauley with the suggestion that it be taken up in the Informal Policy Committee on Germany. The memorandum also bore the notation that it was concurred in by Samuel I. Rosenman, Special Counsel to President Truman, who had been delegated previously by President Roosevelt to inquire into the procedure of trial of Nazi war criminals; for documentation on this subject, see pp. 1151 ff.

[92] Security service; intelligence and counter-intelligence agency of the SS.

[93] Sturmabteilungen, Nazi Storm Troops.

trials concerning the conspiratorial character of those organizations or the guilt of their membership. The only purpose of a trial is to determine whether these organizations are of such a structure and character that membership should warrant punishment. All of this is prejudged by the instrument in question. 4 *d* should not go farther than to read substantially as follows:

"Compulsory labor should be required only from convicted war criminals and that for the period and in accordance with the conditions of their sentence." [94]

Beyond this, it is not my business what may be done about reparation through use of labor. But as I said to you, I think the plan to impress great numbers of laborers into foreign service, which means herding them into concentration camps, will largely destroy the moral position of the United States in this war. As Harriman pointed out to us, the treatment of this labor is bound to be "appalling" by American standards. In a year or two, there will come drifting out of Russia tales of oppressive treatment of this labor, which I fear will be all too well-founded, and which in my judgment will arouse sharp condemnation by American sentiment, with serious results to those who have favored it. I feel sure that President Roosevelt's commitments at Yalta [95] did not contemplate the sort of thing that is now being considered. What the world needs is not to turn one crowd out of concentration camps and put another crowd in, but to end the concentration camp idea.[96]

Respectfully submitted, ROBERT H. JACKSON

740.00119 EW/5–1645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 16, 1945—4 p. m.
[Received May 16—1:50 p. m.]

4867. ReDepts 3758, May 12, 6 p. m.[97]

1. Hall-Patch informs Penrose that the head of the United Kingdom delegation to the Reparation Committee in Moscow has not yet

[94] For text as finally approved on May 18 by President Truman, after further discussion by the Informal Policy Committee on Germany with Justice Jackson and Mr. Pauley, see instructions for the U.S. Representative on the Allied Commission on Reparations, May 18, p. 1222.

[95] See *Conferences at Malta and Yalta*, pp. 979 and 983.

[96] Marginal notation reads: "I concur—/s/ Samuel I. Rosenman."

[97] Not printed; this telegram had stated that Mr. Pauley and some of the Reparations delegation were planning to leave on May 20 for London en route to Moscow. It also requested any information available as to who would head the British delegation. (740.00119 EW/5–1245)

been appointed and that no date has yet been fixed for the departure of the delegation.

2. We understand confidentially that United Kingdom officials have pressed for the appointment of the head of the delegation but the Prime Minister [98] will not move in the matter until Eden returns. Preoccupation with the election matters appears to be retarding this appointment since Ministers from whom the head would be selected may have to engage shortly in election campaigns. Hall-Patch will urgently press the matter on Ministers again and particularly on Eden when he returns.

3. Hall-Patch seemed somewhat surprised at the inquiry on the date of departure of the United Kingdom group. Following Penrose's conversation with him on April 30 (see Embassy's 4389, April 30, 8 p. m.) he obtained ministerial agreement that the United Kingdom will follow the same policy as the United States and put off the date of departure of the United Kingdom Delegation until the difference of view with the Soviet on the composition of the Reparation Commission has been resolved (see last paragraph of Department's 3347, April 28, 7 p. m.[99]) Hall-Patch added that as far as he was aware there had been no indication of a change in the Soviet attitude.

4. As regards the proposed departure of Pauley, Lubin and a part of their staff from Washington on May 20 Hall-Patch said that some preliminary interchange of views between them and the United Kingdom group would be welcomed here, provided it could be done confidentially so as not to arouse Soviet suspicions. However, until the head of the United Kingdom group has been appointed, such interchanges would have to be carried on among officials only.

5. Hall-Patch emphasized that unless the proposed departure of Pauley, Lubin and their group from the United States can be carried out secretly, the chances are that the Soviet will put pressure at once on the United Kingdom Government to send its delegation to Moscow. The Soviet may also feel in such circumstances that it has a tactical advantage in the dispute over the composition of the Reparation Commission if the main part of the United States delegation is already on the way to Moscow. He asked what plans were being made regarding publicity or secrecy and whether it was practicable in any case to withhold knowledge of the departure of Pauley, Lubin and their party. It is clear that he feels considerable concern on this point.

6. We would appreciate a reply as soon as possible on the points raised in the immediately preceding paragraph.

WINANT

[98] Winston S. Churchill.
[99] See footnote 65, p. 1201.

740.00119 E. W./5–1745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, May 17, 1945—5 p. m.
[Received May 17—1 : 40 p. m.]

4929. Department's 3763, May 13.[1] It seems to us that it would be wise before we approach the Foreign Office for the purpose of inviting the UK representative to join Pauley and Lubin in "a hasty inspection of some of the industrial areas of Germany on their way to Moscow", to have the following points made clear.

1. Does the instruction in Department's 3763, May 13 represent a reversal of the instruction in Department's 3347, April 28, final paragraph; [2] if so, it seems necessary that we should first notify the Foreign Office that such a reversal has been made and give reasons for it. Please note that at the request of the Department we asked the Foreign Office and they agreed to postpone the departure of the UK Delegation until our differences with the Soviet on the composition of the Reparations Commission had been resolved. (See last paragraph of Department's 3347, April 28, 7 p. m. together with Embassy's 4389, April 30, 8 p. m.) It seems from Hall-Patch's conversation with Penrose yesterday and from Moscow's 1578, May 14 to the Department that these differences have not been resolved.

2. After obtaining UK agreement to follow the US policy in these matters, we were disturbed to learn from Moscow's 1578, May 14 to the Department repeated to us as 201, May 14 that on instructions from the Department the Soviet have already been informed of the proposed date of departure of the US Delegation, though the UK have not been informed that the Department's plans to which the British agreed at the ministerial as well as the official level have been changed. This situation may be prejudicial to our efforts here to facilitate Foreign Office agreement with the Department's wishes.

3. A further question that seems to us to need clarification before we approach the Foreign Office is whether the Department is prepared to begin discussions in Moscow on a tripartite basis if the Soviet agree to withdraw their demand for participation by the Yugoslavs and the Lublin Poles [3] but at the same time refuse to agree to the inclusion of the French. We gather from Moscow's 1578, May 14 to the Department that Maisky personally seems to favor such a procedure, though officially the Soviet demand for the inclusion of the Yugoslavs and the Lublin Poles still stands.

WINANT

[1] See footnote 84, p. 1211.
[2] See footnote 65, p. 1201.
[3] Reference is to the Polish Provisional Government operating in Soviet-liberated Poland; see vol. v, p. 110, footnote 5.

740.00119 EW/5–1445 : Telegram

The Acting Secretary of State to the Chargé in the Soviet Union (Kennan)

WASHINGTON, May 17, 1945—7 p. m.

1090. Reurtel 1578, May 14, 9 p. m. It is requested that you communicate to Maisky the following information with respect to (1) our present views concerning representation on the Reparation Commission, (2) purpose of the proposed trip of Pauley and Lubin to Germany and (3) approximate arrival date of Pauley and Lubin in Moscow.

In view of Soviet opposition to initial participation of France in the reparation discussions, we are prepared to begin such discussions on a tripartite basis. We continue, however, to regard the question of French participation as of key importance, and we expect that the issue will be given renewed consideration at an early stage in the reparation discussions. We remain of the view that unless France participates in the formulation of an agreed reparation program, the execution of the program on a coordinated basis within Germany may be seriously hampered by French opposition in the Control Council. Moreover, we do not consider French zone as of negligible economic importance, and we wish to avoid unilateral action with respect to reparation on the part of any of the Allied countries.

The purpose of Pauley's and Lubin's hasty inspection of German industrial areas is to obtain a quick, first-hand impression of German resources available for reparation claims, as a background for their discussions in Moscow.

Pauley and Lubin expect to devote about a week or ten days to this inspection tour and then to proceed at once to Moscow. They should arrive in Moscow in the first week of June. Their tour of German industrial areas will not be concerned with the problem of rehabilitating industrial plants.

GREW

740.00119 E.W./5–1845 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 18, 1945—5 p. m.
[Received May 18—5 p. m.]

1649. At his request, I called on Maisky this afternoon.

Just prior to seeing him I received Dept's 1090, May 17, 7 p. m. Maisky began by handing me a note which set forth once more the Soviet position on the composition of the Commission, proposing that

it undertake its work as a tripartite commission and leaving open the possibility of further discussion in the Commission itself of the question of composition. Substance of this communication is going forward by separate message.[4] I told Maisky that we were prepared to begin the discussions on the tripartite basis and that I would give him a letter to this effect. I repeated the views stated in the second paragraph of the Depts telegram under reference.

Maisky then took up the question of the proposed visit and said that the Soviet Govt considered that a visit to Germany by the members of the Commission as a group would hardly be advantageous before the reparations discussions had begun. The Soviet Govt recognized the possibility, he said, that such a visit might be desirable at a later date when the framework of the Russian reparations agreement had been substantially completed by the members of the Commission, in accordance with the Crimea principles.

I told him that I thought that Mr. Pauley and Mr. Lubin would be making their own tour in any event, and gave him the information concerning the probable duration of the tour and their date of arrival in Moscow.

Sent to Dept as 1649; rptd to London as 209.

KENNAN

740.00119 EW/5–1745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 18, 1945—8 p. m.

3948. Most of the points raised in your 4867, May 16, 4 p. m. and 4929, May 17, 5 p. m. have been dealt with in our 1090 to Moscow May 17, 7 p. m., repeated 3895 to London May 17, 7 p. m.

The decision to begin reparation discussions on tripartite basis was agreed to by Eden in conversation with Pauley at San Francisco.[5] Eden also stated that he would inform Pauley promptly regarding their expected date of arrival in Moscow. In view of the foregoing, we are hopeful that appointment of the head of the British delegation and other arrangements for British delegation may go forward in such fashion as to permit the discussions to start in Moscow early in June. In the event of British acceptance of our invitation to join in quick tour of German industrial areas, this would undoubtedly provide opportunity for some informal exchange of views on reparation questions.

GREW

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[4] Not printed.

[5] No record of this conversation has been found in Department files.

Lot 55 D–375

Instructions for the United States Representative on the Allied Commission on Reparations (Pauley)[6]

[WASHINGTON, May 18, 1945.]

1. It was agreed at the Yalta Conference that Germany must pay in kind for the losses caused by her to the Allied Nations in the course of the war. The primary purpose of the Reparation Commission should be the formulation of a general program for the exaction of substantial reparation and the establishment of the policies under which this program is to be implemented.

2. It is and has been fundamental United States policy that Germany's war potential be destroyed, and its resurgence as far as possible be prevented, by removal or destruction of German plants, equipment and other property.

While cooperating with the other powers in implementing the basic purposes of the Yalta Agreement, the U.S. representative will bear in mind that whatever plan is formulated by the Reparation Commission (hereinafter referred to as the Reparation Plan) should be in conformity with the economic and security objectives of this country with respect to Germany. The position of the United States on the various issues involved in this respect is summarized in the following paragraphs.

3. In determining the size and character of reparation in accordance with points *a* and *b* of paragraph 2 of the Reparation Protocol [7] and the allocation thereof among the various claimant nations the following principles are advocated by this Government:

a. The Reparation Plan should assist in the elimination of industrial capacity in Germany considered to be dangerous to the security of the United Nations.

b. The Reparation Plan should aid in strengthening and developing on a sound basis the industries and trade of the devastated non-enemy countries of Europe and of other United Nations, and in raising the living standards of these countries.

c. The reparation burden should be distributed in so far as practicable so as to impose equality of sacrifice upon, and result in an equal general standard of living for the German populations of each of the zones under the control of the respective occupying nations.

d. This Government opposes any reparation plan based upon the assumption that the United States or any other country will finance

[6] This document, prepared in the Informal Policy Committee on Germany and approved by President Truman on May 18, was designated IPCOG 2/2, to distinguish it from two earlier versions known as IPCOG 2 and IPCOG 2/1. IPCOG 2/1 had been approved by President Truman on May 10, but paragraph 4*d* was revised subsequent to consultation with Justice Jackson; see the May 14 memorandum by Mr. Jackson to Mr. Pauley, p. 1216.

[7] *Conferences at Malta and Yalta*, p. 983.

directly or indirectly [8] any reconstruction in Germany or reparation by Germany.

e. The Reparation Plan should not maintain or foster dependence of other countries upon the German economy.

f. The Reparation Plan should not be of such a nature as to promote or require the building up of German economic capacity.

g. To the maximum extent possible, reparations should be taken from the national wealth of Germany existing at the time of collapse, with primary emphasis upon the removal of industrial machinery, equipment and plants, particularly the shipbuilding, metallurgical, machine tool producing, electrical machinery, and chemical industries (including all industries producing oil and oil products, synthetic nitrogen and synthetic rubber), ships, rolling stock, patents, copyrights, and German foreign exchange assets including investments abroad. Capacity for the production of component parts that enter into the production of the industries noted above should also be eligible for removal. Reparation in kind should not include arms, ammunition, and implements of war. (This Government favors the inclusion of German ocean-going merchant tonnage in the shipping pool until the end of the war against Japan and its division on some fair basis thereafter, and negotiations with other governments are in progress on this subject.)

h. To the extent that for political reasons it may become necessary in the negotiations to agree that reparations be collected in the form of deliveries of goods from current production over a period of years, such goods should be of such a nature and in such amounts as not to require the maintenance of the German war potential or the continued dependence of other countries on Germany after reparations cease. Accordingly, recurring reparations, over a period of years, should be:

(1) As small as possible in relation to the reparations to be paid in the form of industrial plants and equipment; and

(2) Primarily in the form of raw materials and natural resources, and to the smallest extent possible in the form of manufactured products.

i. The removal of plants and equipment shall take place regardless of the fact that they are owned in whole or in part, directly or indirectly, by United Nations nationals. Where plants or equipment which are owned in whole or in part by a United Nation national are to be so removed arrangements shall be made, if practicable and desired by the government of such national, for the owner to retain his interest in such plant and equipment after removal. If not practicable or so desired, Germany shall furnish to the government of such national adequate reparation to cover the interest of such national.

j. It will be inevitable that the German standard of living will be adversely affected by the carrying out of the Reparation Plan. However, the reparation exactions should be held within such limits as to leave the German people with sufficient means to provide a mini-

[8] The words "directly or indirectly" were not in the original draft, IPCOG 2, but were inserted in IPCOG 2/1.

mum subsistence standard of living without sustained outside relief; but under no condition should this limitation operate to require the retention in Germany of means to support basic living standards on a higher level than that existing in any one of the neighboring United Nations.

k. The Reparation Plan should not put the United States in a position where it will have to assume responsibility for sustained relief to the German people.

4. It was agreed at Yalta that reparation in kind is to be exacted from Germany, partly through the "use of German labor".[9] In negotiations on labor reparation with the other powers in the Reparation Commission, the United States representatives will be guided by the following principles:

a. The United States will not accept reparation in the form of labor services.

b. Both compulsory and voluntary labor services furnished as reparation should be used outside of Germany only for reconstruction and repair of war damage and not for current production operations except for fuel and food.[10]

c. This Government is strongly of the view that persons other than those specified in *d* below as deserving of punishment should not be called upon to perform compulsory labor service outside Germany.

d. Compulsory labor service should be required only from those judicially convicted as war criminals, including individuals determined by appropriate process to be members of European Axis organizations, official or unofficial, which themselves have been adjudicated to be criminal in purpose or activities.[11]

e. Agreement should be sought along the following lines with regard to compulsory labor service:

(1) Except for persons tried for specific crimes, and convicted and sentenced to lifetime punishment, the period of compulsory labor service should be limited to a definite span of years.

(2) The standard of living and conditions of employment should conform to humane standards.

(3) The Reparation Commission or Agency should periodically survey the living and working conditions of compulsory workers and the uses made of their services.

f. Apart from persons deserving of punishment as defined above, German labor for reparations should be recruited only on a voluntary basis.

g. The net value of the services of both types of labor shall be included as reparations.

5. The first charge on all approved exports for reparation or otherwise (other than removals of existing plant and equipment) shall be

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[9] *Conferences at Malta and Yalta*, pp. 979 and 983.

[10] The words "except for fuel and food" were not in IPCOG 2 but were inserted in IPCOG 2/1.

[11] For text of paragraph 4 *d* as it read in both IPCOG 2 and IPCOG 2/1, see the May 14 memorandum by Justice Jackson to Mr. Pauley, p. 1216.

a sum necessary to pay for approved imports. Accordingly, to the extent necessary to pay for such minimum German imports as may be determined to be essential, recipient countries should be required to pay for German exports, except removals of existing plant and equipment. Imports for which payment will be sought shall include supplies imported by the occupying forces for displaced persons and German civilians.

6. Without the approval of an appropriate Allied body there shall be no re-export to third countries of goods received on reparation account.

7. In order to prevent the treatment as war booty or as reimbursement for occupation costs of exports from Germany which should properly be considered as reparations deliveries, agreement should be sought on the scope of war booty and reimbursement for occupation costs. Agreement should also be sought on the scope of restitution in relation to reparation.

8. The governments participating in the Reparation Commission will retain control over the disposition of German property located within their respective borders. These nations will seek agreement with other countries in which German assets are located designed to eliminate continued German control of such assets and prevent their eventual return to Germans.

9. The United States will expect to assert a claim for reparations before the Reparation Commission in accordance with the principles of the Yalta Protocol in order to preserve its rights to its proper share of payment for losses caused to it by Germany in the course of the war. Pending the furnishing of a more exact claim at a later date the United States representative shall reserve the right to claim delivery of reparations in a total amount to be determined. The United States will desire to receive as much as feasible of its share of reparations in the form of foreign exchange assets including German investments abroad.

10. As an interim program, pending the formulation of more definitive arrangements, this Government would favor formulation of an immediate program by the Reparation Commission along the following lines:

a. During the initial period following the collapse of Germany each of the four occupying powers—Great Britain, Russia, France and the United States—may remove from its zone of occupation in Germany plants, equipment and materials (including current output) of such a nature and not in excess of such amounts as may be determined by the Reparation Commission. It shall be our policy to press for inclusion in such an initial removal schedule the categories of plant, equipment and materials (excluding ocean-going merchant tonnage) described in paragraphs 30, 31 and 32 of the "Directive to the Com-

mander in Chief of the United States Forces of Occupation Regarding the Military Government of Germany" [12] and in paragraph 3 *g* above.

b. The decision as to whether or not the removal of particular plants, equipment or materials out of a zone in Germany is consistent with the purposes of occupation would be made by the commander of such zone, subject to the following conditions:

(1) There would be constant consultation between zone commanders.

(2) In making a decision as to removal the zone commander would be responsible for carrying out any relevant agreed policies which may be formulated from time to time by the Control Council.

(3) The Control Council would have an opportunity to consider any particular removal and could veto it.

(4) Regular reports should be made to the Control Council of transfers for reparation account and the Control Council should keep appropriate Allied agencies currently informed.

c. During this initial period any one of the four occupying powers could allow, if it so desired, any other United Nation entitled to reparations in the form of removals from Germany to take out of its zone plants, equipment and materials of such a nature and not in excess of such amounts as may be determined by the Reparation Commission. Such removals would be subject to the policy and conditions specified in sub-paragraphs *a* and *b* above.

d. Records should be kept of all deliveries made on reparations account under such interim arrangements and such deliveries should be made without prejudice to the final allocation of reparation shares. The Reparation Commission should determine the principles for valuation of such deliveries.

11. The Reparation Plan should include provision for the early establishment of a reparation agency including representatives of such governments as have suffered devastation or substantial damage. This agency, after detailed study of Germany's capacity to pay and examination of claims to reparation by the various claimant nations, shall develop a long term plan for the delivery of reparations. This plan shall set forth a description of the reparations to be delivered and their physical allocation to the various claimant nations. It shall contain a time schedule indicating the rate at which deliveries are to be made to the several governments over a stated period of years. The reparation agency should be given continuing responsibility for drawing up at regular intervals detailed schedules of the amounts and kinds of reparations items to be delivered and should have authority to determine the allocation of specific items among claimant governments.

In lieu of the establishment of the reparations agency referred to above the Reparation Plan may provide that the Reparation Com-

[12] For text of this document, dated April 26, see p. 484.

mission, appropriately expanded by the addition of representatives of other claimant governments, may be continued in existence and utilized for the same purpose.

The occupation authorities should be responsible for the execution of the plan within Germany. In the execution of the plan, the Control Council should have the authority to withhold from transfer as reparations specific items the removal of which in its judgment would reduce the available economic means below the minimum required to meet the other purposes of the occupation. After review by the Control Council and in the absence of agreement, the zone commander if he believes that any specific item should be retained within his zone may with the specific determination of his government that such item is essential for the purposes of the occupation withhold the removal of such item. The zone commander may, of course, withhold the removal of such items pending such determination.[13]

The long term plan referred to above should not be approved by the U.S. representatives on the Reparation Commission or Agency until it has been submitted to and approved by the United States Government.

The Control Council should advise the Reparation Agency (or Commission) from time to time as deliveries are made. The Reparation Agency (or Commission) should keep a record of all such deliveries, and should place appropriate values on the respective amounts delivered.

740.00119 EW/5–1845

Memorandum of Conversation, by the Director of the Office of European Affairs (Matthews)

[WASHINGTON,] May 18, 1945.

Mr. Balfour [14] called this afternoon at his request and left with me the attached *aide-mémoire* [15] with regard to the proposed departure of Mr. Pauley and Dr. Lubin for London. Mr. Balfour explained orally that while the British Government would be delighted to see Mr. Pauley and his party, he wondered whether their departure to London prior to a definite understanding with the Soviet Government as to just who would participate in the Reparations commission discussions might not be misunderstood. I said that personally I felt

[13] This sentence was not in IPCOG 2, but was inserted in IPCOG 2/1.

[14] John Balfour, British Minister in Washington.

[15] Not printed; the *aide-mémoire* stated that the British Government would like to discuss with Mr. Pauley, following his arrival in London on May 20, the question of timing in proceeding to Moscow, since no satisfactory understanding had yet been reached with the Soviet Government regarding the participation of France, Poland, and Yugoslavia in the work of the Allied Commission on Reparations.

728–099—68——78

that a clear understanding with the Soviet Government should be reached certainly before the British and American members of the Commission proceeded to Moscow but that I thought Mr. Pauley's plans for departure to London were so far advanced that it would be difficult to change them. I said, however, that I would be glad to present the British Government's views to Mr. Clayton who had been handling the question.

Mr. Balfour then said that if a postponement of Mr. Pauley's trip to London would be difficult to arrange, his Government hoped that at least Mr. Pauley and his party would stay in London until the question of the composition of the Reparations Commission is cleared up. He said that there would be many things to discuss in London and that while the British Government was somewhat handicapped at present owing to the fact that the top member of their commission had not yet been selected, he thought the appointment would be made very soon. Mr. Balfour also expressed the hope that the British would be present with our representatives during any discussions with the French at Paris. I told Mr. Balfour that I would be glad to pass on his *aide-mémoire* and his suggestions immediately to Mr. Clayton.[16]

740.00119 EW/5–2145 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 21, 1945—8 p. m.

2222. For Caffery and Murphy. Pauley, Lubin and a portion of their large staff left Washington on May 20 for short visits in London and Paris and a rapid tour of German industrial areas.[17] They plan to arrive in Moscow during first week of June to begin reparation

[16] On the following day, Mr. Matthews received a telephone call from either Mr. Balfour or Mr. Makins of the British Embassy in which further concern was expressed on the imminence of Mr. Pauley's departure and the proposed brevity of his stay in London. After consultation with Mr. Pauley, Assistant Secretary Clayton informed Mr. Makins that Mr. Pauley would leave on May 20 for London as scheduled but could then prolong his stay there if it appeared useful. (740.00119 EW/5–1945)

[17] In their report on German reparations to President Truman, under date of September 20, covering the period February to September, Messrs. Pauley and Lubin summarized the results of the trip to Germany, May 30–June 5. The British sent four members of their technical staff on reparations to join in the field trip; the Soviet Union did not participate. To study the industrial situation, the staff was divided into six teams, each pursuing a different course, thus enabling the Mission to see virtually all parts of Germany under United States and British occupation. "The field teams," said the Pauley-Lubin Report, "came back with completely harmonious conclusions on the German economy insofar as reparations are concerned. Though the war damage was recognized as extensive, it was evident that (1) German capacity for war production was still largely intact; (2) extensive removal of plants and machinery were both possible and desirable; and (3) there were also available for shipment as reparations timber and other raw materials but only if transport, food and shelter problems were first met." (740.00119 EW/9–2045)

discussions. In view of Soviet opposition to initial participation of France in reparation discussions (unless Poland and Yugoslavia are also included) we have indicated our willingness to begin such discussion on a tripartite basis with the expectation that the issue of French participation will be given renewed consideration early in these discussions. This matter was discussed with Eden, who agreed that reparation talks should not be further delayed by the disagreement concerning French participation.[18]

For your own background following is gist of policy guidance to Pauley: (1) Reparation program should be closely geared to industrial disarmament of Germany and to rehabilitation and development of countries devastated by Germany. (2) To the fullest possible extent reparation should be obtained by removal of capital equipment to Allied countries and from German investments abroad. Removals of existing capital equipment desired by Allied countries should be limited only by the necessity of leaving Germany with enough resources to support herself at a low level without sustained outside relief. (3) Continuing reparation from current production should be held to a minimum and should consist primarily of raw materials such as coal. (4) The first charge on any German exports from current production or from stockpiles should be a sum sufficient to pay for approved, essential imports. (5) Although many points regarding reparation in form of labor services remain unclear, it seems to be agreed that only persons determined to be deserving of punishment should be required to perform compulsory labor outside Germany as part of the reparation program. Labor reparation might also be derived through recruitment of other Germans on a voluntary basis.

With respect to the partly related problem of immediate exports from Germany the Department is of the view that an enlarged program of exports of supplies and equipment urgently needed in liberated areas [19] should be developed as rapidly as possible. In order to expedite such exports, particularly to Western European countries, Department believes that allocation should for the present be handled on some completely informal basis and should not be made to depend upon early organization of allocating machinery under European Economic Committee,[20] nor upon rapid development of interim program by the Reparation Commission at Moscow. Possible methods of dealing informally with this problem are now under discussion with War Department here.

GREW

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[18] See telegram 3948, May 18, 8 p. m., to London, p. 1221.

[19] For negotiations relating to the provision of civilian supplies for liberated areas in the military and post-military periods, see vol. II, pp. 1059 ff.

[20] For documentation on interest of the United States in the establishment of a European Economic Committee and a European Coal Organization, see *ibid.*, pp. 1411 ff.

740.00119 EW/5–2445

Memorandum of Conversation, by the Adviser on German Economic Affairs (Despres)

[WASHINGTON,] May 24, 1945.

Participants: Mr. Armand Berard, Counselor, French Embassy
Mr. Bonbright (WE) [21]
Mr. Despres (A–C)

At Mr. Bonbright's invitation, Mr. Berard called upon Mr. Bonbright and me at my office this morning. I told Mr. Berard that in the light of Russian unwillingness to invite the French to participate in reparation discussions we had advised the Russians, after consultation and agreement with the British, that we were prepared to begin discussion of reparation on a three power basis, with the expectation that the question of French participation would again be considered at an early stage in these discussions. I then traced in some detail the background of negotiations over this question, beginning with Yalta, in order to make clear that we had persistently urged French participation and had retreated from this position only when the disadvantages of allowing the reparation discussions to be further delayed over this issue seemed to us compelling. I told Mr. Berard of Mr. Pauley's plans, including his intention to spend a few days in Paris. I mentioned that Mr. Pauley would undoubtedly wish to avail himself of this opportunity to discuss with French officials their views regarding reparation and related questions.

Mr. Berard stated that the French Government's reaction to this news would undoubtedly be very strong, and that General de Gaulle [22] in particular and the Government in general would regard this as evidence of a continued refusal to grant France her proper place as a major power in the shaping of the European settlement. He said that during the San Francisco Conference, his Government had come to feel that the position of France was perhaps beginning to receive genuine recognition, but that this decision regarding reparation discussions would be interpreted as indicating that the status of France was still ambiguous. German reparation was a subject in which the French had a particularly strong interest and their own special views. The reaction of some of the people in the Government would be that if France was not to be included with the other three powers in the initial consideration of such questions as reparation, she should perhaps abandon any attempts to participate in Allied deliberations and carry our [*out*] her own policies on a unilateral basis. Mr. Berard

[21] James C. H. Bonbright, Assistant Chief, Division of Western European Affairs.

[22] Gen. Charles de Gaulle, President of the Council of Ministers in the Provisional Government of the French Republic.

said that the inclusion of France was not at all comparable to the inclusion of Poland and Yugoslavia in the reparation discussions and that the bad effects of the decision to go ahead on a three power basis put forward by Mr. Berard, but we pointed out that as a practical pate at a later stage, after many of the basic decisions had already been taken.

Mr. Bonbright and I expressed sympathy with the point of view put forward by Mr. Berard, but we pointed out that as a practical matter the conclusion seemed inescapable that there was at present no satisfactory alternative to the course which we had reluctantly taken. It was felt that if reparation discussions did not begin soon, this matter would be dealt with unilaterally by the occupying powers, and that three power discussions were therefore better than none at all.[23]

740.00119 EW/5-2745

The British Minister (Makins) to the Assistant Secretary of State (Clayton)

WASHINGTON, May 27, 1945.

MY DEAR MR. CLAYTON: I enclose a memorandum of the preliminary views of His Majesty's Government concerning the employment of German labour as a form of reparation.

2. This matter was raised informally with Mr. Eden in San Francisco by Mr. Pauley and Mr. Eden undertook to ascertain the preliminary views of His Majesty's Government on his return to London.

3. Mr. Eden would like to know the opinion of the United States Government on this subject, and I should be very glad of an opportunity to discuss the question with you in the near future.

4. I am sending a copy of this letter to Mr. McCloy [24] as I understand that he took part in the discussions at San Francisco.

Yours sincerely, ROGER MAKINS

[Enclosure—Memorandum]

THE USE OF GERMAN LABOUR AS REPARATION

1. His Majesty's Government consider that no objections should be raised to the use of German labour as reparation, although they

[23] The substance of this conversation was transmitted in telegram 2341, May 26, 6 p. m., to Paris for the information of Messrs. Pauley and Lubin. In the first line of paragraph 2, the word "stated", used in this memorandum and in the draft of the telegram, had been changed in telegram 2341 as it was despatched to "expressed the personal opinion". (740.00119 EW/5-2645)

[24] Assistant Secretary of War John J. McCloy.

themselves will probably seek such labour as they require only from among German prisoners of war.

2. His Majesty's Government were at first attracted by the idea of selecting German reparation labour only from among ardent Nazis such as members of the S.S. and the Gestapo, but on further consideration they very much doubt whether it would be practicable to make a selection on this basis from prisoners of war in our hands. Moreover, many countries may well prefer not to have to deal with a labour force composed entirely of active ex-Nazis.

3. His Majesty's Government attach importance to the point that no fresh impressment of German labour should be undertaken after a given period, and that this period should be the shortest possible, perhaps no more than six months from the cessation of partisan hostilities. They consider that there is little hope of settled conditions in Germany while the threat of deportation hangs over its citizens, and experience in occupied Europe suggests that this threat is one of the strongest incentives to the establishment of a resistance movement.

4. A point of considerable difficulty is whether an attempt should be made to reach any agreement between countries employing German labour on conditions of employment. They realise that it would be difficult to keep check on the observance of such an agreement, but they incline to the view that once labour is recognised as a form of reparation, all countries which make use of it should sign a declaration regarding the conditions under which such labour would be employed. This declaration would lay down certain minimum standards as to food, lodging, medical treatment, work, pay and period of service.

WASHINGTON, May 27, 1945.

740.00119 EW/5–2645 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 29, 1945—7 p. m.

2393. For Pauley. Immediately after the Department had informed the French Embassy of present plans to begin reparation discussions on the tripartite basis agreed upon at Yalta (as reported in our 2341 of May 26 to Paris,[25] repeated 4205 to London and 1153 to Moscow), Ambassador Bonnet called on Mr. Grew and emphatically reaffirmed that exclusion of the French from initial participation in the Reparation Commission would arouse strong dissatisfaction on the part of his Government.

[25] Not printed, but see footnote 23, p. 1231.

In the course of your conversations in Paris, the Department considers that it would be desirable (1) to emphasize to French officials that we have persistently urged French participation in the Reparation Commission, in exchanges with the Russians on this matter, (2) to suggest that the French Government should press their case directly with the Russians, and (3) The President has expressed concurrence with the view of the Department that you should propose early in your discussions at Moscow that France be invited to participate in the deliberations of the Reparation Commission.[26] The case for French participation is set forth in Department's 856, April 13, and 1090, May 17 to Moscow (see also Dept. 816, April 7 to Moscow).

GREW

740.00119 EW/5–3145 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 31, 1945—6 p. m.

2435. A British *Aide-Mémoire* was presented to the Department on May 28,[27] setting forth the British Government's views on the reparation talks. The *Aide-Mémoire* mentions their previous understanding that the U.S. delegation would not proceed to Moscow until the question regarding the countries to be represented on the Commission had been satisfactorily settled with the Soviet Government. After stating the case for French participation and calling attention to Russian eagerness to make progress with reparation talks while showing uncooperativeness on many other questions, the British *Aide-Mémoire* asks whether we would agree to hold up the arrival of our representatives in Moscow until further pressure had been brought to bear on Soviet Government concerning French representation.

In reply, we stated verbally that the Yalta protocol on reparation [28] provided merely that the three Governments should participate and that while we had done everything possible to obtain inclusion of the

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[26] Acting Secretary of State Grew had discussed this matter with President Truman on May 26. The pertinent section of his memorandum of conversation reporting the talk reads as follows: "I asked the President if he had any objection to our instructing Mr. Pauley upon his arrival in Moscow to press further for the inclusion of France in the Reparations Commission. I pointed out that when we had previously brought up this matter the Soviet Government had taken the position that if France were to be invited we should also invite Poland and Yugoslavia. I further pointed out that France, having a zone in Europe and as a member of the Allied Commission, was in a different category from either Poland or Yugoslavia and that if we should open membership to those two countries there was just as much reason why Belgium and Holland should also be included. The President said he had no objection to sending the proposed instruction to Mr. Pauley but he doubted if it would meet with success as the Soviet Government would no doubt continue to press for the inclusion of Poland." (611.0031/5–2645)

[27] Not printed.

[28] *Conferences at Malta and Yalta*, p. 982.

French and still hoped to do so, we did not feel, in view of the commitment made at Yalta, that the talks could be delayed indefinitely over this issue. We also said that the U.S. representative on the Reparation Commission had discussed this matter with Mr. Eden some weeks ago, and that in this discussion there had been agreement that reparation talks should not be further delayed over the question of French participation.

Please communicate the foregoing to Mr. Pauley.

GREW

860C.014/6–445 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, June 4, 1945—8 p. m.
[Received 8 : 35 p. m.]

1890. In recent conversation with Maiski, Kennan pointed out that large portions of Soviet Zone of occupation had been turned over to Warsaw Govt and questioned the effect this might have on collection of reparations from this territory by the Control Council. Maiski stated he did not think this a serious problem. He drew attention to fact that Poland would be a reparations-receiving country and implied that production of these areas could be credited to Poland's share of reparations from Germany.

This is first indication we have had of Soviet views on this question.

Sent Dept as 1890 rptd Paris for Murphy as 154.

HARRIMAN

740.00119 EW/6–645

The Assistant Secretary of State (Clayton) to the British Minister (Makins)

WASHINGTON, June 6, 1945.

DEAR MR. MAKINS: Following our conversation on June 2,[29] the question of making another approach to the Soviet Government regarding the matter of French representation on the Reparation Commission was again considered in the Department. We have concluded that the Soviet Government probably would not yield on this issue at present, and that a reopening of the question before the Reparation Commission meets, while failing to accomplish the desired result, might adversely affect other discussions now in progress. Although

[29] Presumably reference is to a conversation which took place on June 1; memorandum of conversation on that date by Mr. Despres not printed; no record of a conference on June 2 has been found in Department files.

we have decided, therefore, that it would be unwise to ask our Ambassador in Moscow to make representations in favor of French participation before the Reparation Commission meets, we have asked Mr. Pauley to take up the matter at an early stage in the reparation talks.[30]

Yours sincerely, W. L. CLAYTON

[On June 11, the United States Delegation to the Allied Conference on Reparations arrived in Moscow and remained there until July 14. Since, during the Moscow sessions, no genuine tripartite agreement was reached, it was decided to refer the matter for ultimate disposition to the meetings of the heads of government of the United States, United Kingdom, and Soviet Union, which took place at Potsdam, July 17 to August 2. For documentation during this period concerning German reparations, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, volume I, pages 507–554. For further references to material on the subject, see Index, *ibid.*, pages 1067–1068.

On July 14, Messrs. Pauley and Lubin, accompanied by some of the staff, proceeded to Berlin to assist in the negotiations there. For documentation, see *ibid.*, volume II, pages 830–949, and for further references, see Index, pages 1617–1618.]

740.00119 EW/6–1445 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, June 14, 1945—4 p. m.
[Received June 14—11:18 a. m.]

2071. ReDeptel 1250 June 7, 7 p. m.[31] British Ambassador has written Maiski under date of June 12 replying to latter's note of May 30 on question of French participation in Reparations Commission. Clark Kerr reiterates British viewpoint that it is essential to secure agreement of French Govt as one of occupying powers and member of Control Council to policy to be adopted in regard to reparations by other three powers. Failure to do so may result in unilateral action of awkward nature by French authorities and failure to adopt appropriate measures in French zone to effect reparations policy. If French representative is not included in Commission anomalous position will arise whereby Allied Control Council work-

[30] Telegram 1250, June 7, 7 p. m., to Moscow, informed Ambassador Harriman that "according to information received today from the British Embassy, their Ambassador in Moscow has been instructed to concert with you in a renewed approach to the Soviet Government on this matter. . . ." (740.00119EW/6–745)

[31] Not printed, but see footnote 30, above.

ing in Berlin on four-power basis will decide general economic policy for Germany whereas three-power body in Moscow will be considering reparation question which cannot be separated from economic questions.

Note continues that British Govt agrees as to desirability of Commission beginning its work immediately. Since Soviet Govt is not prepared to accept what appears to British as most businesslike and rational procedure—namely inclusion of French representative from beginning—British Govt has decided to accept Soviet proposal that Commission begin work on tripartite basis and that question of adding representatives of other govts continue to be discussed separately. Clark Kerr expresses belief of British Govt that it will be found expedient to add French representative at very early stage in Commission's work.

British Delegation headed by Monckton [32] and consisting of about 33 persons will leave London June 18.

Sent to Dept as 2071, repeated to Paris as 187.

HARRIMAN

740.00119 EAC/6–2745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, June 30, 1945—5 p. m.

5334. Urtel 6501, Comea 302, June 27.[33] You may explain your silence in EAC when restitution was discussed recently by pointing out the following:

(1) It is essential that reparation, restitution, war booty, and occupation costs be defined in such terms as to distinguish them and integrate them into a whole program of economic security, compensation and economic reconstruction. The Reparations Commission must reconcile these factors. For this reason US cannot discuss restitution alone; (2) It is regrettable that the Reparations Commission is not a more representative body. The views of US regarding this are well known and will continue to be expressed on appropriate occasions; (3) It does not follow from the foregoing that removals from Germany must await decisions as to whether the property removed is to be

[32] Sir Walter Monckton, British Solicitor General.

[33] Not printed. In this telegram Ambassador Winant reported that on the initiative of the Soviet representative, the European Advisory Commission discussed restitution on June 26, but that the United States Delegation took no part (740.00119 EAC/6–2745). In telegram 5109, June 23, to London, the Department had stated that President Truman had approved a recommendation by Mr. Pauley that consideration of restitution in EAC be suspended until reparations discussions had made progress (740.00119 EAC/6–2345).

charged to a reparation, restitution, war booty or occupation cost account. It is view of US Govt that removal of goods and supplies needed for economic restoration of Allied countries should take place as rapidly and as soon as possible, provided that receiving power undertakes to abide by future common determination as to the account against which the removal will be charged. (4) In the event that other members of EAC insist upon discussing restitution alone, you may join in such discussions if you make it clear to them that in American view close coordination with Reparation Commission is essential before final recommendations to Governments represented on EAC can be made.

Sent to London, repeated to Moscow for Pauley.

GREW

740.00119 EW/6–3045 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, June 30, 1945—midnight.
[Received July 1—1 : 20 p. m.]

2357. From Pauley.

1. The Russian reparation plan [34] includes transfers of shares of German corporations as indicated in Crimea protocol.[35]

2. We propose to oppose such transfers on following grounds: (*a*) value of shares will be limited by economic security program; moreover acceptance of shares may furnish an incentive for maintaining facilities useful for war and for rebuilding German industry generally. (*b*) Ownership of German corporations through share holdings is unnecessary for full collection of reparations in kind. Full control over German economy will be exercised by occupying powers during reparation period and during such period no additional benefits could be secured from dividends on shares since annual reparation in kind presumably will be exacted up to the limit of German capacity. (*c*) Acceptance of shares implies an indefinite extension of reparation transfers beyond contemplated reparation period, complicates future international monetary transfers and may inject issue of US Govt taking a proprietary interest in ordinary commercial enterprise. (*d*) There would be danger of cartel control of German industry for the benefit of private commercial interests abroad. (*e*) Continuing international control of German economic resources whether for

[34] Not printed; the text of this Soviet proposal was circulated as a basis for discussion at the first meeting of the Allied Commission on Reparations on June 21.

[35] *Conferences at Malta and Yalta*, pp. 979 and 983.

security or economic purposes, if desired, can be more effectively imposed by uniform regulation of controlling powers than by management of individual corporations through stock ownership.

3. In the event that we are unable to secure agreement to drop plan to use shares in payment of reparation we propose to attempt to limit use of such shares as narrowly as possible.

4. It is our understanding that the British Delegation also is opposed to this proposal and we have been informed informally that they do not consider themselves committed to it by the Crimea protocol. [Pauley.] [86]

HARRIMAN

740.00119 EW/7–1945 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, July 19, 1945—9 p. m.
[Received 9 : 30 p. m.]

2629. From Sproul.[87]

a. There has as yet been no inter-Allied discussion of the phrase "direct participation in the war against Germany" (ref our 2568, July 14, 7 p. m.[88] reporting proposed procedure for settling the division of reparations, etc.). Our tentative thinking is that it would be well to exclude from the outset countries whose real participation in war, war burden attributable to Germany, and damage claims are either minor or completely lacking on any realistic basis.

b. We accordingly propose to take initially or support the position that in addition to the Four Powers on the ACC only the following be invited to submit reparations claims; 1 Australia, 2 Belgium, 3 Brazil, 4 Canada, 5 Czechoslovakia, 6 Greece, 7 Luxemburg, 8 Netherlands, 9 New Zealand, 10 Norway, 11 Poland, 12 Union of South Africa, and 13 Yugoslavia. In the case of other countries, particularly the other American Republics, such claims as might exist could be adjusted locally by use of German assets in their territories

[86] Telegram 1581, July 11, 7 p. m., to Moscow, gave the following reply: "Department fully concurs in your position reference share transfers for reparation purposes, although it would not desire to exclude possibility of seizing shares in German corporations for temporary control purposes." (740.00119 EW/6–3045)
For Soviet agreement to withdraw its proposal to include transfer of shares in German corporations as part of reparations, see *Conference of Berlin (Potsdam)*, vol. II, p. 517.

[87] Robert G. Sproul, Adviser on Human Relations, United States Delegation, Allied Commission on Reparations.

[88] Telegram 2568 not printed; its substance, however, is contained in the agreed procedure for settling the division of reparations between countries other than the United Kingdom, United States, and Union of Soviet Socialist Republics, *Conference of Berlin (Potsdam)*, vol. II, pp. 834–835.

without going through the procedure of submitting reparation claims in this manner.

c. It is possible that Mexico and Cuba should be included in the list depending upon the extent of their actual participation in either land or naval operations against Germany.

d. Sir David Waley [39] has informally indicated opposition to inclusion of Denmark on the ground that it was never actually at war with Germany. We incline to the view, however, that Denmark should be included.

e. We would appreciate prompt receipt of your views.

To Department; repeated Frankfurt for Pauley as 24. [Sproul.]

KENNAN

862.515/8–245 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, August 2, 1945—5 p. m.

3630. French Emb expressed again to Dept French concern re disposal of gold found in Germany, particularly Belgian gold held by Bank of France and looted by Germany.[40] Dept was asked for assurances that view General Clay [41] reportedly expressed in conversation with Rueff [42] (urtel 3862, June 27 [43]) that gold found in Germany be used to pay for supplies imported to Germany did not reflect policy of this Government.

Emb assured that this statement imputed to General Clay did not represent the views of this Government, that question of disposition of this gold receiving urgent consideration and that this Government hoped soon to make known its views re disposal of this gold.

Repeated to USPolAd, Frankfurt as 212.

GREW

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[39] Under Secretary, British Treasury, detailed to the British Delegation, Allied Commission.

[40] This gold had been transferred at the beginning of the war by the Bank of Belgium to the Bank of France for safekeeping. Following the defeat of France, the Germans had compelled the French to surrender it. After liberation, the Bank of France assigned to the Bank of Belgium part of its gold holdings pending the restitution to Belgium of its looted gold. This explanation was given to Mr. Despres by M. Berard in a conversation of July 6 (740.00119 EW/7–645).

[41] Lt. Gen. Lucius Clay, Deputy Military Governor, U.S. Zone in Germany; also Commanding General, U.S. Group, Allied Control Council for Germany, and Deputy Chief of Staff, United States Forces, European Theater.

[42] Jacques Rueff, French Inspector General of Finances, and Chief, French Economic Commission for German Affairs.

[43] Not printed.

862.515/8–545

The United States Representative on the Allied Commission on Reparations (Pauley) to President Truman

BERLIN, August 4, 1945.

MY DEAR MR. PRESIDENT: As you know, we have in our possession at Frankfurt over two hundred million dollars worth of gold captured in Germany by the armed forces of the United States.

A considerable portion of this gold can probably be identified as having been removed from various of the liberated countries of Europe.

Although it has not yet been determined what disposition will be made of this gold, at least the following two possibilities will shortly become the subject of active discussion:

(*a*) Restitution of any identifiable gold to the specific countries from which it was removed.

(*b*) Regarding the gold (or at least that portion which is identifiable) as a common pot,[44] and distributing it equitably among those liberated countries which lost gold as a result of enemy action.

From a strictly legal standpoint, I understand that it would be possible for the United States to regard this gold as war booty. Although I have not been pressing for such a treatment of the gold, I do feel that if such gold, or part thereof, is restored to the liberated countries, whether on a straight restitution basis or under the "common pot" formula, arrangements should be made so that any claims which the United States has against such countries will become in effect a first lien on the gold to be restored. This lien should apply not only to satisfy our existing claims but also to assure payment of obligations which the claimant countries will shortly incur for the import of food and other essential supplies.

This will mean that, while we recognize the paramount right of the liberated countries to the gold, our continued possession of it would be for the purpose of satisfying our claims against such countries and that such possession should not be released until our existing and immediately prospective claims are satisfied.

Respectfully submitted, EDWIN W. PAULEY

740.00119 Control (Germany)/8–545

The United States Representative on the Allied Commission on Reparations (Pauley) to the Commanding General of the United States Group, Allied Control Council for Germany (Clay)

BERLIN, August 4, 1945.

MY DEAR GENERAL CLAY: In the Protocol agreed upon by the Tripartite Conference in Berlin are found the political and economic

[44] For a definition of the so-called Gold Pot theory, see *Conference of Berlin (Potsdam)*, vol. II, p. 938, footnote 4.

principles to govern the treatment of Germany in the initial period of Allied control.[45] In this same Protocol is likewise found the Plan for Exacting Reparations from Germany.[46]

You will agree, I am sure, that with the adoption of the foregoing political and economic principles, together with the Plan for Reparations, the major responsibility of the Allied Commission on Reparations have been discharged. There is left with you and the Control Council, as I firmly believe there should be left, the whole problem of administering the reparations plan and of deciding how, when and what production facilities shall be removed from Germany as reparations. The principles adopted in the Protocol are inevitably of a very general character, which means that the particular determinations can only be made by the Control Council and the Zone Commanders in the light of the facts as ascertained by the Control Council and the Commanders.

Under Section 6 of the Reparations Agreement it is provided:

"The determination of the amount and character of the industrial capital equipment unnecessary for the German peace economy and therefore available for reparations shall be made by the Control Council, under policies fixed by the Allied Commission on Reparations, with the participation of France, subject to the final approval of the Zone Commander in the Zone from which the equipment is to be removed."

Section 7 provides the same procedure for "interim removals".

Under Section 3 of the Agreement, it is provided that:

"The reparation claims of the U.S., the U.K. and other countries entitled to reparations shall be met from the Western Zones and from appropriate German external assets."

And Section 5 of the Agreement required:

"The amount of equipment to be removed from the Western Zones on account of reparations must be determined within six months from now at the latest."

This means that the Allied Commission on Reparations has only two remaining important functions. First, it must submit general policies to guide the Control Council in its determination of the amount and character of industrial capital equipment unnecessary for the German peace economy. Second, it must seek agreement among the nations dependent upon reparations from the Western Zone[s] as to the division of reparations among them.[47]

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[45] *Conference of Berlin (Potsdam)*, vol. II, pp. 1481–1485.

[46] *Ibid.*, pp. 1485–1487.

[47] On August 16, Mr. Pauley in a letter to General Clay deleted this paragraph in a second version of his August 4 letter enclosed therewith. He explained that certain of his colleagues had disagreed with the statement that the Reparations Commission had only two remaining functions. Rather than make an issue of it, Mr. Pauley said, he would prefer to remove the paragraph. This was the only change made. (740.00119 EW/8–1645)

A careful analysis of the economic and political principles incorporated in the Berlin Protocol reveals that the policies that must guide the Control Council and the Zone Commanders in determining the amount and character of reparations removals have been clearly defined in Paragraph 3 of the Section on Political Principles and Paragraphs 11, 14, 15, 18 and 19 of the Section on Economic Principles. Clearly, therefore, there is no present need of any further fixing of policies by the Allied Commission on Reparations unless new problems arise or some question occurs to you which has not as yet been dealt with.

Regarding the claims against the Western Zones of the "other nations" it is to be noted that the date which you and the Control Council will assemble in order to fulfill that section of the Protocol requiring "the amount of equipment to be removed from the Western Zones" to "be determined within six months" is precisely the same data which the Allied Commission on Reparations will need in attempting to negotiate an agreement as to what constitutes a fair division of reparations among all nations entitled to reparations from the Western Zones. In collaboration with the representatives of the U.K. and France, I shall endeavor to ascertain the extent and character of the claims of the remaining claimant nations, and I would hope that your data on what is available for reparations could then be brought to bear in negotiating a proper agreement between these claimant nations.

The whole question of reparations is inseparably interwoven with the "import and export programs for Germany as a whole"; the "elimination of Germany's war potential"; "Germany's approved post-war needs"; the "maintenance of goods and services required to meet the needs of the occupying forces," and "displaced persons in Germany"; and "essential to maintain in Germany average living standards not exceeding the average of standards of living of European countries." These determinations under the economic principles contained in the Protocol are all properly vested in the Control Council. This means that there is little left for the Allied Commission on Reparations to do except to resolve future policy questions which have not yet arisen and to render such assistance as may prove necessary for you and the Control Council in interpreting matters of Reparation policy.

Accordingly, I plan to leave in Germany only a small nucleus of the staff which has been working with me on the whole reparations problem. This group will need to have very close relations with two of your organization units. The first of these is the Economic Division under Brigadier General Draper, which Division I understand includes the work of Colonel Jefferson who heads Reparation, Deliveries and Restitution. The second is the Legal Division under

Charles Fahy. I would hope that all normal contacts between what will remain of the American Delegation on Reparations and your office may be established and limited in this way. If this arangement seems wise to you it would be most acceptable to me as it will avoid confusion and duplication.

As the next step in effectuating this program may we not make arrangements now for the appropriate conferences between your staff and mine beginning on Monday, August 6th.

Very truly yours, EDWIN W. PAULEY

740.00119 EW/8–645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, August 6, 1945—6 p. m.
[Received 7 : 31 p. m.]

4731. 1. Following is translation of memorandum dated Aug 2 received from FonOff on subject of restitution of French property:

2. "General Koeltz, Chief of the French Military Mission for German Affairs,[48] received a letter from General Clay, his American colleague on the Control Commission, in which it was stated that the procedure proposed by the French Govt for the problem of immediate restitution was considered inopportune. The American general stated to Gen. Koeltz that instead of the Tripartite Commission contemplated by France, his subordinates would be glad to consider the question informally with French representatives.

3. The French Govt through its Ambassadors in Wash. and London has on several occasions already called the attention of the American and British Govts to the great interest which France attaches during the present period of reconstruction to the immediate recovery of French material and other looted French goods which are in grievously short supply in France. Because of the opposition shown by the Russian Delegation on the European Advisory Commission toward the creation of an international restitution commission the French Govt recently proposed to Washington and to London the adoption of a practical and expeditious procedure which would consist either in the establishment of direct contacts among the French, British and American representatives on the Control Commission or in the assignment of an official especially charged with recoveries who would be accredited to the British and American military missions within their respective zones. The replies which have come so far from Washington and London indicated that the competent authorities 'are currently studying the French suggestion'.

4. In bringing the foregoing to the attention of the American Ambassador the Minister of Foreign Affairs has the honor to emphasize again the urgency involved in a favorable solution of this question

[48] Lt. Gen. Louis Koeltz was also Deputy Military Governor of the French Zone of Occupation in Germany and French member of the Co-ordinating Committee of the Allied Control Council for Germany.

of restitutions. The French Govt will not, in fact, accept in so far as it concerns France, the theses supported by the Soviet Govt (and repeated albeit with certain mitigations by the American and British communications referred to) according to which the problem of restitution would constitute merely an aspect of the vaster problem of reparations.

5. In practice such a conception which has no legal foundation will by the delays it will inevitably entail result in rendering almost impossible the identification and recovery of the stolen goods. Delays in this matter have been too long protracted in the opinion of the competent French authorities, authorities who have been met with objections all the more incomprehensible since they request in the last analysis only the opportunity to search out and bring back truly French goods in the zones occupied by Allied and friendly armies.

6. The French Govt believes it to be its duty to take this opportunity of drawing the American Embassy's attention to the risk that is run of serious repercussions on French opinion in the long-run when delays and obstacles of all sorts are placed at this time by the Allies in the way of satisfying the Govt of the Republic's most essential and legitimate requests. Information recently published by the American press on the reparations agreement, according to which the French portion was fixed without consultation with France at less than one per-cent of the real damage suffered by the country, has produced the effect of a scandal. The Embassy will easily understand that under these conditions France can less than ever afford to renounce the right to take back immediately while there is yet time all that belongs to her in the Allied Zones of occupation.

7. The Minister of Foreign Affairs would be grateful if the American Embassy would bring the attention of the American Govt to the matter set forth in the foregoing."

[The final paragraph of this telegram consisted of references to previous documents (not printed) dealing with French proposals on reparation and restitution, as well as requests for captured German material.]

CAFFERY

Moscow Embassy Files: 711.9 Reparations Commission II

The American Chargé in the Soviet Union (Kennan) to the People's Commissar for Foreign Affairs of the Soviet Union (Molotov)

Moscow, August 6, 1945.

DEAR MR. MOLOTOV: I have just been requested by Ambassador Pauley to transmit to you the following communication from him on the subject of the future activity of the Reparations Commission.

"Paragraph 6 of the section dealing with Reparations of the Berlin Protocol provides that the determination of the amount and character of the industrial capital equipment unnecessary for the German

peace economy and therefore available for Reparations shall be made by the Control Council under policies fixed by the Allied Commission on Reparations with the participation of France, subject to the final approval of the zone commanders in the zone from which the equipment is to be removed. Paragraph 7 of this same section provides for the same procedures as respects advance deliveries. A careful analysis of the economic and political principles incorporated in the Berlin protocol reveals that the policies which must guide the Control Council and the zone commanders in determining the amount and character of the foregoing removals have been clearly defined in paragraph 3 of the section on political principles and paragraphs 11, 14, 15, 18, and 19 of the section on economic principles. I am sure that you will agree that these policies already embody those that we had tentatively agreed upon in Moscow for the exaction of Reparations.

"Clearly, therefore, there is no present need of any further fixing of policies by the Allied Commission on Reparations. The Allied Control Council, together with the zone commanders, can thus proceed immediately with the task, assigned to them by the Chiefs of State, by administering the Reparations plan and of determining the extent and manner of removals from Germany as reparations. Accordingly, I submit that the only matter remaining at the present time for the agenda of the meeting of the Allied Commission on Reparations to be held in Moscow on August 7 is the formalizing of such policies as have already been decided upon by the Chiefs of State in the political and economic principles of the Berlin Protocol."

Ambassador Pauley has requested that this communication be brought to the attention of Mr. Maiski.

Sincerely yours, GEORGE F. KENNAN

740.00119 EW/8–645 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 8, 1945—6 p. m.

6679. For Clayton. Dept has just learned of memo for General Clay, dated Babelsberg, August 1 and signed by Pauley and you,[50] requesting General Clay to urge ACC to adopt attached proposed principle on restitution.

Dept anxious to be advised whether you expect expeditious action on this proposal by ACC. Failure of Potsdam conference to settle restitution is expected to increase pressure on Dept of claiming governments, which is already very heavy. See 4731 of August 6 from Paris, repeated to London as 571, to Frankfurt as 760 and to Moscow. It is anticipated that the Netherlands Govt is preparing to follow

[50] Reference is to the draft memorandum by Assistant Secretary Clayton printed in *Conference of Berlin (Potsdam)*, vol. II, p. 934.

its series of notes [51] on particular items of looted property with similar strongly worded note on restitution in general.

Before learning of your and Pauley's memorandum we had considered asking Allied Commission on Reparations to adopt principles on restitution as part of general policies governing reparation, but now assume this device for early agreement and announcement is excluded. If matter is to be pursued in ACC, should Dept take action here to secure an appropriate JCS [52] directive to General Eisenhower.[53] If however you do not anticipate expeditious action by ACC, we urge you to consider advisability of Dept initiating intergovernmental negotiation for identical directives to zonal commanders on this subject. This procedure would particularly recommend itself if you anticipate Russian objection and are prepared to proceed with implementation of your principle in three Western zones.

Further question arises in our minds regarding wording of proposed Principle on Restitution attached to August 1 memo. If Dept prepares JCS directive for immediate communication to General Eisenhower or as basis for inter-governmental negotiation would you agree to broadening language so as to provide restitution of communications and power equipment, such as that looted from Netherlands electric system and PTT.[54] Other refinements of lesser importance might also be adopted, such as substitution of "power-driven" for "heavy" in describing industrial and agricultural machinery, in order to eliminate ambiguity.[55]

Sent to London as 6679. Repeated to Moscow for Pauley as 1770, to Frankfort for Murphy for Despres as 252, and to Paris as 3744.

BYRNES

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[51] None printed.

[52] Joint Chiefs of Staff.

[53] General of the Army Dwight D. Eisenhower, Commanding General, U.S. Forces, European Theater; Commander in Chief, U.S. Forces of Occupation in Germany, and Military Governor, U.S. Zone in Germany; U.S. Representative on the Allied Control Council for Germany.

[54] Post, telegraph, and telephone.

[55] In his reply, contained in War Department telegram MX 25246, August 10, from Moscow, Mr. Pauley stated: "The suggestions you make in your cable are entirely acceptable to me. I will attempt again to get a definition of restitution while here in Moscow with French participation. Failing in this I shall take the matter up with the French and British separately and attempt to get the Control Council to define restitution in accordance with your wishes." (740.00119 EW/8–1045)

740.00119 E.W./8–945 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 9, 1945—1 p. m.
[Received 1:50 p.m.]

2818. From Pauley. British representative [56] here looks with favor on a proposal of ours for invitations to countries entitled to reparations from the Western Zone[s] of Germany. In the draft [57] of this proposal the USSR is not included as an inviting country but we will submit this suggested invitation to them for their consideration with a statement that if they desire we shall be glad to have them join with us as an inviting power. Of course, if they do not desire to sponsor this invitation with us we will still make it clear to them that they will be invited to the proposed conference. In any event we believe that we must proceed immediately to discharge our responsibility for canvassing those nations who are entitled to reparation deliveries from the Western Zones of Germany.

Inasmuch as the Berlin Protocol [58] requires a determination of what is to be removed from Western Zones within 6 months and for interim deliveries even sooner we are unwilling to delay proceeding with other nations waiting upon the USSR. These other nations have a right equal to that of the USSR to select and receive interim or other deliveries as quickly as the USSR.

Immediately upon the arrival of the French we shall submit this proposal to them for approval. The draft of the proposal is being forwarded in my immediately following telegram.

Repeated to London for Winant and Clayton as 392, to Paris for Caffery as 278, Dept please repeat to Berlin for Parten [59] and Ambassador Murphy, Political Division, USGCC (United States Group Control Commission). [Pauley.]

[HARRIMAN]

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[56] Sir David Waley had succeeded Sir Walter Monckton as head of the British Delegation, Allied Commission on Reparations.

[57] See *infra*.

[58] See *Conference of Berlin (Potsdam)*, vol. II, pp. 1478, 1486.

[59] J. R. Parten, Chief of Staff, U.S. Delegation, Allied Commission on Reparations.

740.00119 Control (Germany)/8–945 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

[Extract]

Moscow, August 9, 1945—2 p. m.
[Received August 10—8 : 30 a. m.]

2819. Following is draft memorandum referred to in my immediately preceding telegram:

DRAFT MEMORANDUM TO VARIOUS UNITED NATIONS.

1. On August 1, 1945 the heads of Govt of the United States of America, the United Kingdom of Great Britain and Northern Ireland and the Union of Socialist Soviet Republics signed a protocol on German reparations a copy of which is enclosed.[60] Particular attention is called to paragraph 3 of the protocol which reads as follows:

> "The reparations claims of the United States, the United Kingdom and other countries entitled to reparations shall be met from the Western Zones and from appropriate German external assets."

2. The Govts of the Provisional Govt of France, of the United Kingdom of Great Britain and Northern Ireland and the United States of America being the three powers with zones of occupation in Western Germany invite the Govt of . . . . . to supply by Sept. 15, 1945 data relating to the reparation claim of the Govt of . . . . . against Germany and the value of pre-war German assets situated in its territory. Suggestions as to the nature of the data to be included and the form in which they are to be presented are set forth in the annexes A and B to this memorandum.[61]

3. The data under reference may be submitted through regular diplomatic channels. It is suggested that two copies of the data requested be supplied to the diplomatic representatives of France, UK and US, respectively.

4. It is contemplated that a conference will be arranged for the conclusion of a general agreement on the allocation of reparation deliveries from the Western Zones of Germany among the countries entitled thereto.

. . . . . .

Rptd London for Winant and Clayton as 393, Paris for Caffery as 279. Dept please rpt to Berlin for Parten and Ambassador Murphy, Political Division, USGCC (United States Group Control Commission).

[HARRIMAN]

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[60] For text, see *Conference of Berlin (Potsdam)*, vol. II, p. 1485.

[61] Neither printed; for text of memorandum and annexes as finally sent, see identic notes transmitted on August 28, p. 1267.

800.515/8–1045 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, August 10, 1945—7 p. m.

1793. For Pauley. Dept is in receipt of Soviet request that this Govt arrange return to Soviet State Bank of Soviet currency uncovered by US forces, presumptively looted by Germans.

Re disposition of paper currencies issued by invaded United Nations and uncovered by Allied forces in Germany and Austria, this Govt proposes such presumptively looted currency be returned to country of issue, receipt of currency to cancel all claims of receiving country based on physical looting of returned currency by Germany. Such delivery of currency would be separate from reparation settlement.

Re disposition of all other non-German currencies uncovered in Germany and Austria, this Govt suggests these currencies be held as German foreign assets in trusteeship for ACC Germany by military now having custody, pending final decision on disposition of such currencies under reparation settlement.

Please seek agreement to foregoing in Reparation Commission.

In this regard, British Govt. previously suggested handing to countries of origin allied currencies uncovered in Germany upon agreement by recipients to remain accountable for currency so returned in accordance with principles to be agreed upon re treatment of such currency as restitution or reparation. Current views of British Govt on this subject are being ascertained.

Repeated to London for Clayton as 6767 and to Hoechst for Murphy for Despres as 256.

BYRNES

862.515/8–1145 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 11, 1945—11 a. m.

6784. For Clayton. French Emb has presented another note to Dept [62] requesting restitution of Belgian gold which was entrusted to Bank of France in 1940 and which Bank of France was compelled subsequently to surrender to the Germans.[63] A similar note was presented in London and probably in Moscow.

[62] Dated August 7, not printed.

[63] See telegram 3630, August 2, 5 p. m., to Paris, p. 1239.

It is evident from this note and previous ones that French feel very strongly on this question.

French propose that we issue instructions to General Eisenhower so that restitution question may be negotiated in Control Council. French are anxious to discuss disposal of gold uncovered in all four zones because they believe part of Belgian gold remained in Berlin and fell into Russian hands.

Telegram from Pauley to President, State, Treasury and FEA, August 5,[64] abandons his earlier view that gold captured by US forces should be regarded as war booty but proposes that any scheme for restitution of such gold should include provision that any claims of US against recipient countries, including claims for payment of supplies furnished to them, would become "first lien" on gold returned. Proposal appears to be based on unilateral determination by US of disposition of gold captured by our forces.

Dept considers US mere trustee of gold in Germany and believes unilateral determination of its disposition highly inadvisable. Dept is also strongly of opinion no conditions should be attached to return of gold. Any attempt to satisfy US claims out of looted gold to which despoiled countries have just title would seriously prejudice our relations with these countries. Furthermore, US has no greater legal or moral basis for asserting a lien against such gold than for attaching gold earmarked for foreign account in New York.

As you know Dept favors gold-pot policy under which available gold would be distributed pro rata among claimant countries in accordance with established gold losses. Dept has been anxious to begin negotiations on this policy but has been in doubt as to procedure owing to lack of authoritative interpretation of clause in TERMINAL agreement [65] by which USSR renounced claim to gold captured by "Allied troops" in Germany. We assume from context that Allied troops means those formerly under SHAEF command and not Russian forces. But has USSR renounced interest in disposition to be made of gold captured in West and have UK and US explicitly or implicitly renounced a voice in disposition of gold captured by Russian forces? In the case of German foreign assets the Control Council retains the power of disposition despite the reciprocal renunciations of claims to such assets.

In our view, only if Control Council is empowered to discuss disposition of all gold in Germany, including that captured by Russians, would it be appropriate to instruct General Eisenhower through JCS

[64] Reference is to a War Department cable which transmitted the text of Mr. Pauley's letter of August 4 to President Truman; for text of letter, see p. 1240.

[65] "Terminal" was the code name for the Potsdam Conference. The clause referred to is paragraph 10 of section III of the Protocol of Proceedings: for text, see *Conference of Berlin (Potsdam)*, vol. II, p. 1487.

to negotiate US proposal in that body. If Soviet has waived voice in disposition of gold captured by SHAEF forces, we would propose to present the agreed US position through diplomatic channels to the British and perhaps the French. French claim to participate in decision of this question appears to us rather tenuous if basis of TERMINAL bargain was that he who captures gold has right to determine its disposition. Also admission to decision of such an important party at interest raises question of representation by other gold losers.

Dept would appreciate your interpretation of TERMINAL agreement and your views on Pauley proposals and Department's suggestions. If you consider it advisable, you might ascertain informally British views as to appropriate status of France in any eventual negotiations.[66]

Sent to London, repeated to USPolAd, Frankfurt for Despres as Department's 261.

BYRNES

740.00119 EW/9–3045

The United States Representative on the Allied Commission on Reparations (Pauley) to the United States Deputy Military Governor for Germany (Clay)

[BERLIN,] August 11, 1945.

In connection with the Berlin Protocol, there are certain matters of interpretation as regards reparations which may prove to be of assistance to you and the Control Council.

First of all, although the Protocol contemplates that removals for reparations shall be conducted on a zonal basis in the sense that Russia and Poland shall receive reparations from the Eastern Zone and all other nations only from the Western Zones, it was not intended that this division of reparation shares should prevent the operation of Germany as a single economic unit. As a matter of fact paragraph 14 of the Economic Principles of the Berlin Protocol provides specifically that:

"During the period of occupation Germany shall be treated as a single economic unit. To this end common policies shall be established in regard to:[67]

. . . . . .

(*f*) reparation and removal of industrial war potential.

. . . . . .

As I view it this means that the Allied Control Council should make every attempt to arrange for reparation removals throughout Germany on a uniform basis both as to type, kind, and extent of such

[66] For the reply to this cable, see telegram 8243, August 14, 8 p. m., from London, *Conference of Berlin (Potsdam)*, vol. II, p. 937.

[67] Omissions indicated in the original.

removals. Obviously unless this policy be followed, serious deficiencies are likely to occur in some zones while others may have a surplus. Such inequalities would inevitably make for wide difference in the standards of living between the zones and might place undue burdens on manpower in one zone and cause unemployment in another. Moreover, if too much be removed from some zones, it may result in the removal of too little from other zones in order to pay for imports which would not be required under a unified program of removals applied to Germany as a whole.

A second matter on which interpretation may prove helpful relates to Paragraph 4 of the reparations section of the Berlin Protocol which provides in part:

"4. In addition to the reparations to be taken by the USSR from its own zone of occupation, the USSR shall receive additionally from the Western Zones:

> (*a*) 15 per cent of such usable and complete industrial capital equipment, in the first place from the metallurgical, chemical, and machine manufacturing industries, as is unnecessary for the German peace economy and should be removed from the Western Zones of Germany, in exchange for an equivalent value of food, coal, potash, zinc, timber, clay products, petroleum products, and such other commodities as may be agreed upon."

The commodities to be delivered under the foregoing arrangements may be used for a variety of purposes. They may be used by the occupying forces. They may be delivered as reparations to some of the claimant nations. They may be sold for export. They may be used for consumption within the zone to which they are shipped. Indeed, it would seem to be only a matter of common sense that if any of the zones receiving deliveries of the foregoing commodities proved to be deficient in any of these items, it would be better to use them within such zones rather than to import them. I stress the flexibility of the arrangements. It is left to you or the Control Council to decide whether the commodities which the Soviets agree to deliver should be used in the Western Zones, or exported for the reparations account of countries entitled to reparations, or exported, or treated as exports, for which payment must be made in acceptable currency to pay for necessary imports.

There is still another question upon which some interpretation may be useful. This relates to the valuation of both the capital equipment removed from the Western Zones and the food and materials delivered from the Soviets. Since the removals of capital equipment from the Western Zones must be completed in approximately 2½ years, while the period of deliveries of commodities from the Soviets may be extended over five years, it is essential that fluctuations in

quantities due to changes in world prices be avoided. The pricing formula originally suggested by USSR at the Crimea Conference was based on the average prices for the year 1938 plus 15%. This seems quite satisfactory to me provided it is applied to all deliveries both from the Western Zones and from the Soviets throughout both periods of such deliveries.

I would add one more thought. Inasmuch as the Berlin Protocol requires that the determination of the total amount of removals from the Western Zones shall be made within six months and that interim deliveries may be made even sooner, it is my view that procedures must be provided immediately to invite all nations entitled to reparations from the Western Zones to submit the amount and character of their claims. These other nations have a right equal to that of the USSR to select and receive reparation deliveries, including interim deliveries. I am making every endeavor to provide means whereby all nations may have an equal opportunity to secure suitable reparations regardless of whether their claims be large or small. Until these means are perfected, it would appear that great care should be exercised in allowing any particular nation to remove any substantial quantity of capital equipment before the needs of all nations have been made known.

740.00119 E.W./8–1345 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 13, 1945—11 a. m.
[Received 12 : 01 p. m.]

2872. From Pauley for the President, for the Secretary of State. I returned to Moscow with part of my group in an effort quickly to complete a few formal matters for the Reparations Commission. After waiting several days during which the Soviets failed to call a meeting I was finally informed by Mr. Molotov that Maisky was being taken out of Reparations and supplanted by K. V. Novikov.[68] We have had two meetings with Novikov in addition to one I had with Molotov. The Soviet Government still maintains that the amount and character of Reparation removals should be determined by the Reparations Commission in Moscow and wishes me to inform you of their position. We hold fast to the language of paragraph 6 of article 4 of the Berlin Protocol which states flatly that the amount and character shall be determined by the Control Council under policies fixed by the Reparations Commission. Obviously these policies

[68] Kirill Vasilyevich Novikov, Director, Second European Division, People's Commissariat for Foreign Affairs of the Soviet Union.

on Reparations are sufficiently defined for the present in the Berlin Protocol and the next work on Reparations must be handled by experts in Berlin. The British and French share our views and the British stated they would depart on Tuesday.[69] I have stated that we will depart on Wednesday. The Soviet Government completely ignores our responsibilities to other nations and my views concerning our duty to afford all nations an equal opportunity to participate in removals from the Western Zones.

The Soviet Government when asked if they had a plan to submit as to the amount and character of equipment to be removed stated that they did not have but would try and prepare one in 2 weeks. This will probably mean a considerably longer period and nothing can be gained by remaining Moscow inasmuch as the immediate future work of Reparations consists of determining the amount of removals in the Western Zones and getting all other nations entitled to Reparations into an agreement. This is so important to other nations that we certainly cannot afford to waste useless time in Moscow. I have also stated to Novikov that since paragraph 14 *f* of the Berlin Protocol provides that common policies for Germany as a whole shall be adopted on Reparations the amount and character of Reparation removals from the Western Zones must be measured in part in the light of removals from the Eastern Zone and that this will have to be weighed by the Control Council before definite amounts of removals are fixed from the Western Zones. Novikov responded that we have no right in the Eastern Zone or information concerning it. Apparently there is some disagreement within the ranks of the Soviet Government on this subject since in discussions with Molotov he appeared to agree with my point of view. The matter however is up to the Control Council at least for the present. I am leaving Wednesday morning for Berlin both to complete setting up a small organization to work with General Clay and to discuss with the French and British procedures for inviting other nations to submit their claims.

Repeated to Wolf,[70] White House. [Pauley.]

HARRIMAN

740.00119 E.W./8–1345 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 13, 1945—6 p. m.
[Received August 13—4: 56 p. m.]

2881. From Pauley. The French representative Rueff has not officially accepted the Berlin Protocol and has made reservations as

[69] August 14.
[70] Justin R. Wolf, Washington liaison representative, United States Delegation, Allied Commission on Reparations.

to their participation in conference here in Moscow. Rueff has stated that he would like to know what the French are going to receive as reparations before he agrees to the Berlin Protocol. I pointed out that this was still a matter of negotiation between ourselves, British, French and other nations entitled to reparations from the Western Zones and that he, like ourselves and the British, would have to take his chances in that respect. He is also extremely anxious to have us arrive at a definition of restitution. Since I have always felt that the question of restitution should be resolved by the Reparations Commission I introduced a definition of restitution for discussion. The definition I submitted in [*is?*] the last one prepared by Clayton, modified in accordance with the State Dept's wire numbered 1770, August 8.[71] The Soviet representative was not willing to discuss restitution and stated that while he would take it up with his Govt he thought it might be better handled by some Govt agency other than Reparations. Rueff objects to our definition primarily because it does not include gold and securities. I told him that inasmuch as the Soviets had waived any right to gold this was a matter which could be later discussed outside of Moscow with the French, UK and other interested nations. I strongly recommend to Secretary of State that we not restitute gold or securities until final agreements have been made respecting all reparations and an export-import plan formulated to enable the United States to receive payment for current imports such as those now being taken from Army stocks for delivery to the British and French in order that coal can be produced. I am fearful that if we do not watch our step we will again find ourselves in the same position as after the last war when we paid for reparations going to other countries. I would appreciate information from you as to whether any arrangement has been made for payment of coal [72] which is being shipped out of Germany and for food and coal from the United States to Western Europe. [Pauley.]

HARRIMAN

740.00119 EW/8–945 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, August 13, 1945—6 p. m.

1815. Personal to Pauley. Reurtel 2818, Aug. 9. It does not seem to me appropriate to invite USSR to sponsor invitation to countries claiming reparations from three western zones of occupation in Germany, nor to invite USSR to proposed conference, if this carries implication USSR will be accorded voice in proceedings and vote.

[71] Same as telegram 6679, August 8, 6 p. m., to London, p. 1245.
[72] For documentation pertaining to the German coal situation, see pp. 1521 ff.

It is not envisaged under Berlin protocol that US, UK or France will participate in division between USSR and Poland of reparations from Eastern zone of occupation in Germany. USSR equally has no reasonable claim to a voice in the distribution of shares from western Germany, beyond safeguarding the share already assigned to it. Maximum role of USSR in proposed conference should be that of observer if the Soviet Government should so request.

BYRNES

740.00119 EW/8–1345 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, August 13, 1945—6 p. m.

1816. For Pauley. Urtel 2819 of Aug 9. Subject to the reservation expressed in Depts 1815 to Pauley from the Secy, your proposal for the draft memo to various United Nations is accepted. It is recommended, however, that the terminal date for the filing of claims by these countries be extended for at least one month beyond Sept 15 in view of the very extensive data which are requested. Dept may also desire to comment on list of countries to whom you propose to send invitations. Do your recommendations on this matter remain as expressed in your 2629 July 19 from Sproul? Dept also desires to be informed as to the procedure you contemplate following after receipt of claim statements. In particular do you envisage initial negotiations by UK, US and France to establish provisional distribution of shares and are these countries as well as other claimants to be asked to prepare statements analogous to those required from other claimants?

BYRNES

740.00119 EW/8–1445 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 14, 1945—7 p. m.
[Received August 14—2 : 57 p. m.]

2894. From Pauley. ReDepts 1816, August 13, 6 p. m. My recommendations on countries to be invited to file reparations claims are the same as expressed in Sproul telegram 2629, July 19. I would appreciate your comments on this list so that I may proceed to arrive at an agreement with the United Kingdom and France. I intend to make this the first order of business during the next few days.

We still plan to have the United Kingdom, United States and French members of the Reparation Commission establish original distribution of shares.

Countries, including ourselves, will be asked to submit statements along the line described in my 2818 and 2819, August 9.

I shall bear in mind your suggestion relative to the extension of final date for filing claims. [Pauley.]

HARRIMAN

740.00119 EW/8–1545 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 15, 1945—3 p. m.
[Received August 15—12 : 35 p. m.]

2911. From Pauley. The UK has submitted certain minor amendments to our proposed draft memorandum [73] requesting various nations which may be entitled to reparations to submit certain data to the three Govts. I have approved these amendments which are merely meant to avoid any possible misinterpretations. Proposed memorandum has not yet been approved by the French Government. Immediately upon approval by France we have agreed that the UK and French representatives in Washington will approach you with the request that invitations be sent out immediately through diplomatic channels. UK and France will undertake to submit identical invitations at the same time.

I know that you will appreciate need for immediate action in this matter. [Pauley.]

HARRIMAN

740.00119 EW/8–1845 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, August 18, 1945—noon.

294. Personal for Pauley. I have consulted the President, the Secretary of the Treasury and others in regard to the recommendation contained in your telegram of August 5 [74] (from Berlin via War) that the United States retain a lien on gold looted by Germany from occupied countries in Europe until past and prospective claims of the

[73] See telegram 2819, August 9, 2 p. m., from Moscow, p. 1248.
[74] Reference is to a War Department cable which transmitted the text of Mr. Pauley's letter of August 4 to President Truman; for text of letter, see p. 1240.

United States against such countries are settled.[75] I have also noted that your telegram of August 13 (No. 2881 from Moscow) renews this recommendation on looted gold in somewhat different form and includes a recommendation for imposing similar conditions on the restitution of looted securities.

We have given the problem much thought and careful study in the light of the following factors:

(*a*) The United States has no moral or legal basis for laying claim to or attaching this or any other gold belonging to foreign countries in settlement of past or prospective debts;

(*b*) The United States is bound by its adherences, given without reservation, to the United Nations' declaration with respect to Axis acts of dispossession of January 5, 1943;[76] the gold declaration of February 22, 1944;[77] Bretton Woods resolution VI;[78] and resolution VI [?] of the Conference on Problems of War and Peace held at Mexico City.[79] In these declarations, which were sponsored by the United States and to which the United States invited the signatures of other nations, the United States is solemnly pledged to support the restitution of looted property;

(*c*) An attempt by the United States to lay claim to gold belonging to countries with which it maintains friendly relations would seriously prejudice those relations. Particularly is this the case since the United States now owns the greater share of the world stock on monetary gold.

The position of the United States therefore, which you should express in your dealings with your colleagues on the Allied Commission on Reparations, is that gold captured by US forces, as well as gold captured by other Allied forces, should in principle be restored to the

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[75] A paraphase of Mr. Pauley's message to the Secretary of State contained in War Department telegram VX 31504, August 18, from Berlin, offered the following further comments on the gold restitution question: "In connection with message number 8243 [*Conference of Berlin* (*Potsdam*), vol. II, p. 937] to you from Clayton there can be no doubt but that it was planned that all rights to any gold in either the western zones or in their own zone would be renounced by the Soviet Government. The increased percentages of deliveries alloted to them in the western zones was the consideration governing this decision. The ability to collect it is, of course, a different problem.

"Concerning the restitution of the gold, my views have already been stated. I believe it to be inadvisable to make restitution until subsequent to the general decisions on reparation and until restitution has been mutually agreed to by all nations who claim reparations or restitution. This matter is being currently taken up with the British, the French, and with Clay." (740.00119 EW/8–2045)

[76] For text, see *Foreign Relations*, 1943, vol. I, p. 443.

[77] *Ibid.*, 1944, vol. II, p. 213; also printed in 9 *Federal Register* 2096.

[78] For text, see *Proceedings and Documents of the United Nations Monetary and Financial Conference* (Washington, Government Printing Office, 1948), p. 939. For documentation on the Bretton Woods Conference, July 1–22, 1944, see *Foreign Relations*, 1944, vol. II, pp. 106 ff.

[79] For documentation on this Conference, see vol. IX, pp. 1 ff. Reference to resolution VI is presumably in error; resolutions XVIII and XIX dealt with control of enemy property. For texts, see *Final Act of the Inter-American Conference on Problems of War and Peace, Mexico City, February–March, 1945* (Washington, Pan American Union, 1945) p. 55.

countries from which it was looted without reservation, condition, or encumbrance. This Government recognizes, however, that German disposition of some looted gold, and the impossibility of identifying the origin of other gold, require for the sake of equity a modification of the simple principle of restitution of identifiable looted objects to the jurisdiction from which they were removed by Germany. The necessity for such modification and the content of paragraph 10 of the Reparations section of the Berlin Protocol [80] have resulted in the advocacy by the United States of the policy of pooling all gold found in Germany and Austria by Allied troops (British, American, French and Soviet) into a common pot. This gold would then be divided among countries which can establish the fact of German looting of gold from their jurisdiction, other than USSR, in proportion to their established losses.

This Government is similarly committed to a policy of restitution of securities looted by Germany from occupied countries of Europe, without reservation, condition or encumbrance. To the extent that the jurisdiction from which some securities have been removed cannot be established, an equitable principle of distribution must be devised among the UK, USSR, US and France to achieve rough justice in dividing these securities among the countries from which they were looted.

This Government is anxious that steps should be taken at the earliest possible date to restore gold and securities, as well as other types of property, to the countries from which they were removed by Germany. I would appreciate learning from you whether you consider it likely that negotiations with your colleagues on the Allied Commission on Reparations are likely to lead to early agreement on principles and procedure. If so, you are authorized to propose to your colleagues a formulation of the gold-pot policy and of the principle of restitution of securities described above. The Department is considering certain aspects of the gold-pot policy on which agreement would have to be reached: (1) the scope of the treasure to be included in the pot, e.g. whether SS accumulations of precious metals from concentration camps, monetary silver, etc. should be lumped with monetary gold; (2) the eligibility of Austria, Italy and the satellites as claimants on the gold-pot, and whether their treatment should be identical with that of liberated countries; (3) how looted gold which Germany illegally sold during the course of the war should be recovered and whether recoveries of such gold should be added to the pot. If you consider that the Reparations Commission can usefully attempt to deal with this problem, the Department will communicate its views on these points to you.

[80] *Conference of Berlin (Potsdam)*, vol. II, p. 1487.

I am well aware of the difficulties confronting you, however, and if in view of the Soviet position reported in your no. 2881 you do not believe that the Reparations Commission will be able to dispose of the question of restitution of gold and securities please let me know so that we may examine the possibility of settling these matters through other channels of negotiation with the occupying powers, or by unilateral settlement for the US zone of occupation.

Sent to USPolAd, Berlin as 294, repeated to London for Clayton as 6974, repeated to Paris as 3879.

BYRNES

740.00119 EW/9–3045

The United States Representative on the Allied Commission on Reparations (Pauley) to the United States Military Governor for Germany (Eisenhower)

BERLIN, August 19, 1945.

MY DEAR GENERAL: The attached Proposed Principle on Restitution was prepared by and has the approval of the State Department. I submitted it for the consideration of the Allied Commission on Reparations in Moscow on August 12, 1945. No action was taken, however, since the Representative of the Soviet Government on the Commission indicated he was unauthorized at the present time to discuss restitution as a matter which necessarily fell within the jurisdiction of the Commission.

In the meantime, you as the U.S. Zone Commander are authorized in so far as the U.S. Representative on the Allied Commission on Reparations is concerned to conduct removals on the basis of this definition without any further or additional approval as heretofore required from Moscow on June 27, 1945.[81] However, in any case where "restitution" of property, other than art objects, of the character defined in this proposed definition is requested by any allied government, any removal of such property should be made only if the government of the receiving country agrees, by executing a formal receipt stating that the property in question may ultimately be deemed "restitution", "reparation", or an "export" for which payment shall be made in an acceptable currency. Unconditional "restitution" of art objects is authorized by a memorandum previously submitted by Assistant Secretary of State Clayton and myself.[82]

I will appreciate it if you will keep the necessary administrative records on any removals of the foregoing character which may be made and forward to me a report on this subject from time to time.

Sincerely, EDWIN W. PAULEY

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[81] See *Conference of Berlin (Potsdam)*, vol. I, pp. 513–515.

[82] *Ibid.*, vol. II, p. 924.

[Enclosure]

PROPOSED PRINCIPLE ON RESTITUTION

Removals as restitution shall be governed by the following:

(*a*) Upon application by any Allied Government, restitution may be made of the following categories of property, wherever found, if such property is identifiable and was removed from occupied territory by the enemy by whatever means:

(i) Heavy and power driven industrial and agricultural equipment, and unique machinery;
(ii) Rolling stock, other railroad or transportation equipment, communication and power equipment;
(iii) Works of art, religious, historical, educational, or cultural objects, libraries, scientific equipment, and other laboratory or research materials related to organized inquiry into the arts and sciences.[83]

(*b*) All questions of restitution shall be dealt with on behalf of the injured property owners by the Allied Nations of which they are citizens, unless such Allied Nation shall make other arrangements with the Allied Nation from whose territories the property was removed.

Pauley File: Telegram

President Truman to the United States Representative on the Allied Commission on Reparations (Pauley) [84]

WASHINGTON, August 20, 1945—12:30 p. m.

White House No. 336. Reference your cable August 5th[84a] about turning over gold captured in Germany to the various liberated European countries, I am informed that the State Department is opposed to asserting any lien on this gold. The State Department apparently is of the opinion that the gold captured in Germany should be distributed pro rata among countries having claim to gold in accordance with proved losses of gold.

I think that in these matters the State Department opinion should prevail.

In view of the fact that the Berlin Conference has set up the Council of Foreign Ministers to handle the matters of major importance which require clearance with the other Allies, and in view of the fact that the fundamentals of agreement on reparations were reached at that conference, I think it would be preferable that, in

[83] Subsequently, War Department telegram 70762, September 27, from the Civil Affairs Division of the War Department, informed General Clay in Berlin that Mr. Pauley agreed that interim restitution should not be limited to these categories although most goods were expected to fall within them. (Copy obtained from the Department of the Army files.)

[84] Sent to the Military Attaché in Paris for Mr. Pauley, as War Department telegram SVK-7684.

[84a] See footnote 64, p. 1250.

the future, you communicate directly with Secretary Byrnes on these matters. I feel that he should handle them directly, in the same way as other matters of foreign policy are treated.

I do remember that our original arrangement was that you report directly to the President. But under existing circumstances I think it would expedite matters and relieve me of considerable work if you would submit matters in the first instance to him.

With kindest regards and sincere appreciation for all the work and efforts you have been exerting.

HARRY S. TRUMAN

740.00119 E.W./8–2045 : Telegram

The Chargé in France (Fullerton) to the Secretary of State

PARIS, August 20, 1945—11 p. m.
[Received August 21—1 : 05 p. m.]

5046. From Pauley. I discussed with Bidault, French Foreign Minister, and Rueff, the reparations representative, question of reparations and restitution along with Hugh Fullerton of our Embassy. I pointed out the difficulty of proceeding with reparations plan until the French had officially accepted the Potsdam Protocol and that such acceptance should be had prior to the three Western Powers' invitation to other claimant nations was sent. He said that they were willing to accept the Potsdam Protocol with certain reservations. These reservations being:

1. A general agreement on restitution which definition would include all identifiable objects in Germany, particularly rolling stock and machinery from not only the Western Zones but from the Russian Zone. Rueff stated that he had pressed the matter while in Moscow and had some encouragement that rolling stock might be returned from the Soviet Zone.

2. Specifically did they want included gold, valuables, securities which had been taken and could be identified and if the total taken from France were not located for restitution, he would want an equivalent amount returned. I explained the US policy on gold as instructed by you in yrtel 7664 [85] in which he seemed greatly interested. I also explained that when he used the words "or equivalent" that that meant to me restitution in kind and that was not looked upon by my Govt with favor particularly when it was applied to gold as all the countries could not expect to secure more than the total amount captured. He said before his Govt expressed a definite opinion on this, he would have to see the figures of the other claimant nations as well as the total amount of gold disclosed by the United States and other Allies.

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[85] This number is obviously incorrect; presumably the reference is to telegram 294, August 18, noon, to Berlin, p. 1257, which had been repeated to Paris as telegram 3879.

3. He also stated that as a condition to the acceptance to the Protocol, he wanted the French holdings in Rumanian oil companies to be restored as taken, this meaning stock ownership in companies rather than physical equipment. I explained that the United States and Britain had similar problems in Rumania and our position [86] I felt sure would be the same as theirs and that such a reservation need not necessarily be a condition of their acceptance of the Potsdam Protocol insofar as it dealt only with USSR's claims in Rumania.

4. He also stated that his acceptance of Potsdam Protocol was dependent upon the satisfactory program of advance or interim deliveries. I pointed out interim deliveries was covered by paragraph 7, article 4 of the Protocol [87] and the procedure outlined for interim deliveries was the same as outlined in paragraph 6 above, which states plainly the amount and character of removals are to be determined by the Control Council and furthermore we were anxious to formulate a program through the Control Council as quickly as possible. My conclusion of the meeting was that French will acept the Protocol tentatively but not officially until the claims of all other nations are decided, including the French, and they know exactly what they are going to get both in the form of reparations and restitution.

With regard to the draft memo [88] to be sent to various United Nations, they have proposed several changes which they are not prepared to give me officially in writing, but say these are additions to the "suggestions with regard to presentation of data concerning reparations claims" in Annex A. I expect them to deliver tomorrow these items officially. [Pauley.]

FULLERTON

740.00119 EW/7–1945 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, August 21, 1945—noon.

310. For Pauley. [Telegram] 2629 of July 19 from Moscow from Sproul. Dept has considered at length your recommendations on countries to be invited to file reparation claims. Dept recommends inclusion of Denmark in list based on participation of Danish underground in own liberation, under direction of SHAEF, effort in Greenland, and adherences to United Nations' declarations thru Minister in US, which with declaration of war against Germany, were ratified by Danish Govt as first act after liberation.

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[86] For documentation regarding the concern of the United States over the removal to the Soviet Union of oil equipment from American-owned firms in Rumania, see vol. v, pp. 647 ff.

[87] The numeration used here indicates that the document being referred to is the Potsdam Communiqué, not the Protocol; for text, see *Conference of Berlin (Potsdam)*, vol. II, pp. 1499, 1506.

[88] See telegram 2819, August 9, 2 p. m., from Moscow, p. 1248.

Dept assumes that any Indian claims to reparations will be presented by British Govt. Same assumption applies to Palestine, should British Govt heed request of Jewish Agency made May 22 and affirmed by World Zionist Conference of August 13 (Embtel 8225 from London, repeated to you [89]).

After extensive consideration Dept has concluded that none of the Latin American republics should be invited. All of these republics whose candidacy might have been considered on the ground of their participation in the war effort have sufficient German assets in their country to cover their reasonable claims. We agree with you that their claims should be given consideration in connection with the Control Council's program for mobilizing German foreign assets rather than in a reparation conference, and full consultation will be had by this Govt with other American republics in accordance resolutions Mexico City Conference.[90] Other American republics will be informed of action you are taking and reasons for non-invitation will be fully explained. Dept feels that we owe a special explanation to Brazil in view of its special position as an active belligerent but feels able to justify its exclusion on the ground that Brazil would not in any case share in the general distribution of reparation deliveries from Germany.

BYRNES

[On August 22, 23, and 24, discussions were held in Washington between various American officials and French President Charles de Gaulle and Foreign Minister Georges Bidault. The talks covered many topics including German reparations; for texts of memoranda of these conversations, see volume IV, pages 707, 711, and 722.]

740.00119 EW/8–2445 : Telegram

The Chargé in France (Fullerton) to the Secretary of State

PARIS, August 24, 1945—11 p. m.
[Received August 24—9 : 30 p. m.]

5138. Am returning tonight to Washington bringing revised draft of questionnaire on which British and French representatives and I reached agreement this afternoon.

We agreed that on the morning of August 28 the respective Govts would present simultaneously to the representatives of the invited powers located in Washington, London and Paris the memorandum requesting reparation data to be submitted by Oct. 1.

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[89] Telegram 8225, August 14, from London, contained excerpts from the text of the statement of the World Zionist Conference (867N.01/8–1445).

[90] See footnote 79, p. 1258.

Questionnaire will be submitted to Canada, Australia, New Zealand, South Africa, India, Belgium, Luxembourg, Norway, Holland, Greece, Czechoslovakia, Yugoslavia, Denmark and Egypt.

British and French representatives agreed to inclusion of Cuba and Mexico if we so desire. Please instruct immediately our Missions London and Paris on this point.[91]

FULLERTON

740.00119 E.W./8–2445 : Telegram

The Chargé in France (Fullerton) to the Secretary of State

PARIS, August 24, 1945—midnight.
[Received August 25—11 : 58 a. m.]

5139. For Harriman from Pauley. At a meeting early today the British and French (Waley and Rueff) informed me that they had decided to go to Moscow at Novikov's request to receive the so-called USSR plan on reparations. A cable from Rueff's people in Moscow stated that Novikov had informed them that his plan would be ready on Tuesday next.[92] Both the British and the French have resolved to maintain the same position that we have always held, namely, to refer to the Control Council the plan to be submitted by Novikov. They will also refer to the Control Council any other matters which may involve or affect the determination of the amount and character of reparation removals as provided for in paragraph 6 of article IV of the Reparations protocol.[93] They are hopeful of securing the Soviet approval of our interpretation of this matter while they are in Moscow. They further hope that by securing such approval the matter of who is to formulate the plan of removals will not have to be submitted to the Council of Foreign Ministers in London for decision as suggested by Novikov.

They also hope to persuade Novikov to discuss restitution and war trophies and reach an agreement with him on the definitions for these two items.

Inasmuch as the determination of what shall be removed from Germany as reparations is already before the Control Council and since we are relying on the United States representative on the Control Council to proceed with the determining of what is to be removed, I have arranged with Lieutenant General Lucius Clay to send a representative to Moscow to receive the Soviet plan and partake in any

[91] In reply, telegram 4034, August 25, 7 p. m., to Paris, stated: "None of the other American Republics, including Brazil as well as Cuba and Mexico, will be invited to submit reparation claims." (740.00119 EW/8–2445)

[92] August 28.

[93] Reference is to the Report on the Tripartite Conference of Berlin, *Conference of Berlin (Potsdam)*, vol. II, pp. 1499, 1506.

further discussions he sees fit. I believe Clay will send Brigadier General Draper who is well versed on the matter of reparations as both his and my representative. Since you (Harriman) are fully familiar with all phases of reparations, I will appreciate it if you or one of your representatives will be present at these discussions in Moscow so that you may be able to handle any subjects that are discussed that call for State Department decisions. Please notify Novikov of the probable arrival of Clay's nominee who is also my nominee along with Rueff and Waley on Friday August 31 and inform him that they expect to stay for 2 or 3 days only.

Sent to Moscow as 298; repeated to Dept as 5139. [Pauley.]

FULLERTON

462.00R/8–2845 : Telegram

The Secretary of State to the Ambassador in Brazil (Berle)

WASHINGTON, August 28, 1945—9 a. m.

2089. The US, France and UK today presented identic notes [94] to the Missions of Belgium, Netherlands, Luxemburg, Denmark, Greece, Yugoslavia, Czechoslovakia, Canada, Australia, New Zealand, Union of South Africa, India and Egypt [95] inviting them to submit by October 1 certain information relative to their claims for reparation against Germany and to include a statement regarding the value of German assets subject to their control. None of the American republics were included in this invitation because it is felt that the problem of disposing of German external assets in the Western Hemisphere should under the terms of Resolutions 18 and 19 of the Mexico City Conference [96] be the subject of consultation among the American republics. Moreover, it was considered that the problems of the war devastated nations whose claims will undoubtedly exceed German assets already under their control are distinguishable from those of the other American republics. The war devastated nations will require assets from Germany itself to achieve even very partial satisfaction. The claims of the American republics, on the other hand, can in most instances be satisfied in their entirety out of assets already subject to their control.

You should explain to the Brazilian Government that despite its participation in the war no invitation was extended for the foregoing reasons. You should explain confidentially that the procedure herein suggested is the most satisfactory for the situation of the American republics.

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[94] *Infra.*

[95] An identic note was also sent to the Norwegian Ambassador.

[96] See *Final Act of the Inter-American Conference on Problems of War and Peace*, p. 55.

You should add that US will shortly propose inter-American discussions for the purpose of establishing principles regarding legitimate claims against German assets and for the disposition of German assets in excess of local claims in accordance with post-war reconstruction and rehabilitation needs in war devastated countries.

You should explain to the FonMin[97] that the case of Brazil was given particular study and that this Govt wishes the Brazilian Govt to know that the Brazilian Govt's special position as an active belligerent was not overlooked. However, the amount of German external assets located in Brazil is sufficient when taken in relation to the war damage suffered by Brazil so that it is extremely unlikely that Brazil would receive any compensation by way of reparation deliveries from Germany or in any way other than use of the German assets located within Brazil.

It is hoped that the Brazilian Govt will appreciate the fact that the US Govt has considered its interests in this regard and will agree that the solution suggested is the one most favorable to Brazil's interests.[98]

BYRNES

462.00R/8–2845

The Secretary of State to the Australian Minister (Eggleston)[99]

WASHINGTON, August 28, 1945.

SIR: With a view to implementing the reparations provisions of the Berlin Protocol of August 1, 1945, the Government of the United States in conjunction with the British Government and the Provisional Government of the Republic of France, is today extending to your Government an invitation to submit its claim to reparation from Germany. This invitation takes the form of a memorandum by the Allied Commission on Reparations, with annexes, a copy of which is herewith enclosed. An additional copy of this invitation is being transmitted to your Government by the Missions of the inviting Powers accredited to it.

Accept [etc.] JAMES F. BYRNES

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[97] Pedro Leão Velloso.

[98] The Brazilian reaction is summarized in telegram 2983, September 27, 3 p. m., from Rio de Janeiro, printed in vol. IX, section under Brazil entitled "Concern of the United States regarding the elimination of Axis interests in Brazil." Foreign Minister Velloso's position was that no arrangement governing Brazil's reparation share was binding without her consent, but that the question was academic since there was no effective method for Brazil to collect reparations anyway (462.00R/9–2745).

[99] The same, *mutatis mutandis*, on the same date to the diplomatic representatives of the Governments of Belgium, Canada, Czechoslovakia, Denmark, Egypt, Greece, India, Luxembourg, Netherlands, New Zealand, Norway, Union of South Africa, and Yugoslavia.

[Enclosure]

Allied Commission on Reparation

Draft Memorandum to Various United Nations

1. On August 1, 1945, the heads of government of the United States of America, the United Kingdom of Great Britain and Northern Ireland and the Union of Socialist Soviet Republics signed a Protocol on German Reparations, a copy of which is enclosed.[1] Particular attention is called to Paragraph 3 of the Protocol which reads as follows:—

"The reparations claims of the United States, the United Kingdom and other countries entitled to reparations shall be met from the Western Zones and from appropriate German external assets."

2. The Provisional Government of France and the Governments of the United Kingdom of Great Britain and Northern Ireland, and the United States of America, being the three powers with zones of occupation in Western Germany, invite the Government of Australia to supply by October 1, 1945, data relating to the reparation claim of the Government of Australia against Germany and the value of pre-war German assets situated in its territory. Suggestions as to the nature of the data to be included and the form in which they are to be presented are set forth in the Annexes A and B to this memorandum.

3. The data under reference may be supplied through regular diplomatic channels. It is suggested that 2 copies of the data requested be supplied to the diplomatic representatives of France, U.K. and U.S. respectively.

4. It is contemplated that a conference will be arranged for the conclusion of a general agreement on the allocation of reparation deliveries from the Western Zones of Germany among the countries entitled thereto.

[Subenclosure 1]

Annex A

Suggestions With Regard to Presentation of Data Concerning Reparation Claims

Without prejudice to the factors which will be taken into consideration for the determination of reparation claims, the data sub-

[1] The enclosure consisted of section IV of the Report on the Tripartite Conference of Berlin, issued on August 2. For text, see *Conference of Berlin (Potsdam)*, vol. II, p. 1505; for the corresponding portion of the Protocol, signed August 1, see *ibid.*, p. 1485.

mitted by each nation should be such as to reflect losses of and damage to property and persons as well as the contribution of each country towards organising the victory and its war burdens. For the sake of uniformity, damage and loss should as far as practicable be stated in quantitative units and in 1938 replacement values, expressed both in terms of the monetary unit of the claimant country and in terms of 1938 U.S. dollars. So far as possible data should be reported on an annual basis.

In all cases the data should relate to the war against the European Axis Powers and exclude those relating to the war against Japan.

I.

Damage to and loss of property other than military equipment and installations (in the strict sense of the term) in the course of hostilities against Germany, including damage and loss resulting from scorched earth policies; in so far as they are not included in the figures given under Paragraph IV below.

1. *Industry and Commerce* (including mining and power): Structures; installations; equipment; stocks of raw materials and goods and goods in process.

2. *Ocean Shipping and Coastwise Shipping*

3. *Harbor and Port Works and Installation*

4. *Railway and Inland Water Transport, Civil Aeronautic and Automotive Transport:* Structures; installations; equipment.

5. *Roads and Highways: including Bridges.*

6. *Agriculture:* Productive structures; equipment; livestock, grain stocks, damage to arable lands and forests. (Indicate how long each area damaged, mined or flooded, has been or will remain non-productive)

7. *Public Institutions and Municipal Enterprises.*

8. *Household Articles and Personal Effects.*

9. Gold, silver coins and bars, national banknotes, foreign currency, securities, jewelry and valuables, works of art, or works of historical, scientific, educational and religious interest.

10. *Houses and buildings not otherwise included.* (Give as many details of the nature and extent of the damage as possible.)

11. *Other Material Damage and Loss* not included in the foregoing categories.

II.

Budgetary expenditures allocatable to the war against Germany exclusive of those reported in I above or IV and V below.

III.

1. Man-years allocatable to the war effort against Germany.

2. Man-years lost to the national economy by the deportation of labor to Germany and forced labor at the order of Germany on national territory.

3. Loss of life or health and injuries sustained by civil and military victims of the war and occupation.

IV.

Costs of German occupation (exclusive of items, reported in II above or V below):

1. Forced payments and extensions of credit to the German State or to German agencies such as (*a*) the Reichskreditkassen [2] and (*b*) the Deutsche Verrechnungskasse.[3]

2. Other costs (specify).

V.

All other claims of a governmental or private nature against Germany arising out of or during the war with Germany.

VI.

Any other statistical data which the claimant Government desires to put forward for consideration.

(For each category of property, lost or damaged, there should be indicated, for information, not only the quantity and value of each category of properties lost or damaged, but also the total amount existing before the war for the purpose of furnishing a basis for a comparison between the various countries of the damage sustained in relation to their resources.)

[Subenclosure 2]

ANNEX B

SUGGESTIONS WITH REGARD TO PRESENTATION OF DATA CONCERNING GERMAN ASSETS OR HOLDINGS ABROAD IN THE COUNTRY CONCERNED IMMEDIATELY BEFORE THE DATE OF THE ENTRY OF THAT COUNTRY INTO THE WAR OR ITS OCCUPATION BY THE ENEMY

[2] Reich credit institutions established in occupied territories; affiliated with the Reichsbank.

[3] German Clearing Institute, the central office for handling the accounts of export-import transactions with occupied territories in conjunction with clearing institutes established in the various occupied areas.

The following information* is desired:

I. List of firms in which Germans have interest.

1. Total value of assets locally owned by such firms.
2. Total value of foreign holdings of such firms.
3. Total value of German interest in such firms.

This list should classify these firms as follows: Industrial, banks, insurance, finance or holding companies, merchandising establishments, retail or wholesale, transport companies, travel and other service establishments.

II. German Bank Balances, Securities Holdings, etc.

A. Bank balances.

1. Of German State, in clearings, or official funds of any sort.
2. Of German State-controlled institutions or companies.
3. Of German nationals (or on behalf of same).

B. Securities accounts, safe deposits held in name of or on behalf of Germans.

C. Gold on deposit, other types of holdings.

III.[4] Patents, Trade-marks, Copyrights (Give such details as are possible with respect to ownership of such industrial property, licensing arrangements, royalty arrangements or agreements, actual users of such property rights, and relation to foreign patents, trade-marks or copyrights)

IV. Real Estate Holdings, Participation in Trusts and Estates, Holdings of Works of Art.

(List total values in each category of property)

V. Merchandise held for German account

VI. Other assets

VII. Pre-war claims against and debts due from and to Germany and Germans.

Notes:

1. The word "German" as used above means any person of whatever nationality who has lived in Germany during the course of the war

*If full information is not available by October 1, please supply such information as is available by that date and the rest later. [Footnote in the original.]

[4] The subsequent portions of Annex B were inadvertently omitted from these notes, as well as from their texts as transmitted in Department's circular telegram of August 27, 10 a. m., to the diplomatic missions in the respective countries. According to telegram 1105, August 31, 7 p. m., from Brussels, the identic notes from the British and French Governments presumably contained the full text (462.00 R/8–3145). The remaining portion of Annex B, as here printed, was sent out by the Department in a circular telegram dated September 18, with instructions that the omitted material be presented unless the Government in question already had the complete text (740.00119 EW/9–1845).

and whose property is regarded as enemy property, as well as any German national resident anywhere whose property is so regarded. Please state whether in applying this definition, Germany is deemed to include Austria.

2. In connection with this questionnaire, please also give a brief summary of the status of German property and of the local governmental controls exercised over it. Please list German property under the control of an enemy property custodian or similar official (whether vested, sequestered, etc.), property already liquidated (with statement of proceeds), properties being operated under governmental control, balances or other types of liquid assets which are blocked or frozen, and other information which would be of value in forming a clear picture of the amount and status of German properties or interests therein.

462.00R/8–3045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 30, 1945—10 p. m.
[Received 11 p. m.]

409. At the request of the British representative to the Allied Reparation Commission who is in Berlin en route to Moscow for the meeting of the Commission, scheduled for August 31, General Clay and I met informally with him and the French representative. Waley said that he would like to obtain help and guidance from the Control Council regarding the amount and character of things which are to be removed from Germany under the Potsdam Agreement. Waley also referred to the letter which has now been approved by the Control Council for transmission to the Reparation Commission on the subject of removals.[5]

Waley submitted the draft of the text of an agreement[6] to be proposed to the Government for the creation of an Inter-Allied Reparation Commission to which all countries entitled to receive reparation from the Western Zones shall be invited to appoint members. According to this draft, the seat of the committee would be at Berlin or at such other place in Germany as it may determine in consultation with the Control Council. Its functions would be:

(*a*) To receive from the Control Council lists of the material available for reparations;

(*b*) To receive from the countries entitled to reparation, lists of the material which they desire to receive;

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[5] See telegram 411, August 31, 1 p. m., from Berlin, *infra*.

[6] Sent to the Department with despatch 885, August 31, from Berlin, not printed.

(*c*) To allocate material between the countries entitled to receive reparation;
(*d*) To ensure the equitable application of the plan as between the different countries;
(*e*) To perform such other functions as are entrusted to it under the reparation plan.

Clay informed Waley that while personally he saw no objection in principle to such an arrangement, he had no instructions from his Government and could not answer officially. Clay pointed out the material and practical difficulties relating to housing, communications, transport, etc., now prevailing in Berlin and doubted whether suitable accommodations could be made for this additional organization. Waley said that the British view was that this new agency could well sit at Paris or London, but that since its work would be closely related to that of the Control Council close association between the two agencies would be indispensable.

Waley also stated that it was the obligation of the Control Council to inform the Reparation Commission regarding what is administratively possible to deliver under the heading of restitution. The French representative Rueff also asked a number of pertinent questions regarding plans for the restitution of agricultural and industrial property. Clay replied that he was without instructions from his Government on the subject of restitution and that as far as he knew there is as yet no approved definition. Clay referred to the formula which has been communicated to him by Ambassador Pauley of which Waley had a copy, but stated that thus far he had received no instructions from his Government. Both French and British representatives said that they urgently desired an expression of opinion regarding deliveries of objects of art, gold, securities, and industrial machinery. Waley felt that this matter should be dealt with in stages and asked whether instructions from the American Government could not be cabled to Ambassador Harriman in time for the forthcoming meeting.

Rueff urged a three-way agreement on the delivery of the captured gold, all of which is stored in the American Zone. Waley emphasized that in the British view only gold identifiable as owned by the claimant could be returned under the heading restitution. The balance would be for division under the law of averages as reparation. He said that he appreciated that the American policy under the gold-pot theory differed from the British position.

Rueff also raised the question of a definition of war booty but both the French and the British finally agreed that it would be best to avoid raising the issue during the forthcoming meeting.

Sir Percy Mills [7] also raised a firm objection to the recent Russian

[7] Head of the Economic Division, British Element of the Allied Control Commission for Germany.

proposal to the Control Council for advance delivery of a considerable list of industrial equipment from the Western Zones.[8] Clay is requesting the War Department to supply foregoing and I should appreciate the Department's comments.

Repeated to Moscow as 36. Please inform Ambassador Pauley.

MURPHY

740.00119 EW/8–3145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 31, 1945—1 p. m.
[Received 2:11 p. m.]

411. My 408, August 30, 9 p. m.[9] and 409, August 30, 10 p. m. The Control Council approved and signed on August 30 the following letter to the Allied Reparations Commission:

1. The Control Council has been given the responsibility, under the terms of the Tripartite Agreement of Berlin, to determine the amount and character of the industrial capital equipment unnecessary for the German peace economy and therefore available for reparations, under policies fixed by the Allied Commission on Reparations, with the participation of France, subject to the final approval of the zone commander concerned.

2. The Tripartite Agreement stated in paragraph 11 of the economic principles "productive capacity not needed for permitted production shall be removed in accordance with the reparations plan recommended by the Allied Commission on Reparations and approved by the Governments concerned or if not removed shall be destroyed."

3. It also stated in section IV under Reparations from Germany "In accordance with the Crimea decision that Germany be compelled to compensate to the greatest possible extent for the loss and suffering that she has caused to the United Nations and for which the German people cannot escape responsibility, the following agreement on reparations was reached": (the agreement then follows[10]):

4. Referring to the above, the Control Council therefore would appreciate receiving from the Allied Commission on Reparations any policies in relation to reparations which the Commission has fixed in addition to the agreements on reparations reached at the Tripartite Conference, since the Council is proceeding with the determination referred to in the first paragraph, and to receive from

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[8] This proposal had been discussed at the fourth meeting of the Coordinating Committee of the Allied Control Council on August 27 and referred to the Economic Directorate for further study (740.00119 Control (Germany)/8–2945). The list, submitted on August 23, specified 40 plants in which the Soviet Union was interested; copy, designated CORC/P (45)20, transmitted to the Department with despatch 877, September 1, from Berlin, not printed.

[9] *Ante*, p. 833.

[10] *Conference of Berlin (Potsdam)*, vol. II, p. 1505.

time to time hereafter any additional reparations policies fixed by the Commission.

(Signed by the American, British and Soviet members.[11])

Under the reservations made with regard to the Potsdam Agreement to which the French Government were not a party, the French Commander-in-Chief is in agreement with the basis of the above letter and associates himself with his colleagues.

(Signed by the French member.[12])

Please inform Ambassador Pauley.

Sent to Department as 411, repeated to Moscow as 38.

MURPHY

462.00R/8–3145

The British Embassy to the Department of State

AIDE-MÉMOIRE

As the State Department is aware the Governments of Belgium, Norway, Greece, The Netherlands, Luxembourg, Czechoslovakia, Yugoslavia, Denmark, Egypt, Canada, Australia, New Zealand, South Africa and India have now been invited by His Majesty's Government in the United Kingdom, the United States Government and the French Provisional Government to submit claims for reparation from the three Western Zones of Germany as provided by the Potsdam Agreement.

It is, therefore, necessary to consider urgently the constitution and function of an Inter-Allied Reparation Commission which will be responsible for implementing the Reparation Agreement insofar as the functions concerned are not performed by the Control Council.

Attached is a preliminary paper, which has yet to be submitted for Ministerial approval in London, proposing the establishment of such an Inter-Allied Reparation Commission.

His Majesty's Embassy is instructed to state that this paper by no means represents the final views of His Majesty's Government and that as no reparation deliveries even of an interim nature can easily be made until machinery exists for handling them it is in their opinion a matter of some urgency to agree on what this machinery should be. They have, therefore, in mind to submit a document along these lines during the forthcoming discussions in Moscow and the purpose of communicating the draft informally to the United States Government (and the French Provisional Government) at the pres-

[11] The copy of this letter in Department files is not signed. At the fourth meeting of the Allied Control Council General Eisenhower presided and Marshal Zhukov represented the Soviet Union; Field Marshal Montgomery was absent due to illness, however, and his place was taken by General Sir Brian Robertson; see telegram 408, August 30, 9 p. m., from Berlin, p. 833.

[12] General Koeltz represented France at this meeting in the absence of General Koenig.

ent time is to enable the latter to send any comments they may wish to their representatives at the Moscow talks.

His Majesty's Embassy is instructed to draw particular attention to paragraph 6 of the draft. It had originally been the view of His Majesty's Government that the voting system must ensure that the Controlling Powers have the last word. They are, however, reluctant to propose plural votes for themselves and rather than this at present prefer to propose that each member should have one vote, subject of course to paragraph 6 (2). There remains, however, the danger of one or all of the Controlling Powers, on the basis of a majority vote of such a body, finding themselves bound to some decision which, as Controlling Powers, they would be reluctant to accept. A possible solution would be to insert a new sub-section (3) of paragraph 6 which would provide that, once a reparation plan including percentages had been agreed, the vote should be according to percentages. This should ensure that the Controlling Powers would be in a position to out-vote the others on any question in which a conflict of interest between the Controlling Powers and the other Powers concerned arose. Such an arrangement would appear to be equitable from the point of view of a reparation claimant.

Paragraphs 8 and 11 of the draft are subject to discussion in greater detail with the British representatives on the Control Council.

His Majesty's Government are in some doubt about the Poles. It could be argued that there is no obligation to recognize a Polish claim to membership as the Poles are only entitled to a fixed percentage of the Russian share. On the other hand the Poles are certainly interested inasmuch as they are due to receive deliveries, under the terms of their agreement with the Soviet Union, from the Western Zones and His Majesty's Government see no harm in inviting them to be members if they desire.

WASHINGTON, August 31, 1945.

[Enclosure]

The Governments of the United Kingdom, United States, U.S.S.R. and France are agreed that as soon as a general reparation plan has been accepted by all the Allies concerned it will be necessary to create an inter-Allied Reparation Commission to which all countries entitled under the plan to receive reparation shall be invited to appoint members in order to carry out following functions.

(*a*) To ensure equitable applications of the plans as between different countries entitled to reparation in so far as this is not a matter for Control Council to decide.

(*b*) To receive from Control Council lists of material available for reparation.

(*c*) To receive from countries entitled to reparation lists of material which they desire to receive as reparation.
(*d*) To allocate material between countries entitled to receive reparation in accordance with reparation plan.
(*e*) To perform such other functions as are entrusted to it under reparation plan.

2. Governments of United Kingdom, United States, U.S.S.R. and France being satisfied that assistance of such a Commission is required at once in advance of general agreement on a reparation plan in order that provisions of article 7 of agreement on reparations reached at Potsdam may be satisfactorily carried out, have agreed to invite following Governments who have suffered from German aggression and contributed to victory, to take part in Constitution of I.A.R.C. viz., Belgium, Netherlands, Norway, Poland, Luxemburg, Czechoslovakia, Yugoslavia, Greece, Canada, South Africa, Australia, New Zealand and India.

3. Pending agreement on a general reparations plan, the I.A.R.C. shall

(*a*) receive from Control Council lists of material available as advance deliveries in accordance with article 7 of Potsdam Agreement
(*b*) receive from Countries entitled to receive reparation lists of material which they desire to receive as reparation,
(*c*) allocate material between countries represented on I.A.R.C. taking account of urgency of their needs.

4. In determining allocation of material available for advance deliveries, the I.A.R.C. will have regard

(*a*) to provisions of Article 4 of the Potsdam Agreement
(*b*) to any other policies which may be agreed by Allied Commission on Reparations,
(*c*) to an equitable distribution which shall not prejudge the proportions which may be laid down at a later date by reparation plan.

5. The I.A.R.C. shall not be empowered to do anything which might diminish the responsibilities of the Control Council either generally or as laid down in regard to reparation by the Potsdam Agreement.

6. 1) Each member shall be entitled to one vote.

2) The Governments of U.S.S.R. and Poland shall not exercise their votes in matters in which under provisions of the Potsdam Agreement they have no direct interest.

7. The seat of the committee shall be at Berlin or at such other place in Germany as it may determine, in consultation with the Control Council.

8. The Control Council and Commanders in Chief in their several zones shall ensure to the Committee, to its members, and to staff committee and to its members (other than German nationals) the following facilities.

(*a*) the free provision at cost of German authorities of local supplies and services and local currency required for their provisioning, maintenance, accommodation and transport,
(*b*) their exemption from all German taxation including customs duties,
(*c*) their exemption from suit and legal process in any German court,
(*d*) the inviolability of their premises to [13]
(*e*) freedom of communication by cypher and otherwise with their respective governments to the same extent as that enjoyed by military missions attached to the Control Council.

9. The foregoing facilities shall only be granted to any of the personnel specified in paragraph 9 when his name has been notified to the Control Council.

10. All other facilities which the committee may require in Germany shall be the subject of agreement between it and the Control Council or the Commanders in Chief in their respective zones.

11. Subject to conditions of paragraph 9, the personnel mentioned therein shall be subject in each zone to the same regulations as apply in that zone to officers of corresponding rank, status and nationality in the service of the organization attached to the Commander in Chief of that zone or the Control Council.

462.00R/9–245 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, September 2, 1945—6 p. m.
[Received September 2—6 p. m.]

3140. To SecState for delivery to Pauley and for Clayton from Draper. Arrived Moscow yesterday as Pauley's representative. Meeting Reparations Commission scheduled Monday [14] 1800. Today Waley handed me copy note to Soviet member Novikov attaching agenda proposed by Waley as follows:

1. Reply to Control Council letter [15] which already delivered to Reparations Commission and which asks to be informed now or later of any policies in relation to reparations which the Commission has fixed in addition to those included in the Potsdam Protocol;
2. Appointment of inter-Allied reparation agency;
3. Interim definition of restitution;
4. Proposed conference on division of reparation deliveries from the Western Zones.

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[13] Apparently the word "to" should have been crossed out, as were the rest of the words on this line of the file copy.
[14] September 3.
[15] See telegram 411, August 31, 1 p. m., from Berlin, p. 1274.

For your information cabling text of (1) draft reply to Control Council proposed by Waley (2) restitution proposal by Waley after consultation with French.

Understand Waley has already arranged FonOff send you proposed text of agreement [16] for creation Inter-Allied Reparation Commission referred to in agenda Nr 2 as inter-Allied reparation agency. Assume you have this text which defines agencies duties to include receiving reparations claims from countries entitled thereto, all allocating materials between such countries from lists of such material when received from Control Council.

Text of above-mentioned draft reply to Control Council follows:

"1. The Allied Commission on Reparations has the honor to acknowledge receipt of the Control Council's letter dated the 30th August 1945.

"2. The Commission consider that the policies in relation to reparation embodied in sections III and IV of the Berlin Protocol of August 1, 1945 [17] enable the Control Council to begin the determination of the amount and character of the industrial equipment unnecessary for the German peace economy and therefore available for reparations. The Commission have not up to the present fixed any further policies in regard to such determination.

"3. The Commission desires to be kept closely informed of the work of the Control Council in regard to such determination. The Commission have decided to appoint for this purpose a liaison committee in Berlin.

"4. The Commission will be ready to consider any questions of policy which may arise during the above-mentioned determination or during the working out of practical arrangements for advance deliveries. They request that the Control Council will inform the Commission's liaison committee as soon as any such questions of policy arise.

"5. The Commission draw the attention of the Control Council to the need for pressing forward with all possible speed both the above-mentioned determination and the practical arrangements for advance deliveries to all countries entitled to reparation in the form of industrial equipment from the Western Zones.

Above-mentioned restitution proposal follows:

1. Identifiable property existing at the date of the invasion of the territories from which the property was removed should be restored to the government of that territory in so far as it can be recovered and irrespective of the form of dispossession by which it had come into enemy hands.

2. In the first instance the property so restored shall provided it is covered by the terms of paragraph 1 above include: (*a*) monetary gold, valuables and securities; (*b*) works of art, religious, historical,

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[16] *Supra.*

[17] Presumably the reference should be to the Report on the Tripartite Conference of Berlin, August 2; see *Conference of Berlin (Potsdam)*, vol. II, p. 1504.

educational or cultural objects, libraries, scientific equipment and other laboratory or research materials related to organized inquiry into the arts and sciences; (*c*) heavy and power-driven industrial equipment and machinery unique in character; (*d*) rolling stock, other railroad or transportation equipment, communication and power equipment at such date and subject to such conditions as may be arranged with the Control Council and any other inter-governmental authority concerned with transportation questions.

3. Replacement of property which no longer exists by similar property should be confined to category (*b*) above (works of art etc.).

4. The above paragraphs 1 to 3 are without prejudice to the point of view of the French Government in regard to the restitution of monetary gold which will be further discussed as soon as possible by the governments concerned.

5. The question whether any particular property comes within the scope of paragraph 1 above and the ownership of such property shall be determined by an inter-Allied agency to be appointed." *End of message.*

[Draper]
HARRIMAN

740.00119 EW/9–445 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, September 4, 1945—4 p. m.
[Received September 4—3 : 15 p. m.]

3160. From Draper for Pauley and Clayton.

1. Reparations. (*a*) Control Council agreement on letter to Reparations Commission has not broken deadlock. (*b*) At meeting last night, Novikov still insisted strongly Reparations Commission prepare plan which understand means standard of living and level of industry with application to many industrial categories. He stated Soviet plan would be presented Commission 5th September. (*c*) Waley and I strongly pressed for Council determination character and amount of equipment for reparations. Rueff supported but indicated willingness to compromise. I stated I was prepared to receive Soviet plan and refer to U.S. side of Council for study. No indication Novikov will change position which he stated was Soviet Govt position. (*d*) In informal discussion today with Waley and Rueff, both advanced desirability some compromise solution. Waley apparently has authority from his Govt to agree to joint determination both plan and character and amount of equipment by Commission and Council provided Soviets agree that the work be done in Berlin, but contemplating possibility formal meeting of Commission in Moscow to give final Commission approval. (*e*) Proposing leave Moscow

Friday.[18] If no solution reached, there is likelihood that one of the members of the Commission may refer problem to Council Foreign Ministers London next week[19] for settlement, and I suggest delegation be prepared to deal with question. Novikov, Waley and Rueff all will be there. (*f*) Unless instructed otherwise, I will continue to take position that the Control Council under the Potsdam Agreement is charged with the responsibility of determining the character and amount under policies fixed by the Reparations Commission and that the plan referred to in paragraph 11[20] was in effect the Reparations Agreement expressed in section IV of the Berlin Agreement. Also, that I am not prepared to discuss the merits of the Soviet plan here but will refer to the US member of the Control Council for study. I see nothing but confusion and divided responsibility ahead if the compromise is accepted. Ambassador Harriman concurs.

2. Restitution. Soviet member indicated restitution not part of Soviet reparation plan and preferred restitution discussion be in Control Council or alternatively Council of Foreign Ministers or diplomatic channels. French desire question discussed here. British willing. I took no position, being without instructions. Please advise your reaction British draft[21] if you desire discussions here, as French may be able persuade Novikov to consider question.

3. Inter-Allied Reparations Agency. (*a*) Novikov stated that the Reparations Commission should allocate plants determined to be available for removal to the Soviets on the one hand, and to the other 3 powers on the other hand. The Soviets would then make their own arrangements with Poland, and the other 3 powers should similarly make their arrangements with other Allies entitled to reparations. (*b*) Soviets are not interested in membership on any reparations agency including the smaller powers, nor a membership on any three power agency to determine percentages for division of the 75% of removals, although might be willing to sit on latter board as observer if pressed. (*c*) Above proposal would mean that Reparations Commission in allocating plants would have to represent the interests of smaller nation claimants. British and French appear inclined to accept this arrangement which appears reasonably workable. Have you any objection? (*d*) In informal discussions today, Waley suggested prompt organization Inter-Allied Reparations Agency, starting with 3 representatives to form organization committee, US, British and French, with a permanent Secretary General and 2 Deputies.

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[18] September 7.

[19] For documentation on the First Session of the Council of Foreign Ministers, held in London, September 11–October 2, 1945, see vol. II, pp. 99 ff.

[20] Reference is to paragraph 11 of section III of the Report on the Tripartite Conference of Berlin; see *Conference of Berlin (Potsdam)*, vol. II, p. 1504.

[21] *Supra.*

He further suggested Secretary General be British in view most of removals from British zone, with US and French Deputies. Recommend that Pauley designate 2 individuals to come to London or Paris from Washington prepared to act as US member of organization committee and Deputy Secretary General, respectively. These individuals should be fully informed of views concerning organization proposal previously submitted by British. Please cable any comment British proposal.

4. Sending copy this cable General Clay and request you submit to him any instructions or comment to me.

Sent Dept, repeated Berlin for Clay as 69. [Draper.]

HARRIMAN

740.00119 EW/9–445 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 4, 1945—8 p. m.
[Received September 4—7 : 10 p. m.]

447. The following is a paraphase of a telegram sent today by General Clay to the War Department on the subject of restitution policy:

"We desire a clearer definition of United States restitution policy. We have been advised by Pauley by letter [22] of his views that we should begin restitution not only of cultural objects but also of livestock and agricultural implements, transportation rolling stock. As there appears to be no tripartite or quadripartite governmental policy covering this question, the carrying out of his letter would of course, be unilateral on our part. In our opinion the following principles should govern: we should make restitution of identifiable articles taken without payment by Germany to the extent that (*a*) such restitution will not result in relief needs in Germany which would lead to the US financing in part such restitution and (*b*) such restitution does not interfere with agreed reparations program. Because of administrative difficulties in any other procedure, all claims for restitution should be submitted in consolidated lists by the governments concerned. Preliminary evidence should be given as to the location of the items claimed for restitution and the circumstances connected with the removal by the Germans of these items. Administratively it would be impossible to permit missions from the countries concerned to scour Germany to find items produced in their country and then build their restitution cases.

It is our view, moreover, that rolling stock, livestock and agricultural implements required for a minimum economy in Germany and which if not available would result in increased imports into Germany, would militate against the ability of Germany to pay

[22] Presumably the reference is to the letter from Mr. Pauley to General Eisenhower, dated August 19, p. 1260, although the enclosure thereto makes no specific mention of livestock.

reparations and would inevitably result in calls on the US for relief. It is also our belief that the State Dept should list the countries entitled to restitution. These countries should be required to submit their lists of the claimed items and quantities promptly, and after each list has been examined by the zone commander concerned, the several countries should be permitted to send small missions into each zone for identification of these items and to arrange for return of the items. Serious misunderstanding would result from separate policies in the several zones. We do not understand that the French have as yet opened the gates to identifying missions from other countries, but we are not advised as to French policy in their zone.

Furthermore, we believe that this should be a quadripartite policy and propose to place this before the Control Council. Prompt advice is requested since this question is pressing. Since art and cultural objects are already being returned to the liberated countries, the above does not apply to these items."

The Dept's comment will be appreciated.

MURPHY

740.00119 EW/9–445 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, September 6, 1945—7 p. m.

1964. From Clayton. ReEmbtels 3140 of Sept 2 and 3160 of Sept 4. Following represents Dept's views on future of Allied Commission on Reparations (ACR) and its work. Please communicate these to Draper for his guidance at remaining meetings of ACR, which it is hoped you are attending. Please also advise Draper that Dept thinks it would be unfortunate for him, as US representative on ACR, to leave Moscow, prior to departure of French or Brit representatives.

1. In US view, future meetings of ACR should be held in Berlin alongside Allied Control Council (CC), to permit free and rapid exchanges between ACR and CC in task of CC in fixing amount and character of industrial capital equipment unnecessary to the German peacetime economy and therefore available for reparations, under policies determined by ACR. A shift in locus from Moscow to Berlin is also required because of fact number of questions concerning reparation remain for determination by representatives of US, UK and France. Such determination cannot be made effectively in Moscow.

2. US Govt now holds view that ACR should continue in existence until all principles and policies required for reparation plan have been provided and until review of CC plan mentioned in para 3 below has been completed. US delegation will assemble in Europe for future meetings of ACR after appropriate notice.

3. ACR should work in Berlin, close to CC, in order to be able to advise CC as requested by CC, or as it may choose on its own initiative to do from time to time, on policies relating to the reparation settlement. CC is likely to require policy guidance on number of specific

points. In addition, final CC plan should be submitted to ACR, prior to February 1, 1946 to enable latter to judge how closely plan conforms to policies laid down by ACR.

4. US Govt is not prepared to have ACR act or make recommendation on Soviet proposal to be submitted to ACR on September 5. In US view, participation of Soviet Govt in determination of amount and character of reparation removals from western zones in Germany, whether by ACR or CC, awaits Soviet cooperation in treatment of Germany as a single economic unit for purposes of reparation and removal of industrial war potential. This means that Soviet removals of industrial capital equipment from Eastern zone must be based on plan arrived at among four powers, which will treat each zone as part of a unified Germany with respect to future standards of living and ability of Germany after reparation removals to subsist without external assistance. Concrete evidence that Soviet removals from eastern zone will be based on a common plan, or will conform [ex?] post facto to such a plan, must be forthcoming in form of Soviet submission of data on removals made to date, and willingness to permit mixed commissions of industrial experts which Soviet would send into Western Germany, to enter eastern Germany. If USSR is unwilling to collaborate on four-zone plan for reparation removals along these lines, and to treat Germany as an ecomonic unit, it will be impossible for CC to make determination of amount and character of reparation removals from western Germany in accordance with provisions of protocol. Under these circumstances, only course of action remaining would be for powers occupying western zones to make such determination for themselves.

5. If Soviet Govt is unwilling to collaborate in formulation and administration of four-power reparation plan as described in preceding para, US favors continuation of reparation negotiations primarily on tripartite basis of UK, French and US representation, with consultation with Soviet representatives on few remaining quadripartite questions.

6. US holds view that although CC has control and power of disposition of German external assets, USSR will dispose of assets in Rumania, Hungary, Bulgaria, Finland and Eastern Austria without reference to US, French and UK elements in CC; and US, French and UK elements in CC will dispose of all other German external assets without reference to USSR element.[23]

7. US favors creation of Inter-Allied Reparation Agency proposed by Brit Govt and including representation of all claimants to reparation from Germany. Believes creation this agency, however, can wait until meeting of claimants to reparation from western zones, other than USSR and Poland, which will fix shares. Should CC be ready now to submit to ACR lists of industrial equipment now available for interim reparation deliveries, US would favor earlier creation of agency. US is opposed to Soviet scheme whereby ACR would allocate industrial capital equipment initially between USSR and Poland on the one hand, and all other claimants on the other. US cannot support any proposal which would give USSR preferred position in securing reparation from western zone of Germany.

[23] See paragraphs 8 and 9 of section III of the Protocol of the Proceedings of the Berlin Conference in *Conference of Berlin (Potsdam)*, vol. II, p. 1486.

8. Subsequent telegram on restitution will follow.
9. Harriman, Winant and Caffery. Please communicate substance of foregoing to FonOff of Govt to which you are accredited, leaving paraphrase as *Aide-Mémoire.*
10. Harriman, please repeat 3140 and 3160 to London for Byrnes, Winant and to Paris. Murphy please repeat 403,[24] 409, 411 and 447 as above.
11. Ambassador Pauley concurs in foregoing.

Sent to Moscow as 1964. Repeated to London for Byrnes and Winant as 7652, repeated to USPolAd for Murphy and Clay as 412, repeated to Paris as 4206. [Clayton.]

ACHESON

740.00119 EW/9–745 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, September 7, 1945—4 p. m.
[Received September 7—11 : 30 a. m.]

3194. For Pauley and Clayton info copy to Clay, Control Council Berlin from Draper. At final meeting Reparations Commission no agreement reached and no reply could be agreed upon to Control Council letter. Soviet reparation plan said to be completed but not yet approved so not presented. Novikov said respective functions Commission and Council must be settled by Govts and Soviets will undoubtedly raise issue at London next week. Neither British, French nor ourselves suggested any compromise solution. Experiences here have given convincing evidence this not proper location carry on reparations work.

Sent to Department, repeated to London for Secretary Byrnes and Winant and to Paris as number 341. [Draper.]

HARRIMAN

740.00119 EW/9–845 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, September 8, 1945—6 p. m.
[Received September 8—4 : 30 p. m.]

3212. ReDepts 1964, Sept 6, 7 p. m. Dept's views on future work of ACR reached me last evening. As Molotov was leaving for London this morning I immediately addressed to him urgent letter containing

[24] For text of telegram 403, August 30, 8 p. m., from Berlin, see p. 1526.

paraphrase in order that he might receive it prior to his departure early this morning. Pavlov,[26] Molotov's interpreter, informed a secretary of the Embassy by telephone last night that the letter had been received, translated and would be delivered to Molotov.

I have not been attending recent meetings of ACR as Novikov, Soviet representative, has no discretion to negotiate and only reiterates previously stated Soviet Govt position. In addition he is of a rank in Foreign Office with whom business is conducted in this protocol minded Govt by other officers of the Embassy than the Ambassador. Colonel Crandall, head of Supply Division of our Military Mission, has attended representing Embassy. I have also kept in constant personal contact with General Draper who I feel has done everything possible in dealing with the situation with which he was confronted.

I am glad to learn of the firm and fair position the Dept has taken in message under reference in which I concur. I hope there will be no substantial deviation from it as I am fearful of the confusion and irritations which would be caused by future meetings of the ACR in Moscow.

Sent Dept for Clayton as Nr 3212, to London to Winant for Byrnes as 440, to Paris for Caffery as 342, to Berlin for Murphy as 75.

HARRIMAN

[For documentation concerning discussion of reparations and restitution from Germany at the First Session of the Council of Foreign Ministers, held in London, September 11–October 2, 1945, see volume II, entries in index under Council of Foreign Ministers: Reparations from Germany.]

740.00119 E.W./9–1145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, September 11, 1945—5 p. m.
[Received 6:15 p. m.]

5439. For Clayton. Foreign Office was informed at noon, Sept 8 of reparation views of Dept as set forth in your 4206, Sept 6, 7 p. m.[27] French reparation group considered our *aide-mémoire* same afternoon. Baraduc [28] who received information commented as follows:

1. Our statement of policy regarding treating Germany as a single economic unit for purposes of reparation and removal of industrial war potential (paragraph 4) was the most important part of message;

[26] Vladimir Nikolayevich Pavlov, Personal Secretary and Interpreter to the Chairman, Council of People's Commissars of the Soviet Union.

[27] See telegram 1964 to Moscow p. 1283.

[28] Pierre Baraduc, Office of Economic Affairs, French Ministry for Foreign Affairs.

2. Feb 1, 1946 deadline for receipt of final CC (Control Council) plan seemed very late date to him; and
3. French Govt was anxiously awaiting our views on restitution policy and, upon their receipt, might be in a position to comment on our reparations policies.

Sent Dept 5439, rptd Moscow 317, London 666 for Byrnes and Winant and AmPolAd 121 for Murphy and Clay.

CAFFERY

740.00119 EW/9–1345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, September 13, 1945—2 p. m.
[Received September 14—12 : 40 p. m.]

5472. For Clayton. Jacques Rueff, French Representative Allied Commission on Reparations, in conversation yesterday evening with member of my staff made following comments:

1. Statement of US reparations policy has been a most important development and has served to clarify situation vis-à-vis economic treatment of Germany. (Dept's 4208 [*4206*], Sept 6, 7 p. m.[29])
2. Inquiry was again made as to when US statement on restitution might be expected. (Embassy's 5439, Sept 11, 5 p. m.)
3. French Provisional Govt is most anxious to settle the restitution question as soon as possible, preferably at London during meeting of Council of Foreign Ministers. Rueff believes that British are similarly disposed.
4. Rueff also said that it was highly desirable to reach prompt settlement of gold distribution question. If for any reason US Govt does not desire to settle matter in London the French Govt is prepared to send delegation to Washington for this purpose. Rueff believes that British Govt would be willing to do the same.
5. French Ambassador Washington[30] has been instructed to take up with Dept question of settlement of restitution policy.

Sent Dept 5472; rptd to Moscow as 318; to London for Byrnes and Winant as 668 and to USPolAd for Murphy and Clay as 124.

CAFFERY

740.00119 EW/9–445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 14, 1945—7 p. m.

8004. For Mosely[31] and Pincus. Reference is made to Embtel 3160 of Sep 4 to Dept from Moscow and to Deptel of this date sending you

[29] See telegram 1964 to Moscow, p. 1283.
[30] Henri Bonnet.
[31] Philip E. Mosely, Special Assistant to Assistant Secretary of State Dunn, and Political Adviser on the United States Delegation to the First Session of the Council of Foreign Ministers in London.

Brit *Aide-Mémoire* of August 31.[32]

Please attend meeting at Brit Treasury (Waley's office?) September 20 11 AM as US representative on organizing committee of Inter-Allied Reparation Agency (IARA) (Mosely) and Deputy Secretary General pro tem of IARA (Pincus).

Meeting is for purpose organizing IARA. As such it should draft proposed invitation for participation in IARA by various countries (see para. 3 of instructions below), to be approved and issued by three Govts, set in motion arrangements with Allied Control Council (ACC) for seat of Agency, facilities to be granted IARA by ACC, etc, arrange for time and place of convention of IARA, etc. Following are Dept's comments on Brit *Aide-Mémoire* and instructions to you in representing US at meeting:

1. US shares Brit views with respect to urgency of establishing machinery for allocation of such interim deliveries as ACC may be able to provide and for final deliveries under final reparation plan. US primary interests in organization of IARA are speedy organization and provision for full participation of smaller claimant countries. If French and Brit representatives are in agreement on some point which does not conform to US views as expressed below and does not affect two major interests of US just noted, you are given latitude to agree. On points substantially affecting these interests of US, where you cannot reach agreement with Brit and French representatives, please ask Dept for instructions.

2. Dept agrees with functions of IARA as laid down in para. 1 of memo attached to Brit *Aide-Mémoire*. Most important function of IARA at present however, is speedy collection of lists of plants and equipment desired as reparation by countries entitled to receive reparation. You should therefore suggest that invitation from US, UK and France to various governments to participate in IARA should include provision that representatives of countries bring to first meeting of IARA preliminary lists of types of whole plants, particular plants in western Germany and types of separate industrial machinery and equipment which they would like to receive as reparation from Germany. This provision should make clear that these lists, submitted prior to allocation of percentage shares to reparation from Germany and fixing of total of capital removals from three western zones, are required as basis for allocation of interim deliveries and involve no obligation of IARA, Reparations Commission or ACC to deliver in accordance with request. Further, it should be made clear that administrative difficulties make it impossible to permit

[32] For text of *aide-mémoire*, see p. 1275; Department's telegram 8010, September 14, 8 p. m., to London, transmitting abbreviated text, not printed.

separate national missions to inspect German plants in preparation of such lists.

You should explain to Brit and French representatives that US attaches importance to early gathering and compilation of these lists by IARA to form a basis for allocation of interim deliveries, to bring other claimants to reparation on a par with USSR which already has submitted such list to ACC (See Deptel 7652 to London of Sept. 6 [83]), and possibly to aid ACC in preparing its list of capital equipment available for interim deliveries. Dept would hope to have lists received by IARA in formal session, compiled and submitted to ACC by October 15.

3. It is noted that Egypt and Denmark have been omitted in Brit *Aide-Mémoire* from list of countries to be invited to participate in IARA. It is assumed this omission is inadvertent. If not, you should express Dept view that all countries invited to participate in conference to fix shares should participate in IARA, even if it is believed that their ultimate share in reparation will be very small. Any initial exclusion would be unwarranted as prejudgement of country's claim. Dept would not object to including Poland. Dept. attaches great importance to invitation to USSR and feels that US, UK and French representatives in Moscow should take occasion of issuance of invitation to express view informally that IARA is only body which will allocate reparation deliveries from western zones.

4. Provision of one vote for one member is entirely satisfactory to US assuming voting applies to terms of reference, procedures, policy issues, etc. but not to actual allocation of specific plant and equipment which should be handled under some automatic procedure, such as that suggested in paragraph 6 below. It might be useful to add express provision that decision is taken by majority vote of members present, and that if member government is entitled by lot or other arrangement to choice of plant and equipment or to take some other decision by itself under IARA auspices at particular point in proceedings, failure to be present will lose for such country its voice at that point in proceedings, and will not delay business of other countries.

Dept. does not share Brit concern that controlling Powers may be bound by majority vote to decision they are reluctant to accept. ACC and Zone Commanders have veto power over what is removed and no interest or concern in allocation of property they have decided is removable.

5. Terms of reference of IARA should be submitted to countries invited to participate as proposal for discussion rather than charter to which adherence is requested. This is probably implicit in Brit proposal. Invitation should also make clear that IARA is technical

[83] See telegram 1964 to Moscow, p. 1283.

agency and should suggest that representatives be technically qualified persons.

6. Dept believes organizing committee and/or secretariat should consider now proposal to be made to first full meeting of IARA on IARA machinery for allocation. Some proposal such as selection of an order of choice by lot and exercise of all first choices in order before second choices are made may be appropriate. Problems of valuation should also be explored. Ambassador Pauley has suggested that Soviet proposal of 1938 prices in Germany plus 15 percent (on capital equipment) is manageable,[34] and that value should be that in situ, not in receiving country or as junk. Separate valuation procedures probably required for whole plants and collections of assorted machinery.

7. You should not, pending further instructions, discuss problem of whether shares to reparation will apply to total of plant and equipment removals, external assets, war booty capable of civilian use, ships, etc or separate for each category. This question will be discussed by conference of powers to divide shares to reparation in October. Object should be to concentrate primarily at this time on interim deliveries capital equipment.

For Murphy: Please communicate substance of foregoing to General Clay for his information, and ask him whether he can send Dept, Pauley and Mosely and Pincus copy of Soviet list of plants desired from Western Germany as interim deliveries and submitted to ACC.

Ambassador Pauley concurs in the foregoing instructions.

Sent to London as 8004. Repeated to USPolAd, Berlin for Murphy as 476. Repeated to Paris as 4334, and Moscow as 2014.

ACHESON

740.00119 EW/9–1445

The United States Representative on the Allied Commission on Reparations (Pauley) to the Secretary of State

WASHINGTON, September 14, 1945.

MY DEAR MR. SECRETARY: On April 27 the President addressed to me the following letter:

"My dear Mr. Pauley: I hereby designate you to act as my personal representative, with the rank of Ambassador, to represent and assist me in exploring, developing and negotiating the formulae and methods for exacting reparations from the aggressor nations in the current war.

"In this matter, you will represent me in dealing with the other interested nations.

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[34] See the letter from Mr. Pauley to General Clay, August 11, p. 1251.

"At the Crimea Conference, it was agreed that Germany would be obliged to the greatest extent possible to make reparations in kind for the damage caused by her to the Allied countries. It was further agreed that a commission would be established to consider the question of the extent and methods for collecting such reparations.

"I wish you also to represent the United States and me personally as a member of that commission.

"In all matters within your jurisdiction you will report to me personally and directly.

"May I express my gratification at your willingness to assume this important but arduous mission.

"Very sincerely yours, Harry S. Truman"

Although German reparations will continue to be a problem for the United States and the world for years to come, I believe that insofar as my part of the job is concerned I have completed my task, namely, that of representing and assisting the President in exploring, developing, and negotiating the formulae and methods for exacting reparations from Germany.

The bulk of my staff handling German reparations have already been released. I am preparing for submission to the President and to you an orderly history of my mission, together with the documents involved, in such shape as to be of the greatest value to the Department.[35] In the meantime I would greatly appreciate it if I could get a concurrence from the State Department to the "Memorandum on the Provisions of the Berlin Protocol Relating to Reparations" [36] which was submitted to your department some time ago. As I have already indicated in previous communications, I feel that it is important in the interests of the program that these guiding instructions for General Clay be completed as soon as possible.

In continuing the work on German reparations, certain matters will require your early attention. These include:

(1) *Shares of Other Nations*

As you know, invitations to fifteen claimant nations were sent out through the Department on August 28 in accordance with the agreement between the United Kingdom, the United States, and France. The task remaining in determining the shares of these other nations is thus the analysis of the data submitted by these countries, the development of a preliminary table of percentages, and, finally, the holding of an international conference for the purpose of reaching an agreement on percentage shares. You will wish to consider inviting the Soviet Union as an observer at this conference.

[35] This history, entitled "A Report on German Reparations to the President of the United States, February to September 1945", was forwarded to President Truman with an accompanying letter from Messrs. Pauley and Lubin dated September 20, 1945. The Report as such has not been published, although part V is printed in *Conference of Berlin (Potsdam)*, vol. II, p. 940.

[36] This memorandum, not printed, comprised Appendix 30 to the Pauley-Lubin Report.

(2) *Creation of a Permanent Reparations Agency*

It has already been agreed that an Allied Reparations Agency will be required as part of the administrative structure for reparations. It is proposed that such an agency shall include representatives of all the chief claimant nations and that it shall have its permanent seat in Germany, possibly in Berlin, where it can work intimately with the Zone Commanders and the Control Council. The chief functions of the permanent Reparations Agency would be to allocate specific plants, properties, and commodities to specific claimants and to settle disputes with reference to such allocations.

(3) *United States Reparations Claims*

The Government of the United States in common with all other nations will be required to prepare a tabulation as a justification for its reparations claim. The United States claim should be prepared by the State Department with such aid as it may wish to secure from the War, Navy, and Treasury Departments, and other affected agencies.

The purpose of the United States justification of reparations claims is to furnish the material which will be required both to substantiate the United States demand for a share of reparations and to form the basis for determining a general formula for proposed application to all of the governments involved.

(4) *United States Requirements*

The Government of the United States must be prepared in the near future to indicate specifically what types of commodities and what types of assets it will demand from Germany on reparations account. Now that the war with Japan also is concluded, the American requirements are greatly different than they were in May when a canvass was made of the United States demands as seen by the Commerce Department, the Foreign Economic Administration, the War Production Board, the War Department, the Navy Department, the War Food Administration, etc.

(5) *Current Deliveries as Reparations*

The problem of current deliveries as reparations is one which cannot be settled until the Control Council has announced the results of its program for German deindustrialization and until the outlines of the export-import program for Germany are in hand. As soon as these two programs are available it will be necessary to decide whether current production will be available to pay reparations and if such production is available it will be necessary to decide over what period of years production for reparations account will be required.

Although my duties in connection with German reparations have been fulfilled, under the terms of my appointment by the President it is also my responsibility to represent and assist him in exploring, developing, and negotiating the formulae and methods for exacting reparations from Japan. In order for me to carry out this task, it will be necessary for me to have all information available to the

government on this subject and the attitude of the State Department. I would, therefore, appreciate the Department's furnishing me as quickly as possible with the information and data available to it and to other agencies of the government with respect to this matter; and a statement of the views of the Department.

In my conversation with the President this morning, he is most desirous that I proceed with this work and complete it at the earliest possible moment. This will, of course, involve a trip to the Pacific areas involved in the near future.[38]

Sincerely yours, EDWIN W. PAULEY

740.00119 Council/9–1745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 17, 1945— 8 p. m.

8077. Secdel [39] 68. Dept understands French will bring up question of restitution of looted property in Council of Foreign Ministers. Reinstein [40] on your staff is acquainted with background of restitution question.

Dept sympathetic with French view that restitution should be accelerated. Restitution of works of art from US zone of occupation in Germany now proceeding. General Clay recently requested clearer definition of U.S. restitution policy [41] and stated his view that restitution of identifiable articles taken without payment by Germany should be made to extent that such restitution (*a*) does not interfere with agreed reparations program, and (*b*) will not result in relief needs in Germany which would lead to U.S. financing in part such restitution. Clay proposed claimant governments be invited to submit lists of looted property and be permitted after examination of such lists to send small missions to assist in identification and return of looted property. At suggestion of Dept and with Pauley's approval War Dept has sent instructions to Clay approving his restitution proposal for immediate application in U.S. Zone with modifications making clear that (1) it is unnecessary to investigate question

[38] On September 24 Assistant Secretary of State Clayton sent a letter of reply, stating that Ambassador Pauley's understanding on the completion of his task in the exploration, development, and negotiation of the German reparation plan accorded with the Department's views; the Department would also select a deputy to serve for Mr. Pauley in further matters dealing with German reparations (740.00119 EW/9–1445).

[39] Designation for Department telegrams sent to the United States Delegation to the Conference of Foreign Ministers in London.

[40] Jacques Reinstein, Associate Chief, Division of Financial Affairs, Economic Adviser, United States Delegation to the Council of Foreign Ministers.

[41] See telegram 447, September 4, 8 p.m., from Berlin, p. 1282.

of payment by Germany for property taken from occupied countries, (2) interference with agreed reparation program will be avoided by maintaining system of receipts and records, and (3) restitution of looted property should not be delayed on ground return of such property would give rise to import requirements. Moreover under these instructions restitution will for present be confined to United Nations and will not include gold, silver and securities regarding which U.S. policies are being formulated. Similar instructions going to General Clark[42] in Austria. Dept is inviting Govts of United Nation countries to submit lists of looted property with some indication of priority attached to return of individual items or categories of items in terms of reconstruction needs.

Meanwhile Dept also proposing directive on restitution for issuance by JCS to be submitted to CC, Germany and AC, Austria for agreement on application in all zones of occupation. This draft directive also confines restitution for present to United Nations and makes no provision as yet for immediate restitution of gold, silver or securities. Also no provision made yet for replacement in kind for work[s] of art because Dept considers decision on this question can wait until it is ascertained what proportion of looted art can be found and returned.

In view of these developments and fact that Marshal Montgomery[43] has also received instructions on restitution French should be urged strongly to submit their views on restitution to Control Councils in Germany and Austria for negotiation.

ACHESON

740.00119 E.W./9–1845 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, September 18, 1945—1 p. m.
[Received 1:45 p. m.]

3303. Translation of text of letter dated Sept 16 from Soviet Foreign Office:

"Acknowledging Mr. Harriman's letter of Sept. 7,[44] on the question of reparations, the Soviet Government expresses its readiness to approach the United States Government concerning those proposals which correspond with the decisions taken at the Berlin Three-Power

[42] Gen. Mark W. Clark, Commanding General, United States Forces in Austria; United States High Commissioner for Austria; United States Representative, Allied Council for Austria.

[43] Field Marshal Sir Bernard Montgomery, Commander in Chief, British Forces of Occupation in Germany; Military Governor, British Zone in Germany; British Representative, Allied Control Council for Germany.

[44] See telegram 3212, September 8, 6 p. m., from Moscow, p. 1285.

Conference and may hasten the fulfillment of those decisions. At the same time, the Soviet Government regards it as its duty to declare that it cannot agree with those proposals of the United States Government which conflict with the decisions of the Berlin Conference. Thus, the Soviet Government takes the position that a change in the decisions taken at the Berlin Conference cannot be effected unilaterally by any given government. These changes may be effected only by joint decisions of the three governments which took part in the Berlin Conference.

Proceeding to concrete questions, the Soviet Government considers it necessary to point out the following considerations:

1. The Soviet Government does not object to the proposal of the United States Government that further meetings of the Allied Reparations Commission should be transferred from Moscow to Berlin.

2. Likewise, the Soviet Government agrees that the Allied Reparations Commission should work in Berlin in close contact with the Control Council. It stands to reason that the decisions about the amount and character of industrial equipment, subject to reparations, must be taken by the Control Council, as provided for in paragraph 6 of the decisions of the Berlin Conference on Reparations from Germany.

Moreover, the Soviet Government considers that for obtaining the fulfillment of the decisions adopted by the Conference on the question of reparations, a date should be established for acceptance of the final plan of reparations by the Control Council earlier than Feb. 1, 1946, as proposed in your letter.

3. The Soviet Govt recalls that in accordance with proposals of the American Delegation, the Berlin Conference established a different procedure for collecting reparations in the Eastern (Soviet) Zone and in the Western Zones. In the Eastern Zone this problem has been charged to the Soviet authorities and in the Western Zones to the Allied authorities. Evidently, however, in the Eastern as well as in the Western Zones, as was decided at the Berlin Conference, a common policy of the Allies must be carried out in relation to reparations from Germany as a whole, taking into account the necessity of maintaining in Germany an average standard of living, not exceeding the average standard of European countries.

In order to accomplish the above, the Soviet Govt will supply the Control Council and the Allied Reparations Commission with the necessary information on the presence of equipment which has been left in the Soviet Zone of occupation and will also give mixed commissions of specialists the opportunity to become familiar with this equipment on the spot.

It follows, however, from the preceding, that there is no necessity for drawing up a single plan of reparations collections for all four zones, as is mentioned in your letter. The Berlin Conference not only did not contemplate the drawing up of such a four-zone plan (it accepted the principle proposed by the American Delegation of collection of reparations by zones—an Eastern Zone and Western Zones), but established one procedure of reparations collections in the Eastern Zone and another in the Western Zones.

4. Regarding the proposals of the British Govt concerning the creation of a small, new inter-Allied agency, which, as you state, is

also supported by the US Govt, the Soviet Govt considers it necessary to state that, in its opinion, this question is the decision of the appropriate interested Govts, mentioned in paragraph 3 of the decisions [of] the Berlin Conference on Reparations from Germany, noting for its part, moreover, that the creation of such a new agency was not provided for at the Berlin Conference. Indeed, the question of distribution of reparations between the Soviet Union and Poland on the one hand, and between the United States, Great Britain and other countries having the right to reparations on the other, in the opinion of the Soviet Union, should be left to the decision of the Control Council, in the order established by paragraph 6 of the Berlin decision on reparations.

5. Regarding the proposal of the United States Government as to the order of disposition of German external assets, the Soviet Government has no objection to your proposal insofar as it affects the Soviet Union.

6. Finally, the Soviet Union considered it necessary to hasten a decision of the question of advance deliveries of equipment to account of reparations, which was provided for as a special item (paragraph 7) of the decisions of the Berlin Conference.

In view of the foregoing, the Soviet Government has given instructions that at the Council of Ministers of Foreign Affairs in London the following proposals be presented:

1. To transfer the Allied Reparations Commission from Moscow to Berlin for the purpose of hastening the fulfillment of the decisions of the Berlin Three-Power Conference on Reparations from Germany.

2. To commission the Control Council in Berlin, in close contact with the Allied Reparations Commission to define not later than December 1, 1945 the amount and character of industrial capital equipment subject to removal from the Western Zones of Germany to the account of reparations and also to approve the list of enterprises the equipment of which should be transferred to the Soviet Union in fulfillment of paragraph 4 of the decisions of the Berlin Conference on Reparations from Germany.

3. To commission the Control Council not later than October 15 to approve the list of enterprises, the equipment of which should be transferred as advance deliveries, in accordance with paragraph 7 of the decisions of the Berlin Conference, so that the exportation of that equipment may be begun not later than January 1.

4. To propose without delay to the Control Council to send to the Western Zones of Germany a mixed commission of specialists for the preparation of materials needed by the Control Council for the purpose of executing the measures set forth in points 2 and 3 above.

Accept, Mr. Chargé d'Affaires, my assurances of high esteem."
A. Y. Vyshinski.

Sent to Department; repeated to Berlin for Reparation Commission as 88 and to London for Ambassador Harriman as 462.

KENNAN

740.00119 EW/9–1345 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 19, 1945—7 p. m.

8184. For Mosley. Brit Embassy in *Aide-Mémoire* of September 13 [45] has stated that BritGovt is anxious to discuss: 1) relative roles of Allied Control Council and Allied Commission on Reparation; 2) advance deliveries for which USSR has asked; 3) restitution, and in particular restitution of gold; 4) treatment of German property in Austria in light of Potsdam protocol; 5) preliminarily, share of France and other countries in reparation from Western zones. *Aide-Mémoire* suggests that meeting of September 20 be broadened to include discussions of these topics.

In reply,[46] Dept is stating that US representatives at September 20 meeting will be instructed only on subject of Inter-Allied Reparation Agency, and that discussions desired by Brit Govt will have to be postponed to meeting of US, UK and French Reparation Commission representatives in Paris in October, when preparation for Allied Conference on shares to reparation from Germany will be undertaken.

Repeated to Paris as 4404, Moscow as 2034, and USPolAd, Berlin for Murphy as 504.

ACHESON

740.00119 Council/9–2045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 20, 1945.
[Received September 20—9 : 30 a. m.]

9698. Delsec [47] 35. Following is text of letter from Sir David Waley to Dunn dated September 17 regarding Soviet proposal on German reparations: [48]

"I enclose a note giving you our first reactions on the Soviet Government's note about German reparations. These are only personal views on which we are consulting our colleagues in Berlin, and we have not as yet submitted them to our Ministers. But I thought that you might be interested to have them, as our first reactions, in a personal way."

[45] Not printed.

[46] Memorandum to the British Embassy, September 25, not printed.

[47] Designation for telegrams from the United States Delegation to the Council of Foreign Ministers in London.

[48] Reference is to a memorandum presented by the Soviet delegation at the Third Meeting of the Council of Foreign Ministers, September 14, 11 a. m.; for text, see C.F.M. (45) 15, vol. II, p. 158.

Text of note attached is as follows:

"1. We should agree to the Allied Commission on Reparation being transferred from Moscow to Berlin on the understanding that the function of the Commission will be to determine policies and principles whenever asked to do so by the Control Council, and to approve the determination made by the Control Council when it has been made. We should wish to make it clear that the determination of the character and amount would be made by the Control Council and that the percentage of industrial equipment to be removed from various industries will be dealt with in the first instance by the Economic Directorate and the committees which it has appointed, and that the Russians will cooperate fully in this work. In other words, we shall want to make it quite clear that the function of the Allied Commission is to settle principles and not to determine or take any part in determining the percentage of industrial equipment to be removed from various industries.

2. We shall refuse to agree to the proposed date of 1st December 1945 [49] and insist on maintaining a period of 6 months laid down at Potsdam, which makes the date 5th [*1st*] February 1946. The Control Council will determine what equipment is available for removal and the Allied Commission will decide what part of this is to go to Russia and Poland.

3. We shall refuse the proposed date of 15th October; [50] the Potsdam protocol says 'As soon as possible', and we shall refuse to depart from this phrase. The Control Council will decide what industrial equipment is available for advance deliveries, presumably by selecting items from the Russian list and adding other items such as available machine tools. We feel that in advance of a general determination, the amount which can be decided to be available for advance deliveries should be very restricted indeed. We shall have to consult the other powers entitled to reparation as a preliminary to the Allied Commission settling which of the items available for advance deliveries are to go to Russia and Poland.

4. We shall support the view that mixed commissions of specialists cannot be sent to the Western Zones unless they are simultaneously sent to the Russian Zone with the same freedom of access as may be granted in the Western Zones." [51]

The foregoing refers to my numbers 9582 [52] and 9269 [*9629*].[53]

WINANT

[49] The date specified in the Soviet proposal of September 14 as that by which the character and amount of reparations to be sent from the Western Zones of Germany to the Soviet Union were to be determined.

[50] The date by which, in the Soviet proposal of September 14, the Allied Control Council would be asked to approve lists of enterprises from which equipment could be delivered as advance reparations.

[51] For text of a memorandum along the lines of this note submitted by the United Kingdom Delegation to the Council of Foreign Ministers, September 22, see C.F.M. (45) 45, vol. II, p. 325.

[52] Not printed; this telegram contained a report from Secretary Byrnes on a private meeting with Soviet Foreign Minister Molotov at which the Secretary said that he did not wish to discuss German reparations at the current sessions of the Council of Foreign Ministers, but agreed that determination of equipment to be removed from the Western Zones for reparations purposes should be expedited (740.00119 Council/9–1845).

[53] Dated September 18, not printed; it transmitted the text of the Soviet proposal of September 14 to the Council of Foreign Ministers. See C.F.M. (45) 15, vol. II, p. 158.

740.00119 EW/9–2045 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 20, 1945—5 p. m.

8245. For Secretary of State. Dept would appreciate your early comment on following draft directive on restitution which Dept proposes, if you approve, to submit to War Dept for issuance by JCS.[54]

"1. This directive is issued to you as Commander-in-Chief, US Zone of Occupation, Germany, and US member of the Control Council for Germany.

You will seek to obtain agreement in the Control Council to the application in the other zones of occupation of the policies laid down in this directive. If, in your judgment, it appears impossible to obtain quadripartite agreement, you will explore the possibilities of a tripartite agreement applicable to the three Western zones and make appropriate recommendations to the JCS.

You will proceed with the application of this directive in your own zone even prior to agreement, provided, however, that restitution of property defined in paragraphs 2(*c*) and 2(*d*) will be effected only when the return of such property is certified by the appropriate representative of the claimant country to be urgently required for the rehabilitation and reconstruction of his country. The restitution or distribution of items subject to restitution shall not be delayed on the ground that they are needed to meet the requirements in any zone of occupation.

ITEMS SUBJECT TO RESTITUTION

2. Without prejudice to the formulation of a definitive restitution program, the following categories of property shall, as an interim measure, be subject to restitution in accordance with the provisions of this directive:

(*a*) All currencies of United Nations occupied by Germany;

(*b*) Works of art, books, artistic or historic archives, and other artistic, historic, cultural or religious property identified as having been looted or acquired in any way by Germans from United Nation countries during German occupation;

(*c*) Heavy and power-driven industrial and agricultural machinery and equipment, rolling stock, locomotives, barges and other transportation equipment (other than sea-going vessels) and communication and power equipment identified as having been looted or acquired in any way by Germans from United Nations during German occupation;

[54] This draft directive, dated October 9, was submitted to the State-War-Navy Coordinating Committee (SWNCC) for consideration on October 12 and designated SWNCC 204.

(*d*) Other goods, valuables, materials, equipment, livestock and other property found in storage or otherwise in bulk form and identified as having been looted or acquired in any way by Germans from United Nations during German occupation.

PROCEDURES FOR RESTITUTION

3. Your government will transmit to you from the governments of the USSR, France, Belgium, Luxembourg, Netherlands, Norway, Denmark, Poland, Czechoslovakia, Yugoslavia and Greece lists of property claimed to have been taken from their countries during the period of German invasion or occupation. Such lists will include wherever possible all relevant information regarding the circumstances and date of removal of such property by the Germans and the reported location of the property in Germany.

4. After examination of these lists you will indicate to your government which of these countries should be invited to send missions into your zone for the purpose of (*a*) substantiating claims for the restitution of property mentioned in paragraphs 2 (*a*) to (*d*), (*b*) receiving information regarding the location of property which has been the subject of restitution claims by their government, (*c*) identifying any such property to be restored or distributed in accordance with the provisions of this directive. You will furnish such missions facilities necessary to the proper discharge of their functions in your zone.

5. You will take steps in your zone to uncover and secure possession of all paper currency of United Nation countries invaded or occupied by Germany, and to deliver such currency to the government of the country of issue without the necessity of proof that it was looted or otherwise acquired from that country during the period of German invasion or occupation.

6. You will take steps in your zone to uncover and secure possession of property covered by paragraphs 2(*b*), 2(*c*) and 2(*d*), mentioned in lists submitted by claimant governments, and to restore such property to the government of the country from which it was taken.

GENERAL PROVISIONS

7. You will require the claimant governments to give receipts for items received by them in accordance with the provisions of the directive. These receipts shall contain a brief description of the item received and its condition, and a waiver of any further claim as reparation or otherwise based upon the removal of the item concerned by the Germans or the exaction of funds used by the Germans to pay for it.

8. You will keep a complete record of items returned or distributed in accordance with the provisions of this directive; and you will

submit to the Control Council and your government bi-monthly reports on the progress of the restitution program.

9. The cost of administering this program of restitution shall be counted as part of the costs of occupation which will be met by the German people.

10. A similar directive is being issued to CG, USFA,[55] although any property uncovered in Austria and subsequently removed to Germany shall be regarded as uncovered in Germany."

ACHESON

800.515/9–2045

The Acting Secretary of State to the Chargé of the Soviet Union (Novikov)[56]

The Acting Secretary of State presents his compliments to the Chargé d'Affaires ad interim of the Union of Soviet Socialist Republics and refers to the United Nations Declaration of January 5, 1943[57] regarding forced transfers of property in enemy-controlled territory and to the several communications[58] received from the Embassy on the subject of the restitution of Soviet property looted by Germany and now located in Germany or Austria.

Pending agreement on the scope of restitution among the occupying powers of Germany, the Government of the United States has instructed the Commanders-in-Chief of the United States zones of occupation in Germany and Austria to undertake an interim program of restitution to the governments of the United Nations from which the property was removed of identifiable looted property urgently required for relief and rehabilitation, other than gold, securities and currencies. In order to expedite the return of this property from the United States zone, and to alleviate the burden of administration falling upon the military authorities, it has been decided to proceed by asking the governments of United Nations which have been occupied by Germany to submit lists of property looted by Germany and known or believed to be located in Germany or Austria. Following the receipt of these lists, which may be submitted seriatim and which

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[55] Commanding General, United States Forces in Austria, Gen. Mark W. Clark. The proposed directive to General Clark was originally designated SWNCC 204/1, but since it was identical with the draft directive for Germany, except for the addressee, the separate designation was dropped before final approval was given (SWNCC file). For text of the directive as finally approved, see War Department telegram Warx 85965, November 29, p. 1427, which embodied the text of SWNCC 204/2.

[56] The same, *mutatis mutandis*, on the same date to the diplomatic representatives of Belgium, Czechoslovakia, Denmark, France, Greece, Luxembourg, The Netherlands, Norway, Poland, and Yugoslavia.

[57] *Foreign Relations*, 1943, vol. I, p. 443.

[58] None printed.

may indicate priorities in the urgency of return, it is intended, where necessary, to invite the United Nations concerned to send small missions to the United States zones of occupation in Germany and Austria for the purpose of identifying such of the listed property as each of the occupying authorities may have been able to discover in his zone.

Accordingly, the Government of the United States invites the Government of the Union of Soviet Socialist Republics to submit to this Government one or more lists of property believed to have been looted by Germany from the Soviet Union, or from United Nations nationals in the Soviet Union, which the Soviet Government has reason to believe may be located in the United States zones of occupation in Germany or Austria. These lists should, so far as possible, refer separately to property believed to be in Germany and in Austria. They should further contain as much description of the property as possible and as may be required to enable the occupying authorities to identify the property, and should include all available information as to the location of the property. Since the Soviet Government may desire to indicate an order of priority of return, it is suggested that the lists include property which has already been the subject of earlier communications to this Government. The lists may include looted gold, securities and currencies, although the restitution of these will have to await intergovernmental agreement.[59]

WASHINGTON, September 20, 1945.

740.00119 EW/9–2045

The President of the Jewish Agency for Palestine (Chaim Weizmann) to the Secretary of State

LONDON, 20 September, 1945.

SIR: On behalf of the Jewish Agency for Palestine, I have the honour to submit the following representations, for the consideration of the Government of the United States, regarding the reparations due to the Jewish people from Germany and her allies.

2. The problem of requiring Germany and her satellites, in the measure of the practicable, to make good the losses they have inflicted on the nations and individuals they have assailed and despoiled, is engaging the consideration of the United Nations. The Jewish Agency for Palestine, as the representative of the Jewish people, desires to draw attention to that aspect of the problem which affects the Jewish people, and in particular to their relation to Palestine.

[59] In a circular telegram, October 18, 8 p. m., the Department informed its representatives in the interested countries that henceforth they should transmit lists submitted to them directly to Berlin and Vienna rather than send them through Washington (740.00119 EW/10–1845).

3. The first declaration of war by Germany (and subsequently by her associates) was made against the Jewish people, and it took a special form. Its aim was not conquest and enslavement, but the complete physical extermination of the Jews, the utter destruction of their spiritual and religious heritage, and the confiscation of all their material possessions. In executing their declarations of war, Germany and her associates murdered some 6,000,000 Jews, destroyed all Jewish communal institutions wherever their authority extended, stole all the treasures of Jewish art and learning, and seized all Jewish property, public and private, on which they could lay their hands. It has been estimated that the monetary value of the material losses thus inflicted upon the Jewish people may amount to over £2,000,000,000. The mass murders, the human suffering, the annihilation of spiritual, intellectual, and creative forces, are probably without parallel in the history of mankind.

This war against the Jews has created a three-fold problem—of reparation, of rehabilitation, and of restitution.

5 [*sic*]. The problem of restitution embraces the buildings, plant, equipment, money, securities and valuables of various kinds taken from Jewish institutions and individuals, as well as Jewish cultural, literary, and artistic treasures. In so far as the owners, whether institutions or individuals, have survived or left successors, their claims to restitution must rest upon the same footing as the claims of citizens of the United Nations, and should be treated on the basis of equal rights.

6. But many of the institutions have been swept away, and will never be restored, while considerable numbers of Jews have been murdered and left no heirs. Much Jewish property was deposited in non-enemy countries, and the owners have disappeared, leaving no successors. It should need no argument to prove that property by crime rendered masterless should not be treated as *bona vacantia*, and fall to the governments which committed the crimes, or to any other governments, or to strangers having no title to it. It is submitted that the provisions for heirless property falling to the State were not designed to cover the case of mass-murder of a people. Such properties belong to the victim, and that victim is the Jewish people as a whole. The true heir, therefore, is the Jewish people, and those properties should be transferred to the representative of the Jewish people, to be employed in the material, spiritual and cultural rehabilitation of the Jews. A separate memorandum on the subjects of restitution and indemnification will in due course be submitted jointly by the Jewish Agency for Palestine and other Jewish organisations. In what follows, the Jewish Agency proposes to concentrate on the inter-connected problems of reparation and rehabilitation.

7. Of the surviving Jews of the European Continent, some may desire to settle in their countries of origin, and some to seek a new life in other countries of the Diaspora, but the vast majority desire to make their permanent home in Palestine. Such assets as may be recovered by way of indemnification, under paragraph 6 above, for property confiscated or destroyed, or deposited and rendered available by the extinction of ownership, for the several purposes of Jewish rehabilitation should be applied to all these tasks. In so far as they are applied to the settlement of Jews in Palestine, they should be placed under the trusteeship of the Jewish Agency for Palestine.

8. But the means likely to be derived from this source will fall far short of what is needed for the rehabilitation of Jews anxious to settle in Palestine. The main part of the funds for this purpose should, in justice, be provided from the reparations due from the enemy states for the infinitude of murder, suffering and destruction which they have inflicted on the Jewish people. The principle of reparation, within the limits of practicability, has been accepted as just by the United Nations, and the Jewish people invoke it in full confidence that their claim calls for special recognition, as it is not covered by the present plan for the distribution of reparations, in which only States are to be the beneficiaries. The specific claim on behalf of the Jewish people is put forward in view of the moral obligation resting upon the United Nations to use their best endeavours to solve the problems created by Germany's war of aggression, one of which is the Jewish problem as it presents itself to-day in large parts of Europe. That the United Nations are mindful of their responsibility for assuming the collective protection of the victims of racial and religious persecution is shown by numerous resolutions of UNRRA,[60] by the agreement of the Four Powers on war crimes,[61] and to some extent also by the Statute of the Inter-Governmental Committee for Assistance to Refugees.[62]

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[60] A list of Resolutions of the United Nations Relief and Rehabilitation Administration, organized topically, can be found in George Woodbridge, *UNRRA: The History of the United Nations Relief and Rehabilitation Administration* (New York, Columbia University Press, 1950), vol. III, pp. 33–42.

[61] For text, see *Report of Robert H. Jackson, United States Representative to the International Conference on Military Trials, London 1945*, Department of State publication No. 3080 (Washington, Government Printing Office, 1949), p. 420. The agreement was signed on August 8, 1945, by representatives of the United States. France, United Kingdom, and Soviet Union. For documentation on this subject, see pp. 1151 ff.

[62] Reference is to the rules for the constitution and procedure of the Intergovernmental Committee on Refugees, adopted August 17, 1944; for text, see *Intergovernmental Committee on Refugees, Report of the Fourth Plenary Session, August 15–17, 1944, London* (Washington, Intergovernmental Committee on Refugees, Office of American Resident Representatives, 1944), pp. 42 ff. For documentation on this Committee, see *Foreign Relations*, 1944, vol. I, pp. 981–1190, *passim*.

9. It is therefore submitted that a proper percentage of the reparations to be obtained from Germany should be allotted for the purpose of the resettlement in Palestine of Jewish victims of racial and religious persecution, and granted, in the form of suitable assets (e.g. plant, machinery, equipment, and materials), to the Jewish Agency for Palestine, as the body charged by international authority with the duty of developing the Jewish National Home.

10. Included in the general question of reparations is the specific problem of the German Colony in Palestine, which since 1933 has embraced the Nazi doctrines. The Jewish Agency has already represented to His Majesty's Government that the members of this Colony should not, on release from internment, be allowed to reside in Palestine, but should be returned to Germany, and that their property should form part of the reparations due by Germany to the Jewish people.

11. The Jewish Agency for Palestine therefore makes the following submissions:

(*a*) That with regard to the problem of Jewish property forming the subject-matter of indemnification and restitution, in so far as the individual or communal owners of such property cannot be traced, the title should pass to the representatives of the Jewish people, the realisable assets to be employed for the rehabilitation of Jewish men, women, and children.

(*b*) That in so far as such assets are to be employed in rehabilitating in Palestine the Jewish victims of racial and religious persecution, they should be entrusted to the Jewish Agency for this purpose.

(*c*) That the Jewish people should be allotted a proper percentage of reparations, to be entrusted to the Jewish Agency for Palestine for the rehabilitation and resettlement in Palestine of Jewish victims of racial and religious persecution.

(*d*) That the Jewish people's share of reparations should include the assets of German Colonists in Palestine.

12. Similar letters are being submitted to the British Government, and to the Governments of the U.S.S.R. and France.[63]

I have the honour to be, Sir,

Your obedient Servant, Ch. WEIZMANN

[63] This letter was presented to Under Secretary of State Acheson at a meeting on October 19 by Nahum Goldmann, Representative in the United States of the Jewish Agency for Palestine. Mr. Goldmann stated that a copy of the letter had been given to Secretary of State Byrnes while he was in London at the First Session of the Council of Foreign Ministers. Mr. Acheson assured Mr. Goldmann that the request would be referred to the proper officials in the Department and that he would be contacted as soon as possible.

740.00119 Council/9–2145

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 21, 1945—3 p. m.
[Received 9:55 p. m.]

9774. Delsec 40. For Clayton from the Secretary. Re Secdel 68.[64] The French have not raised the question of restitution of looted property in the Council. I agree that it should be discussed in the Allied Control Councils in Germany and Austria rather than here. Since I understand that the Soviets have proposed this, it should be possible to get the British and French to agree to this procedure. Reinstein will discuss the matter informally with Waley and Rueff and inform you.

I approve fully of the directive sent to General Clay which is described in your telegram.[65] I consider it important that the return of identifiable looted property be started as soon as possible. [Byrnes.]

WINANT

740.00119 Council/9–2245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 22, 1945—7 a. m.
[Received 7:20 a. m.]

9816. Delsec 44. From Reinstein. ReDeptels 8004 and 8010[66] September 14 and my telegram[67] on separate telegram[68] reporting on meeting. Following is substance of British draft memorandum on IARA pro-dated September 18, presented to us at meeting yesterday:

1. Governments of US, UK, and France have decided to establish IARA to which countries entitled to reparations and restitution from Germany other than USSR and Poland should be invited to appoint members.

2. They have decided in the first instance to invite the following governments to appoint members (list same as in Deptel 8010 except for Poland). Any other countries which become entitled to receive reparations from Western Zones will be invited.

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[64] See telegram 8077, September 17, 8 p. m., to London, p. 1293. For documentation concerning discussion of restitution in the Council of Foreign Ministers, see vol. II, index entries under Council of Foreign Ministers: Reparations from Germany.

[65] See telegram 8245, September 20, 5 p. m., to London, p. 1299.

[66] Telegram 8010 not printed; it transmitted the abbreviated text of the British *aide-mémoire* dated August 31, printed on p. 1275.

[67] Telegram 9815, September 22, 7 a. m., not printed.

[68] Telegram 9817, September 22, 7 a. m., not printed.

3. Functions of agency are same as in paragraph 1 of draft in Deptel 8010, reference to advance deliveries and to definitive reparations being merged in same paragraph except that

a. Control Council lists are to be furnished with valuation.
b. No reference is made to urgency of need with relation to allocations and
c. Other functions are stated as being in regard to allocation of reparation receipts and in regard to restitution.

4. For the Governments of the UK, US and France, will appoint president and secretary general of agency and committee of five.

5. Allocation programs for reparations goods will be drawn up by secretary general. In case of dispute matter will pass to a committee of five. Delegates of UK, US and France shall be permanent members of committee. Other two memberships shall be rotated for 2-month periods among other member governments. Order of rotation will be according to alphabetical order of names of countries in French. Committee decisions shall be final.

6. All questions other than allocation of reparations shall be decided by vote, each delegate receiving a single vote.

7. Brussels shall be seat of IARA. Agency will have office at such point for points in Germany as Control Council may agree.

8. Member governments will bear agency expenses with the exception of those noted in paragraph 9 below proportionately to their share of reparations. Agency's annual budget shall be approved by Governments of UK, US and France.

9, 10 and 11 substantially identical with 8, 9 and 10 with additional provision for granting of immunities provided in 8 *b*, *c*, *d* and *e* by government of country in which agency has its seat.

Sent to Dept; repeated to USPolAd, Berlin for Murphy as 9816, to Paris as 611 and Moscow as 321. [Reinstein.]

WINANT

740.00119 EW/9–1845 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 24, 1945—7 p. m.

8387. For Reinstein. Dept sees no objection to your communicating substance of Soviet FonOff letter of Sept 16 (3303 of Sept 18 from Moscow to Dept repeated to London for Harriman as 462) informally to Brit and Fr (reur Conference system query [69]).

[69] In a teletype conference, September 21, Mr. Reinstein asked if he might transmit to his French and British counterparts the text of the Soviet note of September 16 (740.00119 Council/9–2245).

You may also add informally that agreement of Soviet Govt to: *a*) moving Reparations Commission to Berlin; *b*) informing Reparation Commission and Control Council of equipment left in Eastern Zone; *c*) permitting mixed commissions of specialists into Eastern Zone to become familiar with this equipment; *d*) suggested procedure for handling external assets is welcome to Dept; that Dept agrees that Berlin Protocol did not provide for Control Council determination of equipment to be removed from Eastern zones.

Remaining point of disagreement, since Secretary agreed on desirability of expediting determination of amount and character of equipment removable as reparation, is in allocation of 25 per cent of equipment from Western Germany due USSR under Protocol. Dept feels strongly that procedure suggested by Soviet Govt, initially for allocation of this 25 per cent by Reparations Commission, currently by Control Council, in advance of allocation of 75 per cent to all other claimants, gives USSR preferred position in allocation, and adversely affects interest of other claimants. British suggestion that Control Council allocate between USSR and Poland on one hand and other claimants on other, but only after consultation of US, Brit and Fr members with other claimants is agreeable to Dept in principle but appears clumsy in operation. (Embtel 9698 of Sept. 20.)

Please also note that Soviet letter to Kennan and Soviet memorandum to Secretary (urtel 9629 of Sept 18 [72]) give different dates for export of equipment from Western zones as advance deliveries, determination of which Soviet Govt wants made by Oct 15. Memorandum states deliveries should begin not later than Nov 1. Letter states deliveries should begin not later than Jan 1. Can you or Mosely ascertain from USSR delegation which date is correct, and advise Murphy for Clay.

Finally, you will note Dept's suggestion to Murphy in Deptel dispatched today and repeated to London,[73] that final determination and its date will lose importance if Control Council furnishes successive lists of equipment eligible as advance deliveries. Please ascertain from Fr and Brit reps whether their elements in Control Council are likely to follow General Clay's lead if he adopts Dept's suggestion on this point. Brit view that advance deliveries should be held small quantities prior to final determination runs counter to this.

Sent to London as 8387; repeated to USPolAd Berlin for Murphy as 536. Repeated to Moscow and Paris.

ACHESON

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[72] Not printed; it transmitted the text of the memorandum by the Soviet Delegation to the Council of Foreign Ministers, September 14, C.F.M. (45) 15 on "Reparations from Germany"; for text of memorandum, see vol. II, p. 158.

[73] Telegram 535, *infra*.

740.00119 E.W./9–2445 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, September 24, 1945—7 p. m.

535. Reference is made to Deptels 412,[74] 430[75] and Embtel 88[76] from Moscow. Following is for info and for communication to Clay. Secretary states that USSR asked at first session Council Foreign Ministers (CFM) to discuss German reparations, submitting memorandum[77] as follows:

(*a*) Whereas no practical steps have yet been taken to implement decision of Potsdam on German reparations and particularly advance deliveries;

(*b*) Therefore CFM should fix definite schedule for determination by Control Council of equipment removable from three western zones (not later than December 1); advance deliveries (not later than Oct 15); actual export of equipment eligible as advance deliveries (not later than Nov 1) (FonOff letter to Moscow Embassy[78] states Jan 1);

(*c*) CFM should ask Control Council to approve list of enterprises, equipment of which to be made available to USSR as its 25 per cent of deliveries from Western Germany;

(*d*) CFM should ask Control Council to dispatch immediately to western zones mixed commissions of specialists to prepare material required by Control Council in carrying out determination of advance deliveries and final amount and character.

(*e*) USSR is willing to have Reparation Commission move to Berlin.

Secretary stated he did not want to discuss German reparation at present sessions CFM, but agreed that determination of amount and character of removals should be expedited. He stated he would issue instructions that this be done. Accordingly, Dept has asked War Dept to instruct US Group CC to proceed urgently with compilation of lists advance deliveries and to make every effort to expedite final determination. War Dept instruction asks US Group CC to select plants specially constructed for and devoted by Germans during hostilities entirely to production of arms, ammunition, implements of war, aircraft (and air engines) and sea-going ships as first list of equipment eligible for advance deliveries and to follow this by further lists from metals, chemicals, machinery and other industries directly required for making war, as these can be eliminated from industries

[74] Same as telegram 1964, September 6, 7 p. m., to Moscow, p. 1283.

[75] Telegram 430, September 10, 5 p. m., to Berlin, was a repeat of telegram 7761 to London, summarizing the discussions which had already taken place concerning the respective roles of the Allied Commission on Reparations and the Allied Control Council in the formulation of the German reparations plan (740.00119-Council/9–1045).

[76] Same as telegram 3303, September 18, 1 p. m., from Moscow, p. 1294.

[77] For text of the Soviet memorandum, September 14, see C.F.M. (45) 15, vol. II, p. 158.

[78] See telegram 3303, September 18, 1 p. m., from Moscow, p. 1294.

required for minimum peacetime economy. Dept suggests that date of final determination may lose importance if Control Council issues successive and full lists of equipment eligible for advance deliveries during October and November.

You will note in Embtel 88 of Sept 18 that Soviet Govt is also agreeable to supplying Control Council and Reparation Commission with information on presence of equipment left in Soviet zone of occupation and will also give mixed commissions of specialists opportunity to become familiar with this equipment on spot. Dept suggests that since Reparation Commission's reconvention in Berlin must wait until deputy to Ambassador Pauley is chosen and sent to Berlin (probably end of October), US element in Control Council receive information from Soviet as offered.

Dept's views on mixed commissions, now that Soviet Govt agrees to their dispatch east as well as west, is that General Clay should press in Control Council for their early constitution and dispatch, possibly one for each zone. Consideration should be given in Control Council to inclusion of specialists from countries claiming reparations but not occupying powers on commissions, possibly two different countries being represented along with four occupying powers on each commission, making eight countries on four commissions. Country representation can be arranged in Control Council. Dept and Murphy will invite named govts to supply specialists to commission to visit US zone.

Sole remaining point of disagreement between USSR position and that of Dept is in allocation machinery for filling Soviet 25 percent share in reparations from Western Germany. Soviet originally asked that initial allocation be made by Reparations Commission, 25 per cent to USSR, 75 per cent to all others. Reply to *Aide-Mémoire* in Embtel 88 from Moscow states USSR wants Control Council to make original 25 per cent–75 per cent allocation. Dept feels strongly USSR should join Inter-Allied Reparation Agency for allocating with all other claimants and should not have favored position resulting from initial allocation between Soviet and all others. Point will doubtless be taken up with Brit and Fr reps in London, in discussion of organization of IARA. Meanwhile Dept feels that Control Council should not act on Soviet submission of list of plants desired as advance deliveries in so far as allocation of these plants to USSR is concerned. Dept repeats request for reporting of list by you to Dept and to London.[79]

Sent to USPolAd, Berlin as 535, repeated to London as 8388, Paris as 4472, Moscow as 2052.

ACHESON

[79] Telegram 619, September 25, 11 p. m., from Berlin, reported that additional copies of the lists had been forwarded; see footnote 8, p. 1274.

740.00119 EW/9–2345 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 24, 1945—7 p. m.

8390. For Reinstein. Reference urtels 9816, 9817 and 9868, of Sept 22 and 23 respectively.[80]

1. Dept is puzzled by attitude taken by Waley in your preliminary discussions. Receipt of Brit note of Aug 31 on IARA, and Brit invitation to organizing meeting, suggested to Dept that Brit favored early constitution of IARA as means of allocating such deliveries as were made. Since then, even before receipt of reply from Soviet Union [81] to *Aide-Mémoire*,[82] Dept has been pressing for large advance deliveries, made seriatim, which would narrow problem of final determination of amount and character of reparation deliveries to marginal cases and reduce pressure on Control Council at end of 6 months period. It was hoped Brit interest in organization of IARA indicated sympathy this view. ACC thus far unwilling to allocate coal or other exports. Advance deliveries must be allocated. Hence Dept's support of early establishment IARA.

2. Waley's position that inviting governments should establish statutes of IARA is not acceptable to Dept. His alternative that invitations might request comments on proposed statutes and special conference if substantial disagreement developed is agreeable.

3. Dept is opposed to inclusion of restitution in IARA. Agency viewed as consisting of technical representatives acquainted with industry, whereas restitution is political problem. Dept still holds that ACC should deal with restitution, and has adopted such course of action.

4. Dept position on omission of Denmark unchanged, and US is unwilling to prejudge Danish claim to reparation by failing to extend invitation to IARA. Omission of Egypt does not concern Dept, since their inclusion to conference to divide percentage shares was made at suggestion of Brit.

5. Formula by which Control Council would place valuations on capital equipment available for reparation is agreeable to Dept. If Reparation Commission fails to meet to lay down policies for guidance of Control Council on this point prior to submission of first list of advance deliveries, Dept suggests adoption of cost less depreciation as basis of valuation.

6. US would prefer far less formal arrangement for secretariat and agency than that implied in Brit proposals re payment of ex-

[80] Telegrams 9817 and 9868 not printed.
[81] See telegram 3303, September 18, 1 p. m., from Moscow, p. 1294.
[82] See telegram 1964, September 6, 7 p. m., to Moscow, p. 1283.

penses and salaries of officials. US willing to assume share of expenses of Agency. But would prefer to see salaries of all participants paid by the member countries, and question of salary scale for secretariat and members left to individual countries. Under this procedure, members pay would be no concern of agency, nor would that of their assistants. Similarly, professional personnel in secretariat would be supplied by member governments. Only secretarial, clerical and housekeeping assistance, and rent and expenses of building would be shared among governments. This procedure would keep delegations of governments truly small. There is also involved the question that US cannot obtain an adequate delegate to IARA at salary of $8,000, and would prefer $10,000 or $12,000. Dept feels that whole salary scale is too low to attract appropriate US personnel.

7. More time and consultation in Dept is required before definitive answer can be given to your request for instructions on automatic procedure for allocation vs. Brit proposal of using first secretariat, and then referring disputes to committee of five. Initial reaction here, however, is that Brit proposal involves excessive dictation to smaller claimants by US, Brit and France, and at same time undermines completely our objection to allocating initially to USSR in Control Council. It was thought that IARA organizing committee could devise appropriate mechanism for automatic allocation procedure. A further suggestion in Dept, additional to random selection of order of choices and use of all first choices before second choices occurred, was system of bidding with chips or "reparation units", divided among claimants in proportion to share of total reparation, which would be used to bid for items in separate batches of equipment. Your fear that countries would elect equipment which could more economically be used elsewhere is not considered compelling, since emphasis in reparation removals is firstly on industrial disarmament, secondly on the damage suffered by countries during war and thirdly on reconstruction aspects of reparation. If a country is prepared to use up its share to reparation in taking equipment out of Germany, even though such equipment actually has little or no value to that country, US view is that it should have such equipment, provided other countries obtain full opportunity to other equipment on equitable basis. Brit interest in "planning" allocations may be more economical; it is doubted whether it is likely to lead to as harmonious relations internationally.

8. As already noted in a separate telegram, Dept feels that Waley's suggestion that Control Council allocate to USSR after US, Br and Fr members had consulted 14 other claimant countries involves a procedure so clumsy as to be unworkable. Dept would prefer automatic machinery for allocation in IARA and USSR participation.

Granted that it might be undignified to invite USSR, participation could be allowed for and Control Council instructed by US, UK and Fr delegates to submit lists for advance deliveries to IARA, in which instance USSR would join. If, however, allocation in IARA is to be made by dictation by US, Br, and Fr, there is no objection in Dept to allocation of 25 per cent initially to USSR in Control Council without consultation with other claimants, since reason for opposing initial allocation to USSR falls to ground.

Sent to London as 8390. Repeated to USPolAd, Berlin for Murphy as 537, Paris as 4474, and Moscow 2054.

ACHESON

740.00119 Council/9–2645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 26, 1945—1 a. m.
[Received September 25—11 : 40 p. m.]

9968. Delsec 60, September 26 from Reinstein.

1. Divergence of opinion between US and British on invitation to USSR and on allocation procedure seems to me so great that I doubt feasibility of reaching agreement on invitations for establishment of Inter-Allied Reparations Agency this week. Rueff planning to leave for Paris Thursday.[83] We will meet again tomorrow and Thursday if necessary.[84] If adequate instructions reach me in time we will attempt to draft invitation for submission to three governments. If not I will suggest Rueff return to London next week for further discussions. Should this be necessary I urge that Kindleberger fly to London to participate in discussions.

2. Department's continued insistence upon invitation to USSR ignores formal refusal in Soviet note to Kennan quoted in Moscow's 3303, September 18 to Department. Allocation by Allied Control Commission as between USSR and Poland on one hand and other claimants on other is USSR suggestion not British. As I have previously reported Waley considers Soviet participation highly desirable but does not regard it as possible to obtain. Until this issue is resolved it is impossible to go forward with organization of IARA. Failure of USSR to join IARA seems to me will probably necessitate revision in our thinking on a number of problems possibly including exchange of

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[83] September 27.

[84] This telegram had presumably been drafted on September 25; if so, the dates indicated here would have been September 26 and 27; the meetings actually took place on September 25 and 27, as reported in telegrams 10079 and 10081, September 27, from London, pp. 1316 and 1317, respectively.

mixed commissions. I regard it as desirable that Department review entire situation carefully before making decision.

3. Other principal issue is that of allocation procedure. I interpret Department telegram 8390 [84a] as meaning this question is being considered further. I do not regard arguments in paragraph 7 of 8390 as persuasive. IARA is allocation agency. Decision on what is to be removed from Germany will be made by Control Council under policies laid down for it. Appropriate allocation of equipment to be removed from Germany as between claimant countries seems to me to have nothing to do with question of economic disarmament of Germany which presumably will be carried out no matter which countries receive equipment. Criteria for allocation should therefore be economic. Plan suggested in paragraph 8 of Department telegram 8390 does not seem to me likely to contribute to European reconstruction.

4. I do not understand reference to coal in paragraph 1 of your telegram. British attitude is that under Potsdam agreement reparations are at present confined to capital equipment and foreign assets with current output largely mortgaged for payment of imports. Proposed terms of reference of IARA are to deal with capital equipment. External assets could be handled by it by decision of three controlling powers as well as current output if current output is to go to reparations. With reference to your question regarding British attitude see telegram [85] reporting on meeting on IARA today which suggests change.

5. Paragraphs 3, 4 and 5 of Department telegram 8390 noted restitution will be discussed in CFM tomorrow.[86] You will be informed of results.

6. Suggestion in paragraph 6 of your telegram regarding secretariat does not appear to me to be feasible and does not accord with British and French ideas. Is Department able to commit itself to a contribution to IARA?

7. Department telegram 8390 just deciphered reached me too late for today's meeting with Waley and Rueff. I shall attempt to arrange teletype conference for 2100 hours London time Wednesday September 26. Failing instructions I shall act as outlined in paragraph 1 above. [Reinstein.]

WINANT

[84a] Dated September 24, p. 1311.

[85] Presumably reference is to telegram 10079, September 27, 11 p. m., p. 1316.

[86] See the minutes of the twenty-second meeting of the Council of Foreign Ministers, September 26, 11 a. m., vol. II, p. 384.

740.00119 Council/9–2645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 26, 1945—midnight.
[Received September 27—9 : 32 a. m.]

10023. Delsec 61. From Reinstein.

1. British suggest with reference to allocation of shares in reparations from Western Zones other than to USSR and Poland, there should be a preliminary meeting of representatives of 15 claimant countries at technical (official) level prior to formal conference, They suggest such a meeting take place at London around November 7. I agree strongly on desirability such a meeting.

2. Also suggested that British, French and American experts meet in London about October 22 to coordinate data from claimant countries and to work out proposal on basis this data to be submitted to conference of officials.

3. Formal conference would take place in Paris early December unless agreement were reached at London conference. Suggestion is that decision on calling conference be withheld for the present.

4. Foregoing seems to me to fit in with plans for October 10 conference in Paris and probable time schedule for IARA (see separate telegram [87] on this subject).

5. I have indicated I would recommend these proposals. Please instruct.[88] [Reinstein.]

WINANT

740.00119 EW/9–2745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 27, 1945—6 p.m.

8549. For Reinstein.

1. Department prepared to agree to Waley's proposals on, *a*) exclusion of USSR from IARA, and *b*) controlled procedure for making allocations in IARA. With respect to *a*), you should state that US envisages that its member on IARA and possibly the Deputy Secretary-General of US origin may be required from time to time to absent themselves from site of IARA in order to advise General Clay on initial division of reparations from three western zones between

[87] See telegram 10079, September 27, 11 p. m., p. 1316.

[88] Department's telegram 8609, September 28, 7 p. m., to London, stated that the schedule proposed by the British was acceptable, subject to the Department's success in finding a deputy for Mr. Pauley and staffing the United States Delegation to the Allied Commission on Reparations (740.00119 Council/9–2645).

USSR and Poland on one hand and all other claimants on the other. With respect to *b*), you should state that US will be forced to reconsider its agreement to formulation of allocations in secretariat and procedure for committee of five in event that other claimants are reluctant to accept proposals in this regard.

2. Department is prepared to contribute to support of agency Department agrees in principle to initial contributions 5,000 pounds, but must wait for minimum of 3 weeks on passage of emergency deficiency appropriation. Repeat USPolAd Berlin for Murphy.

ACHESON

740.00119 Council/9–2745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 27, 1945—11 p. m.
[Received September 28—9 : 55 a. m.]

10079. Delsec 62 from Reinstein.

1. Dearborn and I attended third meeting of IARA organizing committee on 25 September. Since neither Rueff nor I had yet received instructions on the matters referred at previous meeting progress was limited.

2. Draft note to Belgian Govt, text of which is being telegraphed separately,[89] was agreed to subject to French reservation on seat and my reservation of countries to be listed.

3. Waley suggested there is a strong probability that around the middle of October the coordinating committee will declare a substantial volume of equipment to be available for interim delivery and that there will be similar periodic declarations thereafter. Necessity for obtaining comments of claimant Govts delay resulting from failure to agree on invitations and time required for negotiation with Belgian Govt and allowance of reasonable time for designation of representatives indicate impossibility of holding first meeting early as October 15. This would confront occupying powers with necessity of allocating themselves. British suggested invitations might be issued without fixing date and place of first meeting and claimants asked to submit immediately to three Govts lists of equipment desired. Allocation could, if necessary, be made on basis of work of experts.

4. Nigel Sutton has been selected by British as Secretary General. Before war he was in business in Paris and during war has been in

[89] Telegram 10076, September 27, 11 p. m., not printed; the note proposed Brussels as the seat for the Inter-Allied Reparations Agency and requested Belgian approval (740.00119 Council/9–2745). Agreement was given in a note to the American Chargé in Belgium dated October 10 (740.00119 EW/10–1245).

Political Intelligence Dept FornOff. He will be available in London for discussions between 5 and 10 October although not free for full time work until the middle of November. I think it highly desirable that the US should have a deputy secretary general available for joint work in London by 5 October and for meeting of British, French and as elements are scheduled in Paris for 10 October. De Seynes will be available on the French side.

5. It was agreed that the salary of the deputy secretary general should be 2,000 pounds to be fixed in terms of Belgian francs. Traveling expenses from the US self, family and household effects would be paid.

6. It was agreed delegates to IARA should [be] paid by their Govts and secretariat from funds of agency.

7. Waley suggested that the US, UK and French Govts should make an advance contribution of 5,000 pounds each to the funds of IARA in order to enable it to get under way. I said I would seek instructions but was uncertain whether we could make contribution in advance of establishment of agency.

Sent to Dept as 10079, repeated to Paris as 624; USPolAd Berlin for Murphy as 146 and Moscow as 328. [Reinstein.]

WINANT

740.00119 Council/9–2745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 27, 1945—11 p. m.
[Received September 28—10:28 a.m.]

10081. This is Delsec 77 from Reinstein.

1. Dearborn and I attended fourth meeting of Interallied Reparations Agency Organizing Committee on 27 Sept.

2. Waley suggested that in view of the difficulties in securing agreement on the precise terms of reference procedure and membership of IARA it might be well to postpone settlement of these matters and leave them to proposed conference of officials on 7 Nov. Both Denmark and Egypt would be invited to conference. His draft of invitation is being sent as separate telegram.[90] Revised memo would be submitted as attachment.

3. The conference of officials would discuss terms of reference and procedure of IARA as well as shares in reparations. Invitations to IARA would be sent to Denmark and Egypt. If conference resulted

[90] Telegram 10096, September 28, 4 p. m., from London, informed the Department that the draft was being revised and would not be telegraphed at present (740.00119 Council/9–2845).

in their exclusion from shares in reparations they could then be excluded from IARA without embarrassment. I indicated that the US would probably not insist on a renewal of the invitation to the USSR although I had not yet received final instructions.

4. This seems to me a sensible proposal which goes a considerable way towards meeting our objections to excessive dictation to the smaller countries. I do not think it would delay the substantive functioning of IARA although its formal constitution would be postponed. It could probably not be established until late in November or beginning December. I suggested that the invitation to the conference should indicate that it is expected that IARA will come into existence very shortly thereafter and that the member governments should have staff ready to participate.

5. I promised to try to obtain instructions by Saturday 29 Sept on Waley's new proposal. It is hoped meeting on that afternoon can agree to the proposed conference of officials and to the form of the invitation thereto.

6. The problem of restitution remains the outstanding cause of disagreement. Waley agrees that as much as possible should be left to ACC and zone commanders but doubts that latter are best fitted to settle conflicting claims to looted property. He thinks such questions should be settled by an agency on which all claimants are represented and is strongly opposed to the creation of a separate international agency merely for that purpose. I expressed the US position but think he has a point in regarding IARA as a logical arbiter. It was agreed that issue could be postponed until Nov meeting.

7. Rueff urged that an executive committee should be set up not later than 10 Oct to start looking into the staffing and housekeeping problems of IARA. Waley agreed to supply a British member of such a committee by 10 Oct. It is highly desirable that a US member should be available.

8. Rueff stated that his Govt had agreed to Brussels as the seat for IARA. Since the British refuse to consider Germany because of lack of accommodation for even their own MG [91] officials Brussels was agreed.

9. It was agreed that the proposed meeting of 10 Oct concerning the French share in reparations should take place in Lisbon and not in Paris as originally scheduled.

Sent Dept as 10081, repeated to Paris as 625, USPolAd, Berlin as 148, and Moscow as 329. [Reinstein.]

WINANT

[91] Military Government.

740.00119 EW/9–2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 28, 1945—3 p. m.
[Received September 28—2:37 p. m.]

10082. ReDeptel 7652, September 6.[92] From Secretary for Acheson and Clayton. There is serious question in my mind as to whether the approach to the German reparations problem taken by the Department in its recent communication to the Soviet, British and French Governments correctly reflects the spirit of the Potsdam Protocol or is likely to produce any tangible results. I wish to discuss the entire matter with you in detail as soon as possible after my return to Washington. Meanwhile I think you should defer making any arrangements with respect to Mixed Commissions entering either the Eastern or Western Zones.

I do not consider the proposed arrangements described in Secdel 84[93] with regard to the selection of a deputy for Mr. Pauley satisfactory. It seems to me that it will be difficult to obtain a man of the proper stature and competence to serve in the capacity of deputy. Furthermore anyone serving in such capacity would probably find himself at a considerable disadvantage in his relations with the other members of the Allied Reparations Commission. I suggest that if the President approves you put the matter frankly to Pauley with a view to dividing the German and Japanese reparations work. [Byrnes.]

WINANT

740.00119 Council/9–2845 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 28, 1945—7 p. m.

8610. Secdel 142. For Reinstein. Reurtel 10096[94] (Delsec 78) Dept is reluctant to postpone organization of IARA until November. In view of Secretary's request for expedition of determination of amount and character reparation deliveries, and Dept's suggestion that this determination be made by Control Council in series of lists declared eligible for advance deliveries, i.e. by series of successive approximations, Dept is fearful that delay in establishing agency will bring forth large lists of advance deliveries and no machinery for

[92] Same as telegram 1964, September 6, 7 p. m., p. 1283.
[93] Reference is to telegram 8195, September 19, 8 p. m., to London, not printed. Concerning the selection of a deputy for Mr. Pauley, see footnote 38, p. 1293.
[94] See footnote 90, p. 1317.

allocation. Dept desirous of having invitation issued now for early meeting IARA. It may be necessary to leave open some questions of organization for later determination.

ACHESON

740.00119 Control (Germany)/9–3045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 30, 1945—10 p. m.
[Received September 30—6: 10 p. m.]

655. Reference our despatch No. 998, dated September 22, 1945, with which were forwarded copies of the report on "A Minimum German Standard of Living in Relation to the Level of Industry".[95] This report concluded that, on the basis of a period "3 to 5 years hence", the various objectives of industrial disarmament, standard of living, and German absorption of the costs of occupation constitute an "insoluble" problem in view of territory losses and population transfers.

This report is now being considered by the Level of Industry Committee under the Directorate of Economics of the Allied Control Authority. From discussions that have taken place to date, it becomes clear that policy decisions must soon be arrived at concerning the extent to which de-industrialization will be pursued, the amount of exports that Germany will be allowed in order to obtain essential imports, and in general the standard of living that will be within the reach of the German economy. Quadripartite decisions will have to be made in terms of specific industries—as, for example, the domestic capacity of steel ingot production. If the Department's views have been formulated in terms of specific industries, I should be immediately advised in order to present such views at the appropriate time.

As part of the specific industry problems, overall policies will tend to evolve around two general issues. The first issue will be as to how far we are determined to pursue de-industrialization if it becomes obvious that at least for the next year or two this will require enlarged costs to the US in terms of assistance that will need to be given to Germany to limit starvation, disease, and unrest, if not to support our own military forces. The second issue relates to the problem of the relationship of the German economy to the rest of Europe. It is gradually being realized by officials here that any wholesale transfer

[95] Despatch 998 not printed; the attachments were designated LOIC/P (45) 3 (amended) and LOIC/P (45) 3, dated September 21 and 17, respectively. This report became popularly known as the Hoover Report, for its principal author, Calvin B. Hoover, Economic Adviser to General Draper, Director of the Economic Division, U.S. Group, Control Council; for a summary of the content of the Hoover Report, see B. U. Ratchford and W. D. Ross, *Berlin Reparations Assignment* (Chapel Hill, University of North Carolina Press, 1947), pp. 79–82.

of German plants to liberated areas will greatly disturb production generally for several years and is likely to drag down living standards for all concerned. In other words, it is becoming clearer that extreme, ill-considered de-industrialization of Germany may well have the effect of creating and extending chaos in Europe. I should appreciate the Department's views.

MURPHY

740.00119 Council/10–145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, October 1, 1945—3 p. m.
[Received 4:40 p. m.]

10182. Delsec 85. For Clayton from the Secretary. ReDeptel 8245, Sept 20. The subject of restitution has been discussed in detail by the Council and by the Deputies.[96] Agreement has been reached that the matter should be examined by the Control Council for Germany. The French have proposed that the Control Council be directed to make a determination of the property to be restored and to complete deliveries within a period of 2 years as in the reparations agreement. The Soviets have blocked every attempt to work out a formula under which the Control Council would be directed to take any form of action or any time would be fixed within which action should be taken.

Under the circumstances I believe we should proceed immediately with the directive from General Clay which is proposed in your telegram under reference. I also desire that the Department work out for prompt submission to the Control Council for Germany a proposal for a definite settlement of the restitution question. Similar proposals should be made with respect to restitution from Austria. [Byrnes.]

WINANT

740.00119 Council/10–245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, October 2, 1945.
[Received October 2—7:40 p. m.]

10246. Delsec 95. At 1 October meeting of IARA (Inter-Allied Reparations Agency) organizing committee the following two notes

[96] For documentation, see vol. II, entries in index under Council of Foreign Ministers : Reparations from Germany.

and accompanying memorandum to Governments with potential claims to German reparations were agreed subject to the approval of the Department and with respect to IARA facilities in Germany of General Clay.

NOTE No. I

The Governments of the French Republic, the United Kingdom of Great Britain and Northern Ireland and the United States of America are informed that the Control Council in Germany are likely in the near future to determine that certain capital industrial equipment in the western zones of Germany will be available for advance deliveries in accordance with paragraph 7 of the agreement on reparation reached at the Potsdam Conference. It is understood that the equipment available is likely to consist mainly of plants of the metal and chemical industries and of machine tools and similar equipment.

The Three Governments would be glad to know whether the blank Government desires to put forward a request to receive any type of such plant or equipment or any individual plants by way of advance deliveries or otherwise and to state to which of their needs they attach most importance and urgency. It is of course to be understood that the share of any Government which does not put forward any request for advance deliveries will not be prejudiced when the time comes for allocating capital industrial equipment available for reparations in accordance with paragraph 6 of the agreement on reparations reached at the Potsdam Conference. The Three Governments will bear in mind all requests received but can of course give no assurance that it will be possible to make plant and equipment availability by way of advance deliveries or otherwise.

NOTE No. II

The Provisional Government of France and the Governments of the United Kingdom of Great Britain and Northern Ireland and the United States of America have invited the Government of blank to supply by October 1, 1945, data relating to the reparation claim of the Government of blank against Germany and the value of prewar German assets situated in its territory.

(2) The Three Governments now invite the Governments of blank to appoint a representative to a meeting of officials to be held in London on November 7, 1945 to consider the data supplied by the governments concerned and to prepare the way for an Inter-Governmental Agreement on the allocation of reparation receipts as between these governments.

(3) The Three Governments further suggest that this conference of officials should make recommendations to their Governments in regard to the appointment of an Inter-Allied Reparation Agency. A memorandum on this subject is enclosed which might form the basis of discussion. The Three Governments consider that the agency should if possible start its work by December 1st, 1945.

MEMORANDUM RELATING TO INTER-ALLIED REPARATION AGENCY

(1) The Governments of the French Republic, the United Kingdom of Great Britain and Northern Ireland and the United States of

America propose the establishment of an Inter-Allied Reparation Agency (hereinafter referred to as The Agency) to which the countries entitled to reparations from Germany other than the USSR and Poland shall be invited to appoint members. It will be recollected that the share of those two countries has been otherwise dealt with.

(2) The functions of The Agency will be:

(*a*) To receive from the Control Council in Germany lists (with valuation) of the industrial capital equipment available to member Governments for reparation under Articles 6 and 7 of Section IV of the Potsdam Protocol.[97]

(*b*) To receive from the Member Governments lists of the industrial capital equipment from the western zones which they desire to receive as reparations under the above mentioned Articles 6 and 7.

(*c*) To allocate material between the Member Governments,

(*d*) To ensure the equitable application of the plan as between the different Member Governments insofar as this is not a matter for the Control Council to decide,

(*e*) To perform such other functions as are entrusted to it in regard to the allocation of reparation.

(3) The President and Secretary General of The Agency and the Chairman of the Committee of Five referred to below will be appointed by the Governments of the UK, USA, and France.

(4) The Secretariat General will draw up programmes for the allocation of material between the member countries taking into account their respective needs and will submit their programmes to The Agency. In case two or more countries desire to receive the same material the matter will be referred to a Committee of Five of which the delegations to The Agency representing the Governments of the UK, the USA and France shall be permanent members. The other two members shall hold office in rotation for a period of 2 months and shall be the delegates of the other Member Governments chosen in the alphabetical order of the names of the countries concerned in the French language. The decisions of the Committee of Five shall be final, each member having one vote.

(5) On all questions other than those referred to in the preceding paragraph and in paragraph 7 the Committee will decide by vote, each delegate being entitled to one vote.

(6) The question of fixing the seat of The Agency in Brussels is under discussion with the Belgian Government. The Agency will also have an office at such place or places in Germany as may be agreed with the Control Council.

(7) Each Member Government will meet the expenses of its own delegation. The common expenses of The Agency [other than those met by the German Government in accordance with] [98] paragraph 8 below will be borne by the Member Governments in proportion to their shares in German reparations. The annual budget of The

[97] Reference is actually to section IV of the Report on the Tripartite Conference of Berlin; see *Conference of Berlin (Potsdam)*, vol. II, p. 1506.

[98] These words, which were in the final text of the memorandum, had presumably been omitted from this telegram through a garble.

Agency will be subject to the approval of The Agency and for this purpose the voting power of each Member Government will be in proportion to its share in German reparations.

(8) (i) The Control Council and the Commanders in Chief in their several zones will be requested to ensure to The Agency to its members and to the staff of The Agency and of its members (other than German nationals and other persons recruited locally) the following facilities:

(*a*) The free provision at the cost of the German authorities of such local services and local currency as may be required in Germany for their accommodation and transport and approved by the zone commander concerned.

(*b*) Their exemption from all German taxation including customs duties;

(*c*) Their exemption from exchange restrictions and from suit and legal process in any German court;

(*d*) The inviolability of their premises and their archives subject to the right of search where a crime has been committed under Military Government law.

(*e*) Appropriate freedom of communication by cypher and otherwise with their respective Governments to the same extent as that enjoyed by Military Missions attached to the Control Council.

(ii) The above facilities shall only be granted to any of the personnel specified in this paragraph when his name has been notified to the Control Council.

(9) All other facilities which the Agency may require in Germany shall be the subject of agreement between it and the Control Council or the Commander in Chief in their respective zones.

10. Subject to the provisions of paragraph 8 the personnel mentioned therein shall be subject in each zone to the same regulations as apply in that zone to officers of corresponding rank, status and nationality in the service of or attached to the Commander in Chief of that zone or the Control Council. (End text.)

Foregoing to be transmitted to claimant governments simultaneously through Missions in Washington, London and Paris. It is desired to present notes soon as possible. Please instruct if that satisfactory.

WINANT

740.00119 Council/10–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, October 4, 1945—8 p. m.
[Received October 5—3 a. m.]

10342. This is Delsec 107 from Reinstein.

1. With the conclusion of the meeting of the Foreign Ministers Council it appears possible to make a full reply to Department's

telegram 8377 [*8387*], September 24 and to report on the results of the conversations I have had with Waley and Rueff. I have felt it desirable to do so at length so that full information may be available to Department prior to departure of reparations group for London and Berlin meetings.

2. As indicated in Embassy's telegram 9629, September 18,[99] the USSR on September 14, submitted a proposal to direct Allied Control Commission, Germany to fix the amount and character of equipment to be removed from the Western Zones by December 1 and to fix dates for the determination and commencement of equipment to be furnished as advance deliveries. (Document CFM 45 (15) [*C.F.M. (45) 15*].) Soviet proposal also provided for transfer of ACR to Berlin and sending of mixed commissions of experts into Western Zones. Soviet proposals re dates were opposed in a British paper (CFM 45) [*C.F.M. (45) 45*].[1] British also opposed immediate sending of commissions proposing instead exchange of information of removals from Soviet zone for list of equipment available in British zone. After examination this data, British prepared for entry of specialists representing interested countries into British zone conditioned upon entry of specialists into Soviet zone. (This proposal was made prior to my furnishing British with Soviet reply of September 16 to our proposals of early September given in Moscow's 3300 [*3303*], September 18 to Department.) French submitted paper (CFM 38) [*C.F.M. (45) 38*][2] calling for action on restitution as part of reparation proposal.

3. As a result of Secretary's conversation of September 16 with Molotov[3] latter agreed to drop proposal on dates. When subject came up on September 26 [*25*] (minutes 21 meeting[4]) Molotov introduced a substitute resolution providing simply that ACR should move to Berlin and that Allied Control Commission, Germany should be instructed, in collaboration with ACR to accelerate work on reparations plan and in particular advance deliveries in order that date set in Potsdam Protocol should be met (CFM 53) [*C.F.M. (45) 53*].[5] French attempted to attach, as condition to approval, provision for restitution and replacement but eventually agreed to separate discussion of restitution. Soviet proposal was then adopted.

4. Restitution was considered both by Council and deputies on several occasions. On September 27 (24th meeting) Conference

[99] Not printed; this cable transmitted the text of the memorandum by the Soviet Delegation to the Council of Foreign Ministers, entitled "Reparations from Germany"; for text of memorandum, see C.F.M. (45) 15, September 14, vol. II, p. 158.

[1] Dated September 22; for text, see *ibid.*, p. 325.

[2] Dated September 20; for text, see *ibid.*, p. 285.

[3] See memorandum of conversation by Mr. Bohlen, September 16, *ibid.*, p. 194.

[4] *Ibid.*, p. 384.

[5] Text of this document, not printed, contained only minor differences from the proposal as contained in the minutes of the 21st meeting, September 25.

Foreign Ministers agreed Allied Control Commission Germany should examine urgently restitution problem, taking into account United Nations Declaration of January 5, 1943 [6] on Axis acts of dispossession and instructed deputies to consider and report before end of session on French proposal for a 2-year period for effecting restitution. As indicated by Delsec 85,[7] Soviets blocked every attempt to work out a formula under which any requirements would be placed on Allied Control Commission to take action on grounds that they needed advice and information from their economic experts before they could engage in any discussion on restitution. Matter is still pending before deputies as unfinished business. Soviets also blocked our effort to raise question of restitution in Austria. Soviet tactics of delay adopted in face of warning from Secretary in Council meeting that failure to settle restitution question might cause difficulty when reparations plan comes before Allied Control Commission, where French concurrence will be needed.

5. Replying last paragraph Department's telegram 8377 [*8387*], British position appears to have changed in last several weeks. Waley's letter of September 17 to Dunn quoted in Delsec 35 [8] and his early conversations with me indicated a clear position that interim deliveries should be very small. Later he began talking of extensive advance deliveries. I believe that this may reflect ministerial consideration of the question. Dept's attention is directed in this connection to differences between paragraph 3 of September 17 letter and paragraph 5 of British paper of September 22 (CFM 45) [*C.F.M.* (*45*) *45*]. Listing of plants available for removal from British zone, including Krupp Works at Essen (refer CC 16875, September 29 [*28*] from USG/CC to War [9]) is also significant.

6. French position is tied up with restitution and with their desires concerning Rhineland and Ruhr. Our impression was they did not realize strength of their position in influencing reparations program through veto right in Allied Control Commission. However, they now appear to have grasped the point. Question remains how far they will be prepared to go in exercising their veto right in opposition to the USSR. In general, impression I received from talks with Alphand [10] is that French hope to see establishment of Rhineland-Ruhr state which would be joined in some form of economic union with France and are opposed to removals from this area to USSR. As a result of Soviet objection to consideration of Rhineland-Ruhr

[6] For text, see *Foreign Relations*, 1943, vol. I, p. 443.
[7] Telegram 10182, October 1, 3 p. m., from London, p. 1321.
[8] Telegram 9698, September 19, 9 p. m., from London, p. 1297.
[9] See footnote 20, p. 1330.
[10] Hervé Alphand, Director General of Economic, Financial, and Technical Affairs, French Ministry of Foreign Affairs, and member of the French Delegation to the Council of Foreign Ministers.

question by deputies, it was agreed French paper on this subject (CFM 17) [*C.F.M. (45) 17*][11] should be discussed through diplomatic channels with eventual resubmission to CFM. French and British have agreed to discuss economic aspects of matter next week probably beginning October 8. French desire discussions to take place in Paris but British are insisting upon London. It is our plan to join for purpose of listening to French views and reporting to Department.

7. Waley informs me Mark Turner now in Berlin has reported that economic directorate will submit to coordinating committee on October 15 or soon thereafter a first list of plants available for removal as advance deliveries. List will be comprised of 13 plants in Soviet list (refer CC 16875) plus 13 more from US Zone. This will bring a number of pending issues immediately to a head, among them the following:

a. Who will determine division between USSR–Poland and other claimants? Waley states British Representative will take position this is matter for ACR.

b. What part is to go to USSR? British fear USG/CC will take position all should go to USSR and hope that Department will see that any position taken by USG/CC will reflect US Government position. I have not informed Waley that USC/CC has raised question with Washington.

c. Question of valuation. Waley now feels that ACR should lay down policy.

d. Question of compensating deliveries by USSR. Waley appears to feel these must come from outside Eastern Zone in view of (*a*) agreement that Germany is to be treated from economic viewpoint as a whole and (*b*) limitation of reparations under Potsdam Agreement to capital equipment and foreign assets. He states that failure to insist on this viewpoint will undermine efforts to carry on interzonal trade. Any goods taken from Eastern Zone by Soviets should be paid for by them under first charge principle. Although I realize that interpretation place[d] on Potsdam Protocol by Clayton and Collado is different (Embassy's telegram 8296, August 16 to Department,[12] repeated Berlin as 80) I have not discussed point with Waley since I have attempted to confine my activities on reparations to discussion of Inter-Allied Reparations Agency and to reporting questions and views of British and French to Department, is [*in*] conformity with Department's instructions.

8. As I informed Despres and Kindleberger in teletype conversation of September 26 British propose following additional items for discussion at forthcoming meeting of ACR:

a. In determining what capital equipment is to be left in Germany, should any allowance be made for producing goods for delivery as reparations?

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[11] Dated September 13; for the text, see vol. II, p. 177.

[12] See *Conference of Berlin (Potsdam)*, vol. II, p. 938.

b. In calculating equipment needed for producing for export, will exports be figured only at amount necessary to cover import requirements or will allowance be made to cover service on pre-war debt? Waley is under definite instructions to raise this question.

c. US memorandum on labor services.[13] British intend, I believe merely to record their disagreement with our views.[14]

9. In the light of foregoing Waley believes ACR should meet in Berlin at a very early date, if possible about October 16. Rueff informed me that Novikov inclined to even an earlier meeting. Rueff and Waley attempted to arrange meeting with Novikov to discuss this matter after closing of CFM meeting but were unable to do so. Waley takes position calling of meeting is responsibility of Novikov as chairman.

10. As separately reported to Department, French are anxious that restitution and gold be discussed at projected talks of British, French and US elements of ACR scheduled to begin in London, October 10. British would like to have preliminary discussion of disposition of German Foreign assets and related questions. Among items they mentioned are whether German assets in eastern Austria to be taken by Soviets include those in British, French and US sectors of Vienna, what disposition to be made of German assets in western Austria, and disposition to be made of currency captured in Germany.

11. I have not been able to ascertain whether and to what extent British and French positions have been affected by conclusion of CFM meeting. Just prior to final meeting of CFM I discussed with Waley question of future action if CFM should adjourn without reaching agreement. His personal view was that action on reparations should go forward and that it would be mistake to allow Soviets to receive impression we are obstructing implementation of reparations agreement although (as indicated in preceding paragraphs) he envisages that discussions with Soviet will involve points on which there must be hard bargaining. Waley emphasized strongly necessity for full US participation in forthcoming meetings and difficulties which might result from delay of US in sending representatives, both from viewpoint of relations with USSR and from viewpoint of extremely tight time schedule confronting us.

12. Both Waley and Rueff seemed uncertain as to status of CFM decisions on reparations and restitution in the absence of a signed

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[13] Reference is apparently to a statement inserted for the record at a meeting of the Allied Commission on Reparations at Moscow, August 12, text of which consisted of paragraph 4 *d* of IPCOG 2/2, May 18, p. 1222.

[14] The British point of view on this matter had been set forth in the note from Mr. Makins to Mr. Clayton, May 27, p. 1231.

protocol. I pointed out USSR had agreed to moving to Berlin in note of September 14 to us.[15]

13. Copies of papers referred to in earlier paragraphs of this message were taken Washington by returning members of delegation.

Sent to Department as 10342; repeated to USPolAd Berlin for Murphy as 169; Paris as 645; Moscow as 341. [Reinstein.]

WINANT

740.00119 Council/10–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, October 4, 1945—9 p. m.
[Received October 4—7:45 p. m.]

10363. This is Delsec 110 from Reinstein. Reference Secdel 142.[16] Department's fear that lists of equipment available for advance delivery may be issued before machinery for allocation of reparation deliveries has been established seems well grounded. However, in view of large number of unsettled issues regarding allocation to USSR listed in another telegram[17] reviewing reparations problem which I am sending tonight, I doubt whether we will be in a position to know how much can be allocated other claimants until the beginning of November. Under the circumstances, delay in organizing Inter-Allied Reparations Agency may not cause great difficulty. Availability of equipment for allocation may hasten agreement on shares and agency.

Reference telegram (urgent 8610, September 28). Did not reach here until October 3 and consequently your views were not available to me at October 1 meeting. I understand Rueff is still in London and will attempt to discuss your views with him and Waley tomorrow. Meanwhile, I suggest Department consider notes transmitted in Delsec 98[18] in light of foregoing and of separate telegram referred to. [Reinstein.]

WINANT

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[15] Reference is presumably to the note dated September 16, text of which is contained in telegram 3303, September 18, 1 p. m., from Moscow, p. 1294. The Soviet memorandum of September 14, however, also assented to the moving of the Allied Commission on Reparations to Berlin; see C.F.M. (45) 15, vol. II, p. 158.

[16] Telegram 8610, September 28, 7 p. m., to London, p. 1319.

[17] Telegram 10342, October 4, 8 p. m., from London, *supra*.

[18] Telegram 10237, October 2, 3 p. m., from London, which stated that the notes had been agreed upon; the texts were transmitted in telegram 10246, October 2, p. 1321.

Department of the Army Files: Telegram

The War Department to the United States Deputy Military Governor for Germany (Clay) [19]

War 73742 [WASHINGTON] 5 October 1945.

Subject is advance reparation deliveries urad CC 16875 Sept 29 [*28*], 45.[20] This is interim reply.

1. Decision has been reached in London negotiations concerning inter-Allied Reparation Agency –IARA– that initial allocation of industrial equipment removed from Western Zones of Germany as between Russia and Poland on the one hand, and other claimants on the other, will be made by Control Council. Further sub-allocation among claimants other than Russia and Poland will be made by IARA. However, State Dept opposes present allocation or delivery to Russia of any industrial equipment from Western Zones, pending –*a*– Appointment United States member IARA, who would act as your advisor on allocations by Control Council, –*b*– Receipt by IARA of lists of plants desired by other claimants, –*c*– Progress in resolution of counter-delivery issues—see Para 4 below—and formulation of valuation principles. For your information State Dept will review this matter with Secretary Byrnes on his return to determine whether he has made any commitments to make token deliveries in anticipation of regular allocation and delivery procedures.

2. Although you refer to 3 plants in US Zone included in original Soviet request, urad lists only 2-BMW [21] and FAK-.[22] Request information as to 3rd plant.[23] With respect to these and other plants declared available in United States Zone request that you transmit exact identification of properties concerned, E. G., does BMW plant now on list include only motorcycle portion of works in city Munich, the

[19] Lieutenant General Clay was Head of the Office of Military Government of the United States for Germany, established in Berlin on October 1, 1945, to succeed the United States Group, Control Council for Germany.

[20] Not printed; it stated the position of the United States Group, Control Council, that no plants could be made available for advance reparations deliveries until the question of the body making the allocation of reparations from the Western Zones between the Soviet Union and other claimants had been settled. It also indicated that the United States had already ordered dismantling of 5 plants in its zone in anticipation of their use as advance reparation payments and reported that 11 more would be made available. The British had listed 13 plants as available. Of this total of 29 plants, 13 were included in the Soviet list dated August 23, 3 from the United States Zone, and 10 from the British Zone. (Copy obtained from the Department of the Army files)

[21] Bayerische Motorenwerke.

[22] Kugel Fischer Werke, ball-bearing plant in Schweinfurt.

[23] Telegram CC 17588, October 15, from General Clay to the War Department, stated that the third plant was the Bremen Deshmag Weser, a shipbuilding plant at Bremen. (Copy obtained from the Depa rtment of the Army files.)

whole plant in Munich, or the whole complex of which Munich is the parent plant? [24]

3. Pending decision on these allocation matters State Dept approves your action in declaring plants eligible for advance deliveries and urges you continue this process. It is contemplated such lists will serve not only as basis for advance deliveries but also will facilitate final determination called for Art 4 Para 6 Berlin Protocol.[25]

4. Interpretation Art 4 Para 4 *a* Berlin Protocol concerning sources of Russian products to be exchanged for 15% removals from Western Zones allocated to USSR is considered to be matter for Reparations Commission. It is recommended that you ask Control Council to seek guidance Reparations Commission on this point. For your information State Dept recognizes that Para 4 *a* of Protocol is ambiguous and standing alone does not necessarily preclude counter-deliveries from Russian Zone of certain products enumerated Para 4 *a*. State Dept opposes Russian view that reciprocal deliveries should originate exclusively in Eastern Zones of Germany inasmuch as list of specific commodities for counter-delivery includes such items as coal, petroleum and zinc which cannot be derived from Eastern Zone.

5. War Dept efforts secure valuation experts and economists subject of separate cable.

6. You should make all possible progress in determination by Control Council general valuation principles. In event of disagreement you may wish to seek guidance Reparations Commission. Please transmit general valuation principles you propose.

740.00119 Council/10–245 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, October 5, 1945—5 p. m.

8821. For Reinstein. Following are Department's comments on notes and memorandum to potential reparation claimants as given urtel 10246 (Delsec 95).[25a]

1. Department believes it would be highly desirable to attach to Note No. 1 a list of the 29 plants (16 in American zone and 13 in

[24] Telegram CC 17588, October 15, explained that two BMW plants had been declared available, that on the Soviet list was the main plant located in the city of Munich; originally a motorcycle engine plant, it had been converted for war use into an aircraft engine parts plant. (Copy obtained from the Department of the Army files).

[25] Reference is to the Report on the Tripartite Conference of Berlin; see *Conference of Berlin (Potsdam)*, vol. II, p. 1506.

[25a] Dated October 2, p. 1321.

British zone) which have already been listed as available for reparation delivery by zone commanders. This list would give claimant countries some idea of equipment that is available, and would help to expedite interim deliveries. Attachment of this list would require some obvious changes in Note No. 1, including statement to the effect that it is hoped that additional lists will be available in the near future. List under reference should be in possession of British and of US Embassy in London.

2. Following comments relate to memorandum on Inter-Allied Reparation Agency accompanying notes.

(*a*) In Section (2)(*d*) we are puzzled by expression "equitable application of the plan as between the different member governments in so far as this is not a matter for the Control Council to decide." No "Plan" is previously mentioned in the memorandum and meaning of the term is very vague. This Section should either be made unambiguous or omitted.

(*b*) In Sections (4) and (5) when referring to method of voting, did you intend to say decisions should be reached by majority vote? As text now stands, impossible to tell whether decisions will be reached by majority vote or will require unanimity. However, if this question has been intentionally left vague, Department agrees to present wording.

(*c*) In Section (4) second sentence should read: "In case of objection by any member of the Agency or in case two or more countries desire to receive the same material, (etc.) . . ."[26]

(*d*) In Section (5) did you not intend to use the word "Agency" rather than the word "Committee"?

In other respects texts of notes and memorandum are satisfactory. In fixing date of simultaneous presentation please try to have at least three working days allowed for preparation of copies, etc. Sent to London. Repeated to USPolAd for Clay as 614.

ACHESON

740.00119 Council/10–645 : Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 6, 1945—noon.
[Received 4:05 p. m.]

10426. Delsec 111. From Reinstein. Following supplements Delsec 98, October 2,[27] on fifth meeting regarding Inter Allied Reparations Agency and completes reports on points discussed with British and French.

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[26] Omission indicated in the original telegram.
[27] See footnote 18, p. 1329.

2. Reference paragraph 3. Department's telegram 8390, September 24. Restitution issue has been left for later consideration, reference is to restitution being meanwhile eliminated from draft memorandum. French feel strongly Inter Allied Reparations Agency should handle restitution questions. British suggest it should handle cases where there are conflicting claims. I asked whether it would not be possible to avoid questions of conflict by adopting policy proposed in our early restitution documents in Washington of returning property to jurisdiction from which taken, leaving question of ownership to be unraveled at that point.[28] British and French thought this would greatly reduce number of questions, but believe that some would still be left, including such matters as what to do with bearer securities discovered in Germany, origin of which was uncertain.

My view, which I did not express at meeting, is that Allied Control Commission Germany should not be placed in position of arbitrating issues between Allied Governments. Its job is to run Germany and it should not be saddled with legal or political problems which are not a part of that job. Whether or not the solution of conflicts should be made a function of Inter Allied Reparations Agency or some other agency depends partly on how well Inter Allied Reparations Agency operations are carried out and how it is set up. British feel strongly we should not create a large number of agencies for dealing with various segments of the problem of dividing what we get from Germany. Consequently they favor placing the function in Inter Allied Reparations Agency.

3. Both British and French recognize their definitions of restitution are not entirely practical. Rueff indicated informally that French recognize distinction must be drawn between goods shipped to Germany which in fact were commercial exports and removals which constituted looting. I offered no comment except that American proposal to limit restitution to certain specific categories of goods was designed to meet these practical problems.

4. Department's suggestion that cost less depreciation be used as basis of valuation of equipment removed from Germany (paragraph 5, Department's telegram 8390) met with little enthusiasm. While any system of valuation which could be applied in a more or less uniform fashion would be useful in terms of making an equitable distribution, the British are concerned lest basis used result in under valuation. It was pointed out that German depreciation allowances have usually been rather large. Under valuation would have bad political effect and would place us in a disadvantageous position for

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[28] For text of a briefing book paper setting forth the policy referred to, see *Conferences at Malta and Yalta*, p. 196.

negotiating Soviets for compensating deliveries. The entire subject seems to me to require further study.

5. British propose now that salary of Secretary General be 3000 pounds and those of deputies be 2500. This should make it possible to raise salary scale of subordinate personnel in line with paragraph 6 of Department's 8390. Department should bear in mind these salaries are to be tax free.

6. Department's comment with reference to 1 *a* Department's 8549 [29] not communicated to British and French. Recent discussions here have not envisaged that delegates would necessarily have to spend full time at Inter Allied Reparations Agency headquarters. Insofar as Deputy Secretary General of US origin is concerned, I have not considered it appropriate to make comment proposed by Department. This official will be employee of Inter Allied Reparations Agency and not US Government. While consultation between him and US element of USCC [*ACC*] may be desirable, I doubt whether we should go into the subject at the present time.

7. Department's comments on 1 *b* of Department's telegram 8549 were communicated to British and French.

8. As separately reported, British anxious for preliminary discussion of questions relating to German foreign assets. Playfair urges that Rubin [30] come to London if possible for October 10 meeting.

9. As separately reported, British feel allocation between USSR–Poland and other claimants should be made by ACR rather than Allied Control Commission. I have not discussed the point in meetings, but I agree with this viewpoint. As indicated in paragraph 2 I do not feel that Allied Control Commission should be required to settle issues between Allied Governments. Department's position on method of making this allocation not clear to me since last paragraph of Department's telegram 8388, September 24 [31] and paragraph 8 of Department's telegram 8390, September 24 appear to be contradictory.

10. British and French expect US to be prepared to discuss what use it intends to make of its share of reparations in October 10 meeting, particularly if we will be willing to cede part of our share to other claimants.

11. Regarding organization of Inter Allied Reparations Agency original British ideas envisaged quite a substantial organization. As result of discussions ideas have become more modest. Dearborn and I feel that staff of Inter Allied Reparations Agency could probably be kept fairly small. Memorandum prepared by Dearborn on size

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[29] Dated September 27, p. 1315.

[30] Seymour J. Rubin, Chief of the Division of Economic Security Controls in the Department of State, had been detailed to the U.S. Delegation to the Allied Commission on Reparations until August 28, 1945.

[31] Same as telegram 535, September 24, 7 p. m., to Berlin, p. 1309.

and composition of staff is being telegraphed in clear.[32] Our thought is that Secretary and Deputy should be persons of considerable skill, both from technical viewpoint and ability to compose differences. Success of organization will depend to a large extent on them. Remainder of staff will be primarily technical. Salary scale now envisaged should make it possible to get qualified people. US delegate and US staff should be closely tied in with American representative on ACR. It might be possible for American member of ACR in fact to serve as US delegate on Inter Allied Reparations Agency, with a Deputy representing him in the event there are conflicting meetings. Suggest Department consider this.

12. I should appreciate being informed of the Department's plans with respect to US Deputy Secretary General. It would be desirable for the person who is to act in this capacity to proceed to London in the near future, possibly proceeding to Berlin for consultation with Allied Control Commission in company with British and French representatives. Task to be accomplished by Inter Allied Reparations Agency and size of staff needed will depend in part on how and what Allied Control Commission will do. Only someone from Washington could presumably indicate possibility of recruiting staff from US at this time.

Sent to Department as 10426, repeated to USPolAd Berlin as 177, Paris as 648 and Moscow as 343. [Reinstein.]

GALLMAN

740.00119 EW/10–1045 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 10, 1945—1 p. m.

638. For your information Clayton has addressed a letter[33] to McCloy (copy being sent you by air pouch) stating Depts position on the treatment of Allied and neutral property in Germany in the course of reparation and economic disarmament programs. Briefly, this position, revised in the light of the failure of the Financial Directorate to agree on any but the first sentence of the original U.S. proposal on this subject,[34] is to withdraw the matter from negotiation in the

[32] Telegram 10415, October 6, from London, not printed.

[33] Dated October 10, not printed.

[34] The first sentence read as follows: "Ownership by Nationals of United Nations or Neutral Nations shall not impede the carrying out of Paragraph 11 of the agreement on the Political and Economic Principles to Govern the Treatment of Germany in the Initial Control Period." For text of paragraph 11, see *Conference of Berlin (Potsdam)*, vol. II, p. 1504. The text of the first sentence is contained in War Department telegram CC 16262, September 17, from Berlin, not printed. (Copy obtained from the Department of the Army files.)

Control Council and to submit a fresh proposal in the Allied Commission on Reparation when that body reconvenes. This proposal would retain the initial provision regarding neutral property [35] but would provide for compensation to affected Allied owners through their Governments as reparation from Germany. It would further make clear that Allied or neutral property should only be removed or destroyed when necessary to accomplish reparation or economic disarmament programs, i.e. not when the purposes of these programs could be served equally well by removal or destruction of German-owned plants.[36]

Dept rejects Russian thesis reported in your 579 of Sept 21 [37] that all foreign-owned business enterprises in Germany should be eliminated since they had contributed to German war potential. The United States and other countries, unlike Russia, engage in foreign private investment as a normal form of international economic intercourse. The incidental advantages which were thereby conferred upon the German war economy are no more deserving of criticism than those arising out of other forms of foreign intercourse with Germany, including ordinary commercial trade. Specifically pre-war investment in Germany by U.S. firms constituted in principle no greater contribution to German war potential than Russian trade with Germany during the pre-war period, or for that matter during the period of the war up to June 1941.[38] Incidentally, while Russian proposal to compensate Allied owners by means of reparation from Germany is consistent with principle proposed above for application in a more limited sphere, their proposal to compensate neutral owners out of German deposits in neutral countries (understandable in view of their having waived any claim to such deposits) obviously could not be accepted by this Government.

BYRNES

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[35] In the letter from Mr. Clayton to Mr. McCloy, October 10, the United States position was stated as follows: "With respect to neutral property in Germany removed or destroyed in the course of the reparation and economic disarmament programs, we shall instruct the U.S. Representative on the Allied Commission on Reparation to advocate our original proposal, namely that compensation should simply be paid in Reichsmarks for the benefit of the neutral owner." (740.00119 EW/10–1045)

[36] On October 21, Assistant Secretary of War Patterson informed Mr. Clayton that General Clay had been instructed in telegram War 75546, October 12, to withdraw the U.S. proposal from discussion in the Control Council and to indicate that a fresh approach would be made in the Allied Commission on Reparations (740.00119 EW/10–2145).

[37] Not printed.

[38] Hostilities between Nazi Germany and the Soviet Union commenced on June 22, 1941.

740.00119 EW/10–1045 : Telegram

The Secretary of State to the Chargé in the United Kingdom (Gallman)

WASHINGTON, October 10, 1945—6 p. m.

8980. For Reinstein. Dept appreciates your exhaustive and informative reports on reparations discussions with British and French.

(1) Regarding time schedule, Dept finds it impossible to make absolutely firm commitments because of great difficulty being encountered in recruiting suitable personnel. However, matter is receiving serious attention and Clayton and Secretary working on the problem. Progress being made and you may receive definite report within few days.

(2) Regarding allocation between USSR–Poland and other claimants (Delsec 111, Para 9 [39]), Dept considers immaterial whether this is done in Allied Control Council or in Reparations Commission. If Allied Control Council allocates, US representative will receive guidance of American delegate to IARA as envisaged in Deptel 8549, Sept 27. In fact, if valuation of equipment takes place in Control Council, allocation in ACR may be preferable since valuation decisions may then be made independently of allocation.

(3) Regarding part of interim deliveries to go to USSR, War Dept in consultation with State has drafted, and by now probably dispatched, a telegram to Eisenhower [40] instucting him to defer deliveries of available plants to USSR pending, (*a*) appointment of US member of IARA; (*b*) receipt by IARA of lists of plants wanted by other countries; (*c*) resolution of problems of reciprocal deliveries and valuations.

(4) Question of reciprocal deliveries by USSR. Dept would like to see these come from outside eastern zone. However, it regards Waley's argument (*b*) (Para 7*d*, Delsec 107 [41]) as invalid. Moreover, types of commodities stated in Berlin Protocol suggest deliveries from both inside and outside eastern zone; for example, petroleum, coal, from outside and potash, from inside. While Dept willing to take position that reciprocal deliveries should come from outside eastern zone, it may not be possible to make this position stick.

(5) On restitution, interim directive contained Deptel 8245, Sept. 20, has been submitted to War Dept for transmittal to Eisenhower. Dept still feels strongly that restitution should be handled in Allied Control Council. As viewed here, there should be relatively very few cases of conflicting claims between Governments and most of

[39] See telegram 10426, October 6, noon, from London, p. 1332.

[40] Reference here is actually to War Department telegram War 73742, October 5, to General Clay, p. 1330.

[41] See telegram 10342, October 4, 8 p. m., from London, p. 1324.

these should be susceptible to settlement by negotiation between investigatory missions sent into Germany by various claimant countries and respective zone commanders under aegis of Control Council.

(6) Dept agrees with you that US delegation to IARA should be closely tied in with American representative on ACR. Similar to your suggestion, it has been contemplated here that No. 2 man on ACR might serve as US delegate on IARA.

(7) Re Para 8*a*, Delsec 107. Dept would oppose any allowance being made for production of goods on reparation current account.

Re Para 8*b*, Dept would oppose any allowance for exports to cover service on pre-war debt.

Re Para 8*c*, Dept believes problem of labor services will require fuller discussions than that contained in earlier US statements made available to other powers.

BYRNES

740.00119 E.W./10–1145 : Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 11, 1945—4 p. m.
[Received 5 : 25 p. m.]

10619. From Reinstein. Reference paragraph 11 Embtel 1055 of Oct 9.[42] Following is statement of views of UK Govt on reparation labor sent to me informally by Waley under cover of letter dated Oct. 8.

"(*a*) Any Allied country holding German prisoners of war should be entitled to use them for any of the types of work laid down in the Geneva Convention.[43]

"(*b*) If an Allied country has not enough prisoners of war in their hands to meet their demands it can request another Ally to transfer some of its prisoners. But in that case the transferring country would be entitled to lay down conditions on the kind of work that the prisoners might do.

"(*c*) If an Allied country still finds it impossible to meet its demands for reparation labor from prisoners of war from any source the possibility of enrolling German civilian labor and the conditions under which such enrollment should take place should be discussed with the Allied Control Council for Germany.

"(*d*) The question of international supervision of the conditions of work of reparation labor will not arise until civilian labor is enrolled."

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[42] Not printed.

[43] Reference is to the international convention relative to the treatment of Prisoners of War, signed at Geneva, July 27, 1929; for text, see *Foreign Relations*, 1929, vol. I, p. 336.

Copy of letter has also been sent to De Seynes.

With reference to paragraph (*b*) Waley informs me that British would require undertaking from any country to which they transferred POWs that labor would not be used in enterprises competitive with British.

Sent to Dept as 10619, repeated to Moscow as 350, Paris 158, USPolAd Berlin as 197. [Reinstein.]

GALLMAN

740.00119 Control (Germany)/10–1145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 11, 1945—6 p. m.
[Received 8 : 55 p. m.]

751. Following is the gist of telegram of Oct 10 dispatched by General Clay to the War Dept:

"Reference your W–74072,[44] Hoover's study represents only the opinion of his committee as you were advised on his return to Washington. It has not been approved by this office pending correlation with industry studies now under way. It was placed before quadripartite subcommittee as a basis of discussion only, with full understanding that it did not represent a finalization of US views but would provide a basis for discussion of principles so that details could be agreed quickly as industry studies are completed. However, there can be no challenge of identity of report as the directive to Dr. Hoover contemplated obtaining his considered and unbiased views based on analysis of all available data under terms of Potsdam.

Present status of study is that each industry group is gathering complete data on existing capacity in Germany and estimated capacity required for minimum economy. These studies are scheduled for completion by 1 December to be presented in appropriate quadripartite subcommittees. Finalization of our views and quadripartite consideration of proposed standard of living can not be completed until all industry studies are in. Daniell's implication that Hoover was instructed to take as starting point guaranteed German minimum standard of living not understood. The Board was instructed to recommend (*a*) the general standard of living, using formula laid down at Potsdam;[45] (*b*) broad categories of end items required for this economy; (*c*) estimated imports, by categories and by value, to maintain this economy; (*d*) sources of exports required to pay for

[44] Not printed; this telegram, dated October 8, from General Hilldring, Director of the Civil Affairs Division in the War Department, to General Clay, requested information concerning a story by Raymond Daniell in the *New York Times*, October 8, 1945, p. 1, col. 8, summarizing the content of the memorandum entitled "A Minimum German Standard of Living in Relation to the Level of German Industry", a copy of which had been transmitted to the Department with despatch 998, September 22, from Berlin, neither printed.

[45] See *Conference of Berlin (Potsdam)*, vol. II, p. 1504.

imports; (*e*) general percentage required to maintain German peacetime economy in basic industries. Hoover was further advised that standard of living in Germany should not exceed average of surrounding countries and that exports essential to finance imports were to be obtained from light industry and from industrial sources not directly connected with war potential. No guaranty of maintenance of this standard of living was implied and exports in the light industry field were figured at high levels to permit rigorous destruction of heavy industry as contemplated in report.

Soviet point of view as described by Daniell is unknown to me.[46] Both Soviet and ourselves are using rule of thumb to determine industrial resources available for advance reparations. We have already reported 16 large plants in this category and others will be reported periodically. Only difference of views known to exist in Economic Directorate relate to turnover now to Soviets of plants declared available for reparations. Our instructions do not permit such turnover until machinery has been established to allocate between western claimants and the Soviets under terms of the Potsdam agreement. However, we do not anticipate full agreement with Russians as their views with respect to standard of living to be left in Germany may be extreme. Our views are fully dictated by the Potsdam Agreement and comply with it in both spirit and letter. However, these possible differences in degree of execution rather than in principle have not yet come into conflict.

I know of no way to proceed in determining reparations program other than by calling for studies of the type of the Hoover report. Its entire purpose was to apply the Potsdam formula. I do not know where Daniell got his figures with respect to steel production.[47] However, they are not accurate and our own official figures have not yet been established. There is no objection to release of Hoover report provided it is stated that it is study presented to this office for consideration and used as a basis for discussion in quadripartite subcommittees, which has not yet received official approval either of this office or of quadripartite subcommittees. Emphasis should be placed on its conclusion that further destruction of industrial capacity than contemplated in report can be accomplished by further decrease in proposed standard of living and that ultimate decision in this respect must be quadripartite. Any prophecies with respect to effect of this report on reparations are entirely premature at this time. The extent of reparations, which must be determined by 1 February 1946 at latest, will show how the reparations policies agreed at Potsdam are to be carried out in detail."

In the foregoing connection see my despatch 998 of Sept 22, enclosing a copy of Hoover report.[48]

MURPHY

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[46] The Soviet point of view referred to here was to apply a rule of thumb, leaving Germany with the bare essentials necessary for existence and allowing it to work up gradually to the standard of living of the liberated countries.

[47] Mr. Daniell's story indicated that a capacity of 10 million tons was then being discussed in Berlin; the figure in the Hoover Report was 7⅘ million tons.

[48] See footnote 95, p. 1320.

740.00119 Control (Germany)/9–3045 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 12, 1945—8 p. m.

663. Personal for Murphy from Clayton. Following is reply urtel 655 [49] concerning appropriate extent of industrial removals from Germany and German post-war economy.

1. Dept has examined report on minimum German standard of living forwarded with your Despatch No. 998 [50] and regards that report as an inadequate basis for finally determining either the appropriate level of industrial production or removals from Germany or for judgment on their consequences for U.S. or European position.

2. On difficult technical issues involved in calculation of basic structure of post-war German economy Dept believes Control Council should avoid hasty conclusions and continue study exploring alternative means of achieving a satisfactory foreign trade balance. Your attention is invited to a more detailed interim study [51] completed by EOU [52] London Embassy and forwarded USGCC which is based on zonal statistics, and may therefore be more directly useful to the Control Council. A further analysis under direction of Dept in Washington which will incorporate results of earlier studies should be completed within a month. This report which will include recommendations on levels for particular industries, will be forwarded to you on completion. Suggest U.S. position be reserved until receipt and consideration of this report. This should not exclude continuance of exploratory discussions, for reasons indicated below should in no way limit or deter advance deliveries.

3. Principal objection of Dept to report is that conclusion as opposed to analysis is seriously misleading. Report does not prove that large scale removals are incompatible with permitting post-war Germany a standard of living approximating European average. It is clear that very large removals can take place from available German capacity in western zones in respect of such industries as steel, machine-tool using industries, and chemicals, much expanded 1938–1944, before reaching level of industry required for pre-war German peace-time needs let alone levels envisaged in Berlin Protocol. (See EOU Report noted Para 2, above and Table III Hoover Report [51]). Hoover Report fails to make clear that such an excess is available, even should apparent foreign trade deficit be

[49] Dated September 30, 10 p. m., p. 1320.
[50] See footnote 95, p. 1320.
[51] Not printed.
[52] Enemy Objective Unit.

met by additional exports from these industries rather than by reduced imports or removal of occupation costs. However, in view of questions about size of necessary imports, status of occupation costs, and size of realizable exports from industries of low military importance, it is not yet clear that additional exports from metal-fabricating and chemicals groups will be necessary to achieve foreign trade balance.

4. The large deficit in foreign trade which emerges in Hoover Report is based on particular technical assumptions which require further examination. Specifically, it appears possible that exports may have been estimated too conservatively, and that food imports of different constitution and lower value may prove consistent with the standard of living objective. In addition the size of the deficit is heavily affected by the assumption that costs of occupation incurred outside Germany will be fully met out of foreign trade proceeds. This whole question is under examination by Dept and subject to later decision. Present view does not favor collection of occupation costs from foreign trade proceeds.

5. Dept does not believe that large removals in accordance with Berlin Protocol over the next year or two will give rise to need for increased U.S. assistance. Evidence indicates that, at present, and over the next several years, the supply of available industrial equipment will not be the limiting factor on German economic recovery. Other limitations will prevent the reactivation of a large proportion of German plants. The revival of the German economy over the short period appears contingent, primarily on improvements in coal and raw material supply, transport, on expansion of inter-regional and inter-zonal trade, and in general on efficient reorganization of German economy.

6. To the extent that the immediate revival of industrial production may depend on industries which will be subject to some removals (for example, steel), a selective earmarking of plants for retention might be considered. Just as it is clear that some steel and machine-tool capacity can be removed without prejudicing the appropriate final level, it is clear that some can be retained. The revival of particular plants should, of course, be related to immediate or foreseeable domestic peaceful needs.

7. For reasons given below, we cannot agree that program of removals will have a marked effect on progress of European economic recovery as a whole either from short-term or long-term point of view.

(*a*) In short run, economic recovery in Europe as in Germany is determined by availability of coal, transport, raw materials, and food, rather than productive equipment. As long as this condition exists, reactivation of industry in United Nations must have priority over that of German industry. Germany can make maximum contribution to short-term economic recovery of Europe by maximizing ex-

ports of coal and other products of extractive industry and by selective rehabilitation of certain German consumer goods industries like textiles. It is not envisaged that removals will prejudice shipments of goods in above categories to rest of Europe.

(*b*) In long run reparation removals will not bring about substantial reduction in European capacity as a whole but will bring about a shift in relative industrial strength of Germany and of rest of Europe. Moreover, prescribed reduction in German standard of living and German industry for purpose of determining removals for reparation should not necessarily be regarded as permanent. Whole question of restrictions on German industry will presumably be considered anew in framing of peace settlement; and it is assumed that within such limitations as may be imposed in a peace treaty, the Germans will be free to expand their standard of life. In that process, it is believed that German thrift, energy and organizing skill will be more important determinants than past removals of industrial equipment, although it is realized that removals may well affect rate of recovery after conclusion of peace treaty.

8. Dept suggest that in further studies of this question emphasis be placed on (1) means of reducing Germany's necessary imports; (2) possibility of larger exports from industries not of military importance; and (3) maximization of removals after allowance for minimum necessary exports from industries of military importance such as metal-fabricating and chemicals industries. It is view of Dept that removal of a large portion of such industries will prove possible under any reasonable scheduling of imports and exports. Dept requests you keep it constantly advised of progress of these studies.

9. In short, Dept believes, on basis of all evidence available including Hoover report, that large industrial removals from Germany are compatible with and required by other U.S. objectives in Germany and elsewhere in Europe. [Clayton.]

BYRNES

740.00119 EW/10–1245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 12, 1945—9 p. m.
[Received October 13—12 : 20 a. m.]

759. Reference Department's 535, September 24, 7 p. m. suggesting establishment of mixed commissions for reparations studies.

1. Pursuant to this suggestion, Assistant Deputy for Trade and Finance,[54] OMGUS,[55] has prepared for Coordinating Committee an

[54] Laird Bell.
[55] Office of Military Government United States (in Germany).

order for appointment of mixed commissions to inspect industrial capital equipment, paraphrase of which follows.

2. *Begin paraphrase.* It is desired to hasten determination of industrial capital goods which will be removed as reparations from Western Zones in Germany. To this end mixed commissions will be established to conduct in four zones of Germany field examinations upon following bases.

3. Soviet Zone. A commission, consisting of one delegate appointed by each occupying power (a total of four), shall inspect industrial capital equipment which USSR advises will remain in Soviet Zone after reparations deliveries and in addition all available pertinent records. Purpose is to determine productive capacity of this equipment in ascertaining level of industry necessary to German peace economy envisaged Potsdam Agreement.

4. US, UK, and French Zones. To ascertain value, productive capacity, and availability for reparations of industrial plants and equipment in three Western Zones, one commission for each zone is authorized to undertake the necessary field examinations of equipment and records. Each commission shall have seven members selected as follows: Each occupying power will designate one member for each commission and jointly, through Economics Directorate, powers will appoint to each commission an additional three members to represent those countries recognized as reparations claimants. These latter three members will be chosen from a group of nine to which Czechoslovakia, Denmark, Egypt, Greece, Netherlands, Norway, and Yugoslavia may nominate one representative each, to which Belgium and Luxembourg together may nominate one delegate and to which Australia, Canada, India, New Zealand, and South Africa jointly may nominate one delegate.

5. Each recognized claimant country will be requested through appropriate channels by ACA [56] Secretariat to make nominations suggested above by October 1945 and names of members nominated will be transmitted to Economics Directorate. Latter, after approving nominations, will assign to each commission for Western Zones three of these nominees as outlined above.

6. Representative of nation occupying zone in question shall be chairman of commission. Subject to appeal to Economics Directorate, Chairman shall decide any disagreements which may arise in any commission. *End paraphrase.*

7. Department's comments and recommendations urgently requested so formation of commissions may proceed without delay.

Sent Department 759; repeated to London as 105.

MURPHY

[56] Allied Control Authority.

740.00119 Control (Germany)/10–1345 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, October 13, 1945—1 p. m.
[Received 1:45 p. m.]

767. The thirteenth meeting of the Coordinating Committee was held on October 12 with General Koeltz presiding.

. . . . . .

The Reparations, Deliveries and Restitution Directorate had, in late September, sent to the Committee an agreed plan [57] for immediate restitution of "easily identifiable" property on cases of urgent necessity on an interim basis. At the last two meetings, Russian member [58] had blocked this paper, which the others all support, on the basis that it was under discussion at London.[59] At this meeting, he claimed that the definitions of "restitution" and of the property involved are not clear, and that there is a question of facility of transport. French member explained at length: (*a*) that the document only covers restoration of easily identifiable stolen articles; (*b*) that this is an interim procedure intended only to cover clear cases; (*c*) that any case where doubt exists would be dealt with later; (*d*) if any mistake is made there is provision for its correction; and (*e*) the procedure only covers situations where there are no transport difficulties. He stressed the moral effect of the delay on public opinion in the looted countries. General Sokolovsky stated that Russia had been looted more seriously than other countries, and suggested that French industrialists had helped the German war effort. Since the discussion was obviously fruitless, the matter was referred back to the RD and R Directorate for study with the statement that the French, British and US members agreed to the urgency and importance of the paper.

The Soviet delegate had submitted in August a paper [60] naming 40 industrial plants in the western zones and requesting that they be turned over to the Soviets as advance reparations. The Economic Directorate subsequently reported that 15 of these plants are now available for advance deliveries and named another 15 plants as also

[57] This document, CORC/P (45) 89, dated September 28, had been presented to the Coordinating Committee with accompanying reservations by the United States and French Delegations on certain points; copy transmitted to the Department with despatch 1069, October 8, from Berlin, neither printed (740.00119-Control (Germany)/10–845).

[58] Gen. Vassily Danilovich Sokolovsky.

[59] For discussion on restitution at the Council of Foreign Ministers in London, see vol. II, entries in index under Council of Foreign Ministers: Reparations from Germany.

[60] See footnote 8, p. 1274.

available.[61] No allocation of these plants to any country was suggested in the Directorate's report. General Clay made it clear that other plants might become available later and agreed to General Sokolovsky's request that representatives be sent to examine those listed. General Sokolovsky then indicated that he understood that all the listed plants were to go to the USSR under the Potsdam Agreement, arguing (1) that the entire report was based on the Soviet paper; and (2) that only the Soviet is entitled to advance deliveries of reparations under the Potsdam Agreement. The question was raised as to whether the Control Council has the right to make allocations of property as reparations. General Clay stated that while the Council can decide what is available generally he did not think it could make allocations. French and British had the impression that the Reparations Commission should make the allocations but were not certain. General Sokolovsky referred to an earlier meeting for the Council at which he had announced that the Soviet Government consented to the matter being decided by the Council in Berlin in consultation with the Reparation Commission.[62] On the basis of this statement he apparently believed that the Council could now allocate the factories listed to the Soviets. In view of the confusion and of the seriousness of this matter, the three western members agreed to ask instructions of their governments at once. The Department's instructions are urgently requested. Does it authorize allocations by the ACC of industrial equipment available for reparation?

. . . . . .

MURPHY

740.00119 EW/10–1645 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, October 16, 1945.

4814. 1. Invitations sent out yesterday to 14 reparation claimant governments asking attendance at conference Paris Nov 9 to (*a*) establish Inter-Allied Reparation Agency, (*b*) reach agreement on reparation shares.[63]

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[61] List of these plants contained in CORC/P (45) 109; copy transmitted to the Department with despatch 1155, October 18, from Berlin, neither printed.

[62] Meeting referred to is the sixth meeting of the Allied Control Council; see telegram 569, September 20, 10 p. m., from Berlin, p. 836, especially the last paragraph.

[63] On October 15 notes had been sent from the Secretary of State to the representatives of the Governments of Australia, Belgium, Canada, Denmark, Egypt, Greece, India, Luxembourg, Norway, New Zealand, The Netherlands, Czechoslovakia, Union of South Africa, and Yugoslavia. These notes, not printed, were based substantially on the draft of Note No. II in telegram 10246, October 2, from London, p. 1321, and enclosed copies of a memorandum based on the draft memorandum in telegram 10246 with alterations as indicated in telegram 8821, October 5, to London, p. 1331, and telegram 10475, October 8, from London, not printed.

2. Up to present time only few responses have been received in Washington to Circular Telegram dated Aug 28 [64] requesting claimant countries to file reparation claims data.

3. Please approach French Government as host of Nov 9 conference with view to having them:

a. Send reminder to countries which have not yet filed claims, urging them to do so immediately;

b. Request same Governments to bring an adequate number of copies of their claims material to Paris to distribute to all delegations at the conference, preferably in printed form. You should suggest that, if agreeable to the British, the French should make these requests on behalf of the three inviting governments.[65]

BYRNES

800.602/10–1845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, October 18, 1945—3 p. m.
[Received 6:15 p. m.]

802. The fourteenth meeting of the Coordinating Committee took place on October 16 with the French member presiding.

. . . . . .

The principal discussion of the coordination [*Coordinating Committee?*] meeting concerned the Soviet claim for advance deliveries on account of reparations and the Economic Directorate's report that 30 factories are available.[66] The British member stated that the British Government would agree that the Control Council have the authority to allocate property as between Russia and Poland on one hand and the western countries on the other. General Clay stated that that had been his position at the last meeting. The French member stated that his Government agreed that Council may do this with the assistance of the Reparations Commission. This had been the Russian position at the last meeting.

The British member then stated as follows:

(1) It is clear that the Reparations Commission will not meet for some time and it is desirable to expedite this matter;

(2) The British do not agree with the Soviet statement that only the Soviets are entitled to interim reparations under the Potsdam Agreement, but believe that all claimant countries are so entitled;

[64] This telegram, not printed, contained the text of the note of August 28, p. 1268.

[65] Telegram 6161, October 22, 3 p. m., from Paris, reported that the French Government, having obtained British concurrence, had in the name of the three Governments taken the two suggested steps (740.00119 EW/10–2245).

[66] See report on the thirteenth meeting of the Coordinating Committee contained in telegram 767, October 13, 1 p. m., from Berlin, p. 1345.

(3) Some indication is necessary of what each claimant country wants;
(4) Some sort of evaluation of available property is necessary;
(5) The Control Council must decide whether plants can be subdivided and if so to what extent. He therefore proposed as follows:

(1) That a list of available factories be circulated to all claimant countries with the instruction that within two weeks they formulate lists of those they want;
(2) That a committee of the Economic Directorate make recommendations within two or three weeks as to (*a*) what units of allocation should be used, and (*b*) broad assessment showing the relative value of the units so decided upon;
(3) That the Council make allocations on the basis of these facts, one quarter to Soviets and three quarters to the western governments;
(4) That the Finance Directorate work out a system of more precise evaluation (the British would accept one similar to the Soviet system in the satellite countries);
(5) That a complete inventory and evaluation then be made;
(6) That provision then be made for inspection of packing and shipping.

The Soviet member then made a somewhat bitter speech about the two and a half month delay on the Soviet claim for advance reparations. He claimed that the British member was back to discussing general principles again and all that had been done on the Soviet claim was wasted, and the claim put back on an indefinite basis. He stated that this claim is in conformity with Potsdam and that by now reopening the whole problem of reparations the other members are reopening the Potsdam Agreement. Finally he stressed that the Soviet claim was the only claim made for advance reparation deliveries and that it had a right to be examined and settled, but he denied that he had ever said that only the Soviets had a right to advance deliveries.

The British member replied with some warmth that it was unfair to accuse the British Delegation of delaying matters in this way when the whole matter of method and allocation had been under discussion on the governmental level. Until this was settled the Council could make no progress. He stated that his proposal is intended to speed matters up. The US member made a statement that the US does not agree that the Soviets alone should receive advance deliveries and wished to protect the interest of all its Allies. On the other hand, the US has urged the speediest action in the Reparations Commission and elsewhere, and will cooperate in any agreement that will expedite action. It was agreed (for Reinstein in London) that the British proposals will be studied with expedition.

[Here follows last paragraph of telegram, printed on page 883.]

MURPHY

740.00119 EW/10–1845 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, October 18, 1945—7 p. m.

4858. 1. Subject of this message is allocation of plants available for advance deliveries from western zones Germany under para 7 reparation section Berlin Protocol.

2. On Oct 5 General Clay was informed [67] that agreement had been reached in London that initial allocation of industrial equipment removed from western zones as between Russia and Poland on the one hand, and other claimants on the other, will be made by Allied Control Council.

3. Clay has reported that in Oct 12 meeting of Control Council [68] there existed confusion on this subject, apparently owing to fact that British and French representatives on CC had not yet been notified by their governments of the London decision.

4. Dept has since learned from Reinstein in London that British have instructed their group CC that Control Council should make such allocation. Clay is again being instructed today to press for agreement in Council to this effect.

5. Since French are the only power on Control Council blocking agreement on this point, you are requested to approach foreign office with a view to having them instruct their representative on CC to concur. You should point out:

a. Any fear that the Council would unduly favor the Soviet Union in making such allocation is groundless. Clay was informed in Oct 5 telegram that Dept opposes present allocation of delivery to USSR of industrial equipment from western zones pending (*a*) appointment of US member of IARA who would act as Clay's advisor on allocations in Control Council; (*b*) receipt by IARA of lists of plants desired by other claimants and (*c*) progress in resolution of counter deliveries issue and formulation of valuation principles. Thus the American representative would certainly not agree to large scale deliveries to USSR to the detriment of the interests of other claimants.

b. The French obviously have a veto power by virtue of their membership on Control Council.

c. Blockage on interim reparation deliveries by French and counter-blockage by Russians of restitution is leading to impasse in Control Council. French, by being reasonable on question of advance delivery allocation can break the vicious circle without actually sacrificing anything. On the other hand, continued blocking of agreement on this point can only serve to heighten USSR suspicions that western powers do not take seriously question of advance deliveries, and to increase already existing tension.

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[67] See telegram War 73742, October 5, p. 1330.

[68] See telegram 767, October 13, 1 p. m., from Berlin, p. 1345.

6. In your representation please emphasize to French that US regards this matter as one demanding urgent attention and that this is why your *démarche* is being made now without waiting for tripartite ACR meeting scheduled for Oct 29.

Sent to Paris as 4858. Repeat to Berlin as 688, Moscow as 2184, London as 9244.

BYRNES

Department of the Army Files: Telegram

The War Department to the United States Deputy Military Governor for Germany (Clay)

WASHINGTON, 20 October 1945—5:56 p. m.

War 77595. Signed Warcad.[68a] Subject is determination of reparation removals from 3 western zones and advance reparation deliveries reurads Oct CC 17566[69] CC 17588.[69a]

1. State Dept while adhering to position that no extensive advance deliveries should be made to USSR–Poland until substantial progress is made in resolution of questions mentioned in para 1 of War 73742 Oct [5] agrees that immediate token deliveries of one or two plants of modest size such as BMW Number 1 plant in city of Munich should be made to Russians as evidence of our intention to carry out the program. If such token deliveries are made complete inventory of such equip removed by Russians should be made in agreement with Russians to permit subsequent valuation.

2. Token deliveries to claimants other than USSR–Poland and substantial deliveries to USSR–Poland must await ascertainment of types of plant and equip wanted by all claimants and arrival of United States member of IARA to advise you on advance deliveries. Note sent by US, UK, and French govts inviting reparation claimants to Paris conference 9 Nov to establish inter Allied Reparation Agency—IARA—and determine reparation shares stated that 3 govts were prepared to entertain requests for any type of plants or equip made available for advance delivery and that equip available was likely to consist mainly of plants of metal or chemical industries and of machine tools and similar equipment. State Dept has requested Murphy to transmit to United States diplomatic missions in countries invited to Paris conference on reparation shares lists of plants declared avail-

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[68a] War Department, Civil Affairs Division.

[69] Dated October 14, not printed; in this telegram General Clay suggested that some token advance reparations deliveries be made to the Soviet Union as evidence of good faith pending full clarification of details on the agreement that the Control Council allocate industrial equipment between the Soviet Union and Poland on the one hand and other claimants on the other. (Copy obtained from Department of the Army files.)

[69a] Not printed, but see footnotes 23 and 24, pp. 1330 and 1331, respectively.

able by the ACC for interim delivery so that such missions can supply govts concerned with more concrete info on reparation availabilities.

3. Control Council should make allocation of plant and equip as between USSR–Poland and other reparation claimants. State Dept has received info UK member CC is being instructed accordingly. State Dept instructing AmEmbassy Paris to urge French Govt that French member CC also be instructed to this effect.

4. State Dept believes functions of proposed mixed commission should be clearly defined. First functions should be to determine where necessary (*a*) productive capacity in particular industries left in Russian zone, and (*b*) existing productive capacity of particular industries in three western zones. This function might be discharged both by analysis of existing statistics or data made available by zonal authorities and by investigating individual plants and should have objective of providing factual info, under uniform definitions of capacity, required for determination of difference between actual existing capacity and capacity to be left to Germany for minimum standard. After final determination for reparations removal purposes of amount productive capacity surplus to minimum peacetime needs in each industry, which can only be done by ACC in light of German peace economy envisaged in Berlin Protocol, mixed commission might advise on selection of plants which should make up surplus capacity available for removal. Until final determination of amount and character of industrial equip available for reparation, info on individual plants supplied by zonal authorities should be sufficient for selection of plants available for advance deliveries. State Dept believes mixed commission with functions as defined above should not include representatives of IARA.

5. State Dept believes another mixed commission of different character, consisting of valuation experts and including, if desired, representatives of non-occupying powers represented on IARA, is required for limited technical task of valuing individual plants declared available for delivery in accordance with uniform principles of valuation which should be agreed previously in ACC. State Dept urges you propose in ACC that plant and equip should be valued at 1938 replacement cost in Germany plus 15 percent less depreciation. British member ACR has proposed this as basis and Russians should be agreeable since they are applying same principle in reparation settlements with other countries. State Dept suggests that principle be applied to individual plants to determine (1) removable portions—i.e. in technical sense—of any plant, (2) procurement cost of such equipment in terms of 1938 prices and (3) appropriate discount for depreciation and war damage, if any. Zonal authorities should first set value on plant in accordance with these principles and mixed

commission should then review this valuation in order to ensure uniform application of valuation principles in all zones.

6. State Dept agrees with proposal made by British member ACR that Russian reciprocal deliveries should also be valued at 1938 prices in Germany, with 10 percent addition for raw materials and 15 percent addition for manufactured goods, and suggest you propose this in CC. State Dept is taking position Russian reciprocal deliveries should go into reparation available for reparation claimants on three western zones and should therefore be apportioned by IARA. It is expected that United States will claim substantial portion of such deliveries in forthcoming conference on reparation shares and that United States share will be made available to meet import requirements of United States zones in Germany and Austria as well as other supply commitments of United States. State Dept believes Russian reciprocal deliveries should commence as soon as value of interim reparation deliveries to USSR reaches a total agreed upon with USSR. As soon as this agreed total is reached USSR should commence reciprocal deliveries up to 60 percent of value of this total, taking into account that such reciprocal deliveries must be spaced over longer period than reparation deliveries to USSR. Suggest you ascertain character of commodities which USSR is prepared to make available as reciprocal deliveries. United States and British view is that such deliveries should be made from sources outside Russian zone, though as indicated in para 4 of War 73742 it is doubtful USSR can be made to accept this view in entirety.

740.00119 EW/10–2245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 22, 1945—3 p. m.
[Received October 22—1 : 08 p. m.]

828. General Clay has telegraphed Warcad regarding advance reparations as follows:

"British have presented following proposal in Coordinating Committee:

(*a*) That list of plants reported available should be circulated to countries entitled to reparations with request they indicate within 14 days plants in which they are interested;

(*b*) That Economic Directorate should report within 21 days after field examination, a recommended unit of allocation for each plant, that is, whether a part of the plant or the whole plant would be considered as a unit in effecting deliveries, and also establish a relative value for each unit as an approximate assessment pending agreement on final evaluation;

(*c*) The Coordinating Committee, taking these relative values, would allocate to the extent of 25% to the Soviet Union, including Poland, reserving 75% for other claimant countries; and

(*d*) In the interim, action towards accurate valuation will be expedited.

It is believed the proposed procedure would serve to expedite advance deliveries and that some procedure of this type is essential to indicate good faith on the part of all concerned and to get reparations actually moving.

I propose to support this measure. It appears to accord fully with the procedures proposed by the State Dept in their cable number 678 of October 17 to Ambassador Murphy.[70] It will be noted, however, that under the British proposal the data requisite for allocations would be available in approximately 21 days. In view of the desire of the State Dept for our representative on IARA to participate in these allocations, in which we are in full agreement, it might be embarrassing to us if this procedure is approved not to have our member of IARA available here in Berlin by that time. In its cablegram to Ambassador Murphy, the State Dept suggests our diplomatic missions to which copies of the list should be furnished. If the British proposal now before the Coordinating Committee is approved, Ambassador Murphy will be asked to send the lists of plants in the Western Zone reported available to these diplomatic missions by the quickest method possible. If the British proposal is not accepted, we will propose the immediate circulation of these lists to countries concerned through diplomatic representatives without awaiting establishment of operating procedures for allocations. We anticipate that this question will come up in meeting of Coordinating Committee on October 22, at which we will support the British proposal. I have discussed with Murphy who agrees with me that British proposal is within our policy."

Sent to Dept, repeated to London for Reinstein as 121.

MURPHY

Department of the Army Files: Telegram

The United States Deputy Military Governor for Germany (Clay) to the War Department

BERLIN, 23 October 1945.
[Received 24 October.]

CC 17920. Reference is our cable CC 17817.[71] Following is text of ad interim quadripartite restitution policy agreed upon in RD and R [72] Directorate with a French reservation:

Interim restitution deliveries:

1. Many applications have been received for the return of equipment taken by the Germans from liberated territories. In many

[70] Not printed.
[71] Not printed; it stated that the text of the directive herein contained would be cabled separately. (Copy obtained from Department of the Army files.)
[72] Reparation, Deliveries, and Restitution.

cases the return of the equipment is urgently needed for the rehabilitation of essential industry in the liberated territory.

2. Pending settlement of the outstanding problems of restitution it is proposed that interim measures for the return of certain property be put into force forthwith to assist the United Nations concerned with the rehabilitation of their industrial and economic life. These measures are of a purely temporary character and it is important that the whole question of restitution of looted property be settled as a matter of great urgency.

3. It is proposed that the interim measures be first applied to identifiable plant, equipment (other than shipping and inland transport units) and valuables (other than gold, silver, currency, and works of art) in respect of which there is satisfactory evidence that the property was located in the territory of the Ally concerned and was the subject of an act of dispossession by the enemy. Only property falling within this class and which

(*a*) is easily identifiable
(*b*) is urgently needed by the claimant country and
(*c*) can be moved without wasteful use of transport would be dealt with in this interim program. The excluded categories (including in particular works of art which are already the subject of restitution in certain zones) will be the subject of separate papers which will be submitted at a very early date.

4. Each Zone Commander in Chief should receive from the claimant country a list containing detailed information for example serial numbers and specifications or other identification marks where appropriate of the property which was stolen and removed by the Germans and which according to that country is now located in that particular zone. According to the information which the occupying authorities have in their possession or according to the declarations received from the Germans each Commander in Chief should also prepare his own lists. The restitution of property which has already been identified need not be deferred until these lists have been prepared.

5. The Zone Commander in Chief will check the lists received and will immediately permit visiting missions from Russia France Belgium Luxembourg the Netherlands Denmark Norway Czechoslovakia Yugoslavia Poland and Greece to visit their zone for the purpose of inspecting and identifying property of a nature covered by this proposal. These missions which on grounds of practicability must be limited in number and in size are to be organized by the respective governments and arranged direct with the Commander in Chief in each zone.

6. Requests for the visits of missions will be made through liaison officers to be established by claimant countries at the HQ of each Commander in Chief. These liaison officers will be responsible for making all necessary arrangements with the staff of the Commander in Chief including feeding, billeting and transportation etc of the missions during their stay in Germany and for ensuring that any rules issued by the Commander in Chief are observed.

7. The missions will visit Germany as representatives of the claimant governments and not as representatives of firms or any individuals of such countries.

8. If the Commander in Chief is satisfied that the property claimed falls within paragraph 3 and that identification has been established he will authorize its immediate return to the claimant country unless the property must be retained as a matter of military necessity. Each Commander in Chief will submit to the Reparations Deliveries and Restitution Directorate of the Control Council monthly reports of the property identified and of the restitutions completed in his zone during the previous month.

9. The claimant country through its liaison officers will make the necessary arrangements for packing, loading and transporting the property to be removed through the Military Government authorities. Where practical difficulties exist the Commander in Chief may assist with transport and packing. Costs of transportation within Germany and of labor and materials necessary for packing will be borne by Germany. The question of the responsibility for loss or damage in packing and transportation should be referred to the Finance Directorate.

10. The representative of the country concerned will at the time of transfer give an official receipt for the property on behalf of his government. This receipt will state

a. That in the event of the property coming within the ambit of any general restitution procedure that may later be established by the Allied powers his government will agree to the transfer being submitted for confirmation by a restitution commission or other international body which may be established to deal with these matters and will abide by its decision.

b. That in the event of such confirmation the transfer will be subject to all the conditions laid down for restitution deliveries generally and

c. That in the event of property not coming within the ambit of such restitution procedure the transfer shall be dealt with in accordance with such procedure as may be established for other deliveries.

New subject: The French reservation:

The French Delegation while recognizing that the above scheme is a valuable step towards the restitutions that the nations which have

been plundered ardently desire to see carried out speedily, nevertheless considers that is [*it*] must make the following reservations:

1. The categories provided for in article 3 are far too limited and exclude or do not explicitly include property the return of which is most urgently necessary to the economic life of the plundered countries particularly means of transport animals and furniture.

The French delegate has however noted that the Directorate has decided to consider at its next meeting the possibility of increasing these categories of property.

2. The procedure laid down for identification and restitution of property would only allow of the recovery of a very limited number of plundered articles if it required as a first condition an exact knowledge of the place at which these articles are.

Appreciable results will only be arrived at if, while limiting the number of experts of the different nations, more extensive and more thorough inquiries are set on foot new subject as stated in our cable CC 17817. This proposal was sent by the Directorate to the Coordinating Committee and returned by them at Russian request for definition of restitution and clarification of categories referred to in paragraph 3. Discussion now proceeding on definition of restitution and clarification of paragraph 3.

CLAY

740.00119 EW/10–2345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, October 23, 1945—8 p. m.
[Received 8:40 p. m.]

6200. Foreign Office informed Embassy today that it will send note tomorrow [73] formally replying to Embassy's note transmitting contents of Dept's 4858, Oct 18, 7 p. m., repeated to London as 9244. According to Alphand note will contain following points:

(1) French Govt last week instructed its representative Allied Control Council to agree to principle that Allied Control Council assisted by Allied Reparations Commission would make initial allocation of industrial equipment to be removed from the Western Zones as between Russia and Poland on the one hand and other claimants on the other. (It is believed that difficulty on this point arose because of delay in instruction reaching French representative.)

(2) France has no intention of agreeing to actual shipments from the Western Zones to Poland and Russia until Soviet Union has agreed to restitution (France however is willing to have Allied Con-

[73] The note was actually transmitted on November 3; text was sent to the Department in telegram 6416, November 5, 7 p. m., from Paris, not printed.

trol Council proceed with allocation as long as no actual shipments take place).

Alphand commented that French position was an equitable one as regards restitution and that France could not be treated in same manner as Rumania or Finland.

He also said that he was going to London tomorrow and hoped to discuss the Ruhr problem with Assistant Secretary Dunn.[74]

Repeated to London as 770.

CAFFERY

740.00119 EW/10-2445

The Secretary of State to the United States Representative on the Allied Commission on Reparations (Angell)

WASHINGTON, October 24, 1945.

MY DEAR MR. ANGELL: I take pleasure in informing you that the President has approved your designation by the Department of State as the Representative of the United States Government on the Allied Commission on Reparation for Germany, with the rank of Minister. You are succeeding Mr. Edwin W. Pauley, who in letters to the President and me on September 20 [75] and September 14, 1945, respectively, relinquished his responsibilities in the field of reparations from Germany and turned over his duties to the Department of State. In making this appointment, it was understood that you could not commit yourself at this time for more than six months' service.

In your capacity as the representative of the United States, you will attend meetings of the Allied Commission on Reparation for Germany and cast the vote of the United States. You will also represent this country on matters relating to reparation from Germany both in reaching such understandings and agreements with the representatives of the U.S.S.R., British and French Governments as may be required, and in *ad hoc* conferences of countries claiming shares to reparation from Germany, irrespective of whether or not they are represented on the Allied Commission on Reparation.

The representative of the United States on the Inter-Allied Reparation Agency, Mr. D. M. Phelps [76] of the Department of State, will be your deputy on the Allied Commission on Reparation. In his contacts with the Allied Control Council he will act solely as your deputy. In his capacity as representative on the Inter-Allied Reparation Agency he will keep you fully informed of all important devel-

[74] See telegram 6326, October 31, 6 p. m., from Paris, p. 889.
[75] Not printed.
[76] Chief of the Division of Foreign Economic Development.

opments and activities, and will advise with you on any important matters of policy.

In all these discussions and negotiations, you will of course be responsible to me and will be guided by my instructions. In this matter, you may rest assured, I shall give you full scope for the exercise of judgment and shall not require that you seek guidance on points already covered either by the instructions of the Informal Policy Committee on Germany, or my previous instructions to Ambassador Pauley. You may expect to receive before your departure for Europe a statement of the Department's views on a number of specific matters which have been raised for the agenda of forthcoming scheduled meetings which you are expected to attend. These will be communicated to you by Mr. Seymour J. Rubin, Acting Director of the Office of Economic Security Policy. Within the limits set by these and earlier instructions, you are free to reach agreement with the representatives of other countries on questions of reparation policy where such agreement reflects the spirit if not the exact letter of United States policy as communicated to you. Where you feel obliged to give way to the wishes of other countries, or significantly to alter the intent of the instructions given you, I shall ask you to refer to the Department.

It will be your responsibility to present the claim of the United States for reparation, both at the preliminary meeting with the French and British at Paris and later at the conference of all claimants to reparation, to be held at Paris on November 9, 1945 and to recommend the reparation shares to be received by the various claimants. You are to keep me fully informed of discussions regarding the relationship of the American claim and share to the claims and shares of other nations. You will receive instructions regarding the extent to which the amount of reparation allocated to the United States may vary qualitatively and quantitatively from the claims presented.

You will be authorized to discuss the distribution among the various Western reparation claimants of the German external assets available for reparations in countries not entitled to retain German external assets under Article III, Section 18 of the Potsdam Protocol.[77] Your representatives should maintain appropriate and close liaison with the Allied Control Commission and the Department regarding the steps to be taken by the Allied Control Commission to obtain jurisdiction over German external assets, and with the Department and the American Missions in the various countries not entitled to retain German assets with respect to matters of valuation, transfer and distribution of proceeds.

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[77] Reference is to the Report on the Tripartite Conference of Berlin; see *Conference of Berlin (Potsdam)*, vol. II, p. 1505.

An interim directive on restitution has been sent to the Allied Control Council,[78] and it is anticipated that further discussions on this subject, under policies to be established, will be held there. The Department will furnish for your guidance a statement of restitution policy to be used in discussions of this topic in the Paris meetings of the Allied Commission on Reparation, and policy formulated in this manner, and approved by the Department, will be sent to the Allied Control Council for further negotiation, if necessary, and for adoption as an operating directive.

You are also authorized to present at the meetings of the Allied Commission on Reparation in Paris the United States views concerning reparation and restitution to German victims of Nazi persecution.

It will be your responsibility at the quadripartite meetings in Berlin of the Allied Commission on Reparation to discuss and to present the United States views on such questions of policy or of interpretation of the Berlin Protocol as may arise. Questions of policy or interpretation of this sort may arise, for example, with reference to the amount and character of industrial equipment which shall be permitted to remain in Germany or which shall be removed as reparation, the principles of reparation from current production and stocks, the application of the "first charge" principle to occupation costs of the occupying powers, the principles of valuation to be applied to the industrial capital equipment to be removed from Germany as reparation, the commodity deliveries to be undertaken by the U.S.S.R. to the three western zones in return for 15 percent of the capital equipment to be removed from the three western zones (the principles of their valuation and their source), the compensation of allied owners for property taken for reparations, and other policy matters on which you have been or will be given instructions.

The Allied Commission on Reparation should provide to the Allied Control Council any policies and principles required for a reparations plan. Such policy guidance may be given either at the request of the Allied Control Council or upon the initiative of the Allied Commission on Reparation. It is the United States view, although no international agreement exists on the point, that the plan for removals of industrial equipment formulated by the Allied Control Council should be submitted to the Allied Commission on Reparation in order that it may judge how closely the plan conforms to the policies established by the Allied Commission on Reparation. In order that a consistent United States position may be maintained on the Allied Control Council and the Allied Commission on Reparation, it will be your

[78] Reference is presumably to the directive contained in telegram CC–17920, October 23, from Berlin, p. 1353; see also telegram 767, October 13, 1 p. m., from Berlin, p. 1345.

responsibility to review from the policy standpoint for the Department of State any American proposals for removals to be made to the Allied Control Council, and to report to me in the event you are in disagreement therewith. The United States member of the Allied Control Council will be requested to work closely with you so as to enable you to fulfill this responsibility.

I hope this explanation, together with previous and forthcoming specific instructions to your predecessor and you respectively, will enable you to get off to a flying start in this complex and difficult field of negotiation in which interests of the United States are so vitally at stake. I wish you and your staff all success.

Sincerely yours, JAMES F. BYRNES

740.00119 EW/10–2545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 25, 1945—noon.
[Received 12:48 p. m.]

842. At the fifteenth meeting of the Coordinating Committee on 23 October the matter of advance deliveries on account of reparations was discussed. Specifically, the questions were:

(*a*) The Economics Directorate's report that 30 factories in western Germany are now available for delivery; and

(*b*) The British member's proposal on a method of evaluation and allocation of plants between the Soviets and Poland on one hand and Western claimants on the other (see my 802 of 18 October, 2 [*3*] p. m.).

British member stated that the allocation of reparations among Western claimants would be handled by a special authority and thus would not be the duty of the Control Council; that Western claimants would be notified of available plants through diplomatic channels; and that so far only France had filed bids other than the original Soviet requests. General Clay offered amendments as follows:

(1) That the preliminary approximate assessment of plants should be based on the 1938 Reichsmark valuation as shown by the company's records less depreciation and bomb damage;

(2) A simplification of the process of accurate evaluation; and

(3) That the Zone commanders be given the job of making the accurate evaluation and inventory at the time of packing the material.

The primary argument arose from the Soviet attempt to get immediate delivery of a maximum number of plants at once from the western zones. The Soviet member argued:

(1) That the Soviets should be allocated at once 75 percent of the plants now declared available since the Potsdam Agreement does not

require the Soviet share to be kept at 25 percent at all times during the allocation process;

(2) That this would constitute a negligible proportion of the total number of plants eventually to be allocated out of the Western Zones;

(3) That the Soviet requests for factories were filed over 2 months before any other requests and should therefore receive prior treatment;

(4) That to hold up the Soviet bids until the Western claimants had filed their requests would be unfair to the Soviets as causing undue delay;

(5) And, that Soviet needs and war losses are greater than those of the Western claimants.

In reply the British member argued that the Council is a trustee for all Western claimants and cannot allocate plants to the Soviets before it hears which plants the Western claimants want; and that the delay in the filing of Western claims was caused by the failure of the Four Powers to decide until very recently where such claims should be filed. The discussion became somewhat acrimonious, with the Russian member asking that the minutes record that the British member was seeking not only to block the implementation of Potsdam but also to prevent others from doing it, and that the present British proposals are merely intended as a means of shelving the original Soviet demands for plants.

In an attempt to reach a compromise, General Clay suggested:

(1) That the proposed procedure be amended to provide that in all allocations for advance deliveries, the Soviet be allocated not less than 25 percent, based on preliminary evaluations; and

(2) That, as a symbol of the Council's desire to begin at once with the destruction of war potential as well as to make allocations to Russia, two factories be allocated to the Soviets within the next few days. On this point the British refused to concur in allocation until procedure had been approved. The French member made a similar suggestion that in cases where Western claimants make no bid for a plant within 2 weeks, it be allocated to the Soviets.

After very prolonged discussion, the meeting decided to refer the matter to the Reparations Deliveries and Restitution Directorate to draw up an agreed procedure in the light of the amendments proposed, as a matter of urgency. The British member finally agreed, also to General Clay's suggestion as to the two factories, after arguing that he could not do so unless the entire procedure were agreed to.

Repeated to London as 122 for Reinstein and to Paris for Angell as 97; sent to Department as 842.

MURPHY

740.00119 EW/10–2645 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, October 26, 1945—8 p. m.

5005. For Angell Number 1.

1. While memo on external assets [79] states that further facts on German property in Austria are required before US position can be fixed definitively, Dept believes you should have general statement of principles, to be later modified in light of facts, for discussions on subject which British want to initiate. Dept's tentative views are that creation of economically self-supporting and independent Austria as per Moscow Declaration [80] is consideration outweighing desirability of obtaining additional property for reparation pool. Punishment of Austria via reparation removals is of course not involved. For these reasons, Dept holds in principle German property in Austria should primarily remain there as part of Austrian economy. Exceptions may and probably should be made of post-1938 factories which are devoted almost entirely to war purposes and which cannot be converted at reasonable expense to civilian uses; and of plants which clearly involve uneconomic use of resources. Dept does not favor at present any suggestion of leaving German property in Austria whilst transferring title to foreign ownership as reparation payment. Such transfers, it is felt, would unduly burden Austrian balance of payments and prejudice growth of economically independent state.

2. Dept has approved two proposals made by Clay respecting reparation transfers. First, it approved suggestion that ACC transmit to various countries entitled to claim reparation from Germany lists of plants declared by ACC eligible for advance deliveries, requesting answer to be made in 14 days whether such countries are interested in receiving any such plants as reparation. This replaces Dept's earlier idea that USPolAd circulate such lists; if adopted, it will involve USSR recognition of right of other countries to contest USSR claim to listed 40 plants as advance deliveries. Second, Dept approved proposal that after ACC declared factory available for advance deliveries, field survey of factory should be made to determine whether factory be removed for reparation as single unit or whether it is capable of being divided into several units which could be allo-

[79] Not printed; the document referred to was one of the preliminary instructions on policy from the Department of State to the United States Representative on the Allied Commission on Reparations, designated Repmems; the paper dealing with German Foreign Assets was Repmem 4.

[80] Reference is to the Declaration on Austria, November 1, 1943, issued at the Tripartite Conference of Foreign Ministers, held in Moscow October 18–November 1, 1943; for text, see *Foreign Relations*, 1943, vol. I, p. 761.

cated separately. This survey would, under Clay proposal, be completed within 21 days of ACC declaration on plant.

3. Dept outgoing telegrams to US delegation to ACR will be numbered in series with designation "for Angell" and number as above. Please designate incoming telegrams "From Angell" and assign them consecutive numbers.

BYRNES

740.00119 E.W./10–2845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 28, 1945—11 a. m.
[Received October 29—6:35 a. m.]

871. In connection with the status of negotiations in the Control Council on interim restitution deliveries, you should see cables to AGWar (Adjutant General War Department) CC–17885 [81] and CC–17920 of October 23.

It should be emphasized that the agreement on restitution in the Control Council will be a zonal procedure and present discussions do not provide for any central arrangements covering all of Germany, except on monthly report by zone commanders.

The problems of looted property located outside Germany and the adjudication of disputed claims will not be covered by any Control Council agreements that are presently envisaged. It is presumed, that final policy and organizational arrangements be formulated at the earliest possible moment. It is noted that this matter is on the agenda for the meeting of United States, United Kingdom and French members of the Allied Reparations Commission in Paris and it will undoubtedly receive sufficient priority to be resolved.

The French representative on the RD and R Directorate has stated that the French attach importance to restitution equal to that being urged by the Russians for advance interim reparation deliveries. The Russian representatives have not entered fully into the discussion of restitution arrangements. In fact their representative on a special committee for formulating procedures for the location, identification and return of cultural works refused to participate in the discussion even on a technical basis although he was accompanied by two specialists in this field. This meeting was subsequent to the

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[81] Dated October 22, not printed; in this telegram from General Clay, OMGUS indicated that it proposed, in reference to paragraph 1 of the projected interim directive on restitution (contained in telegram 8245, September 20, 5 p. m., to London, p. 1299), to interpret "requirements" to include military requirements but to delay delivery of such items until military requirements were satisfied. (Copy obtained from Department of the Army files.)

quadripartite agreement in the RD and R Directorate on the policy paper [83] sent to the Coordinating Committee.

Repeated to Paris for Angell as 100 and to London for Reinstein as 129.

MURPHY

740.00119 EW/10–3045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 30, 1945—5 p. m.
[Received October 31—9:14 a. m.]

883. The seventeenth meeting of the Coordinating Committee took place on October 29, with the French member presiding. It had been convened specially to consider the question of advance deliveries of plants on account of reparation.

The French member first raised the question of the effect upon reparations of the restitution question. He stated that his Government's position is that no decision of reparations should be taken without a decision on restitution, and he asked: (1) For an agreement that looted property in a factory slated for reparations delivery be set aside and kept for restitution; and (2) that a program for restitution be submitted by November 5. He also stated that in one factory in Bavaria under consideration [for] reparations, there are 1200 machine tools taken from France by force. He thought there were many other examples. The other members agreed in principle that looted property should be returned to its owners but they did not agree that this question should take priority over reparations. The United States member stated: (1) That he was opposed to allowing restitution problems to delay advance delivery of reparations; (2) that looted property subject to restitution should be defined and this would take a long time; (3) that there was over 200 million dollars of United States owned property in Germany whose existence would not be allowed to delay reparations matters; (4) that an entire assembly line should not be broken up in order to take out a few looted items. The British member argued that a distinction should be made between property which had always been in Germany and had formed part of Germany's industrial equipment. The United States member agreed with this distinction. It was agreed that the French member would reserve his position while the meeting considered the reparations question.

The meeting then proceeded to consider the report on method of making allocations for advance deliveries, prepared by the Repara-

[83] See telegram CC–17920, October 23, from Berlin, p. 1353.

tions Directorate.[84] It was agreed that the list of factories already available for advance deliveries should be sent to those countries who claim reparations out of the Western Zones, and that those countries must indicate within 14 days after the date the list is sent out (probably October 31) those plants in which they are interested. The message to those countries will also state that two factories in the US Zone have been offered to the Soviets (see my No. 842, of October 25, noon). I am informed that the United States member of the Economics Directorate offered to the Russians the BMC [*BMW*] plant No. 1 at Munich and an underground plant near Heidelberg. Both make aircraft engines. Soviets said they wished to inspect several before they accepted and the matter is temporarily at a standstill.

The meeting approved the clause instructing the Economics Directorate to recommend units of allocation (i.e. whole plant, part of plant, et cetera) and the United States proposal that preliminary valuation be based upon 1938 reproduction cost less deterioration and war damage. (The British stated they had 1945 official tax valuation for 90% of the plants in their zone but it was feared that depreciation was not uniformly calculated.)

The principal argument of the day concerned the Soviet claim to receive 75% or 22 of the 30 plants declared to be available as advance deliveries. This was to be irrespective of valuation of the plants. The British, French and United States members stated that they were not authorized to agree to any allocations substantially in excess of 25% to the Soviet Union and that they could not consider allocations on a basis other than value. The British member urged the Soviet member to recognize the claims of other countries and to agree to a compromise whereby the Soviets would take 25% now and agree to reserve their claim for additional allocations. The United States member urged that the whole question of percentages in allocation be left out of this paper so that the other steps in the procedure could promptly be put into operation. The Soviet member stated he would compromise on a 50% allocation to his country and supported his position on the ground that the United States sponsored *Allgemeine Zeitung* had quoted a BBC broadcast to the effect that the Council had allocated to the Soviet Union the 14 largest plants in Western Germany. (The news story had in fact appeared on October 28 and is apparently based on a report from Stuttgart picked up by correspondent Twitty of the *New York Herald Tribune*.) The Soviet member stated that Soviet prestige was thereby involved in the eyes

[84] Reference is to CORC/P (45) 117 revised, dated October 26, copy of which was transmitted to the Department with despatch 1251, November 5, from Berlin, neither printed.

of world public opinion. After considerable argument in which the US member suggested delaying the whole matter until the Nov 10 meeting of the Council, it was agreed to submit the paper to the Oct 30 meeting, leaving out the clause about percentage of allocation and inserting a note as to Soviet claims to 50%.[85]

The paper agreed also contains a clause that the Finance Directorate shall work out an agreed basis for final evaluation and that shipment can take place on the basis of the preliminary evaluation. When the basis for final evaluation is reached, the necessary readjustments will be made.

[Here follows brief discussion of matters not relating to reparations and restitution.]

MURPHY

740.00119 EW/11–145 : Telegram

The Ambassador in Paris (Caffery) to the Secretary of State

PARIS, November 1, 1945—5 p. m.
[Received 6 p. m.]

6351. No. 10 from Angell to Dept: 6 from Angell to Berlin: 2 from Angell to London. At meeting October 31 French joined me in supporting general gold pot principle. Waley first argued for identification principle but subsequently accepted our position.

British and French expressed warm conviction that US Govt has information on identification of gold by country of ownership which has not been given them. As a result of my conversation with Murphy and Clay I told French and British that to best of my knowledge all information available to us had been transmitted to them. Please determine whether any data now available including that secured by Bernstein [86] has been withheld. I assume that assayer's report has already been given to French Embassy.

Waley inquired whether Danzig and Poland should be allowed to participate in pot. Consensus of meeting seemed to be that Potsdam waiver by USSR of claim to gold should control irrespective of whether gold pot is regarded as restitution or reparation and consequently that Danzig and Poland should not share in gold pot.

When we discussed Italy, Austria, Hungary and Albania, in relation to gold pot Waley agreed with us that they should receive restitution of monetary gold. French indicated reluctance to permit these countries to share in gold pot.

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[85] For discussion of this matter at the October 30 meeting of the Allied Control Council, see report contained in telegram 896, October 31, 6 p. m., from Berlin, p. 848.

[86] Col. Bernard Bernstein, Director, Finance Division, OMGUS.

Regarding Italian and Hungarian gold I concurred in suggestion by Waley that these countries be allocated their respective shares in gold pot shares to be set aside for disposition in accord with final peace settlement with these countries. I said that if Council of Foreign Ministers had come to definite understanding that Italy is to receive restitution then Italy should participate in gold pot. Waley agreed with these principles. Please advise on any CFM understanding on restitution for Italy.[87]

I also stressed right of Austria to participate immediately in gold pot pointing out Potsdam Agreement on Austrian economic independence [88] and that insofar as I know peace treaty settlement with Austria is not contemplated.

Rueff stated that he was not in position to agree that Italy, Hungary and Austria should be brought into pot at all but he would request instructions from his Govt.

We discussed procedure for implementing gold pot if agreement is reached on countries entitled to share. Consensus was that any agreement reached should be transmitted to our Govts for confirmation. Each of three occupying powers would then notify its zone commander to put gold pot agreement into operation. In practice of course this would mean that JCS would direct USGCC [89] to act in premises.

Sent Dept 6351; repeated Berlin 185, London 783. [Angell.]

CAFFERY

740.00119 EW/10–2945 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 2, 1945—8 p. m.

5142. For Angell No. 5. Reurtel No. 2 Oct 29.[90] At request Coordinating Committee ACC Reparation Deliveries Restitution Directorate has submitted definition of restitution [91] under which (1) restitution would be confined to identifiable goods (*a*) which existed at time of occupation of country and taken out of country by enemy

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[87] See telegram 5221, November 8, 6 p. m., to Paris, p. 1376.

[88] Presumably this is a reference to the agreement in the Potsdam Protocol that reparations would not be exacted from Austria; see *Conference of Berlin (Potsdam)*, vol. II, p. 1490.

[89] The United States Group, Control Council, had been succeeded by OMGUS as of October 1, 1945.

[90] Reference is to telegram 6285, October 29, midnight, from Paris, which requested information concerning discussion in the Allied Control Council on restitution (740.00119 EW/10–2945).

[91] Text of this definition was transmitted to the Department in telegram 909, October 31, midnight, from Berlin, not printed.

whatever may have been means of dispossession and (*b*) which were produced during occupation and acquired by enemy through act of force, (2) replacement by similar or comparable property of looted property lost or destroyed would be confined to objects of unique character such as works of art, etc., (3) property prior to restitution would where practicable be repaired, with Germany bearing cost, and (4) restitution would be to government of country from which object was looted.

Brit representative expressed reservations on point (2) pending instructions from Govt. and US accepted subject to reservation based on lack of instructions.[92] Gold not covered by definition owing your discussions in Paris regarding which OMGUS, Berlin wishes you to keep it advised.

Dept requesting War Dept to cable OMGUS [93] accepting points (3) and (4) as well as point (2) provided replacement really confined to objects of unique character which can definitely not be replaced from current output. Point (1) also approved with observation that it will probably prove difficult to determine whether goods produced during occupation were actually acquired by enemy through act of force. While anxious in general to obtain broad restitution program, Dept will accept any agreement on restitution which other occupying powers will accept.

Dept has no further information on discussions in ACC re interim reparation deliveries other than that communicated to you in our No. 1 [94] and by USPolAd, Berlin in his 97 [95] and 99.[96]

War Dept instructing OMGUS to repeat to you cables to War Dept on reparation and restitution. Suggest you repeat messages to Dept same subjects to USPolAd, Berlin.

Sent to Paris, repeated to Berlin as Dept's 800.

BYRNES

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[92] In telegram CC–18900, November 14, General Clay indicated his dissatisfaction with this part of the definition. He did not feel that the United States should accept responsibility for replacement of unique cultural objects because of the difficulty in agreeing on what constituted such objects and on what museums and collections in the different zones would provide the replacement items. The War Department replied in telegram 83352, November 15, expressing assent to Clay's objections and authorizing revision of the definition. (Copies of telegrams obtained from Department of the Army files.)

[93] The instructions here summarized were transmitted to OMGUS in telegram Warx 81251, November 3, to Berlin, not printed.

[94] See telegram 5005, October 26, 8 p. m., to Paris, p. 1362.

[95] See telegram 842, October 25, noon, from Berlin, p. 1360.

[96] Reference is to telegram 870, October 28, 10 a. m., from Berlin, which concerned transmission of lists of plants made available for advance reparations deliveries (462.00R/10–2845).

740.00119 EW/11–345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 3, 1945—noon.
[Received November 5—12 : 40 p. m.]

6392. From Angell. No. 18. With further reference to your 5093, (for Angell, No. 4) November 1, 5 p. m.,[97] I assume that question as to adoption of narrowest possible point of view with respect to reparation removals implies considerable reduction in contemplated volume of removals. My views, which are shared by members of my staff, are as follows:

1. I seriously question whether use of reparations as a pressure weapon would secure the fuller political and economic cooperation of other occupying authorities. I am rather of opinion that such a revision in our basic policy would further complicate matters.

2. Inadequate implementation of objectives of reparation chapter of Potsdam Declaration would seriously prejudice our relations with Russia.

3. Such a revision of our established policy would also be contrary to the interests of devastated members of the United Nations who are looking to plant and equipment removals for badly needed rehabilitation and development. In this connection we think it important that the current concern over German economic situation should not overshadow the critical situation in liberated areas which is not, as with Germany, a recent development but rather one of several years' standing.

4. Present serious economic situation in Germany would not be alleviated by failure to designate for removal plants unnecessary to maintenance of minimum peace time economy. It appears rather that improvement in German internal situation is largely dependent on such factors as administration, increased supply of coal, raw materials and transport. Admittedly, actual rate of physical removals would have to depend upon availability of transportation.

In view of close relation of this matter to my current negotiations, which are in an active state, I would appreciate the receipt of information that Dept intends to pursue full implementation reparation objectives and provisions Potsdam Declaration.[98] [Angell.]

CAFFERY

[97] Not printed; the pertinent section of this telegram reads as follows: "For your information some question has been raised in Dept as to advisability of adoption of narrowest possible point of view reparation removals in order to obtain fuller cooperation other occupying authorities on application political principles Berlin Protocol and treatment of Germany as economic unit." (740.00119 EW/11–145)

[98] In telegram 5219, November 8, 7 p. m., to Paris, the Department replied as follows: "View that US should implement fully reparation provisions Berlin Protocol as expressed in your No. 18, Nov. 3, endorsed by Dept." (740.00119-EW/11–245)

740.00119 EW/11–345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 3, 1945—9 p. m.
[Received November 3—1 : 54 p. m.]

6369. From Angell. For Dept only. In the discussions of the preparatory conference on the gold distribution question both the UK and France raised the question of the inadequate character of data supplied by the US in regard to identifiability of gold recovered in the American Zone in Germany. Waley said that the treatment given British observers by Colonel Bernstein and associates had been "most discourteous".

The French representative although not commenting on the character of treatment received by French observers in American Zone confirmed that their observer had been informed that official detailed report of gold holdings had been transmitted to Treasury in Washington.

In view of the fact that I had no gold data other than those already communicated to British and French after being informed by General Clay and Ambassador Murphy that they knew of no other data, I informed both British and French that each of their Govts had received all information available to my own Govt regarding this key question. It was therefore a matter of some embarrassment when the French representative at the end of the meeting gave us a detailed statement previously unknown to my group of the disposition by destinations of Belgian gold (turned over to Germans by French). He said French observer had obtained data on informal basis from Bernstein's staff and that he understood that it had been transmitted to Washington.

The informational situation on gold is such that it is capable of raising questions of our good faith as well as impairing our ability to anticipate positions to be taken by other govts in this controversial question. As illustration of latter we would have been able to anticipate French position on our "gold pot" thesis had we known that Belgian gold with exception of minute amount was not in lot of gold recovered in Germany.

While the question of responsibility for this situation is one for Dept to determine, it is essential in connection with future course of negotiations here that I receive immediately all present and subsequent information at disposition of Treasury and Bernstein regarding assayers reports, Reichsbank records and other information relevant to gold distribution question. Inasmuch as conference will have to deal with this question I perceive no reason why full information should not be transmitted to representatives all claimants.

Telegraphic reply requested. [Angell.]

CAFFERY

740.00119 EW/11–545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 5, 1945—7 p. m.
[Received November 5—5 : 05 p. m.]

6418. From Angell No. 23. At November 5 meeting I proposed distribution of currencies as outlined in Repmem 13.[99] French and British were firmly of opinion gold coin, including that minted in US and neutrals, should be distinguished from currency and included in gold pot. (See my 16, November 3.[1]) Otherwise, there was no serious objection to Repmem plan. French felt they must reserve temporarily question of Italian currency and gold.

I recommend that I be authorized to agree that all gold coins found in Germany, including those minted in USA and neutrals, go into gold pot for distribution among nations entitled to participate in pot. [Angell.]

CAFFERY

740.00119 E.W./11–545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 5, 1945—8 p. m.
[Received November 7—8 : 05 a. m.]

6420. From Angell No. 29. Russian compensating deliveries for 15% of surplus equipment from Western Zones discussed briefly with Waley and Rueff. I presented tentatively view of Repmem 8[2] that deliveries should be used entirely for reparations to claimants on Western Zones. Waley view was that western side ACC should use what is necessary to peace-time economy in Western Zones and declare surplus available for reparation. Waley cited British and American concern over lack of food in Berlin as one of reasons for this provision of Protocol.[3] Rueff view not firm.

Subject has been discussed at length within our delegation. Position as stated by Waley with respect to use of compensating deliveries in Western Zones is in my opinion sound for following reasons:

1. History of provision in Berlin protocol does not support implications of paragraphs 1 and 2 of Repmem 8. President Truman in

[99] Not printed; the substance of this instruction to Mr. Angell was embodied in the statement contained in telegram 6454, November 7, 10 a. m., from Paris, p. 1372.

[1] Reference is to telegram 6396, November 4, 6 p. m., from Paris, which stated that the Department's instructions implied that gold coins were not to be considered as part of the gold pot. Mr. Angell doubted the validity of this position and requested instructions. (740.00119 EW/11–445)

[2] Not printed.

[3] See *Conference of Berlin (Potsdam)*, vol. II, pp. 1485–1486.

report on Berlin Conference described compensating deliveries from Russia as "a means of maintaining a balanced economy in Germany and providing the usual exchange of goods between the eastern part and the western".[4]

2. Direct use of compensating deliveries by western side ACC for peace-time economy in Western Zones provide maximum reduction of supply commitments of western occupying powers without necessitating increase in German exports to offset imports into western zone as suggested in paragraph 3 of Repmem 8. Suggestion that these deliveries be considered as imports would require increased productive capacity in western zone for offsetting exports.

It is also my opinion that portion of compensating deliveries not needed for consumption in Western Zones should be regarded as exports and therefore subject to first charge principle.

I urgently request your instructions on above. [Angell.]

[CAFFERY]

740.00119 E.W./11–745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 7, 1945—10 a. m.
[Received November 7—6 : 30 a. m.]

6454. From Angell No. 33. The following statement on foreign currencies found in Germany has been tentatively agreed upon pending confirmation and subject to reservations noted:

"1. Currencies issued by United Nations which Germany invaded shall be delivered to the Govts of those countries by way of restitution.

2. Currencies issued by Bulgaria, Finland, Hungary and Rumania shall be turned over to the USSR as external assets to which the Soviet Union is entitled by way of reparation.

3. Currency issued by Italy shall be delivered by the occupying powers to the Italian Government without compensation. The position of the French Government is reserved.

4. Currencies issued by the neutral countries shall be regarded as German external assets of those countries and divided accordingly by way of reparation.[5]

5. Currencies issued by United Nations not invaded by Germany shall be regarded as German assets in those countries and delivered to them for disposition in accordance with their procedure regarding German assets within their border.

The position of the US regarding gold coins is reserved temporarily."

[4] For text of this radio address, August 9, see Department of State *Bulletin*, August 12, 1945, p. 208.

[5] Telegram 5398, November 20, 6 p. m., to Paris, suggested that the words "of those countries" be eliminated, lest the impression be given that "currencies issued by neutral countries are regarded as German external assets belonging to those neutral countries." (740.00119 EW/11–745)

The French reservation on Italian currency disposal is made so that other possible claims against Italy will not be prejudiced.

Both the French and the British representatives have likewise submitted the proposed agreement to their Governments. Recommend approval of agreement and urge immediate reply. [Angell.]

[CAFFERY]

740.00119 Control (Germany)/11–745 : Telegram

Mr. Donald R. Heath, Counselor of Mission in the Office of the United States Political Adviser for Germany, to the Secretary of State

[Extracts]

BERLIN, November 7, 1945—6 p. m.
[Received November 9—1:30 a. m.]

963. The 19th meeting of the Coordinating Committee took place on November 6 with the Russian member presiding.

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The main argument of the day arose from the two papers from the Reparations, Deliveries and Restitutions Directorates on restitution. The first is the paper on interim restitution deliveries of easily identifiable property in clear cases which was blocked by the Soviet member in early October on the contention that the definition of property to be restored was not clear. (See my 767 of October 13, 1 p. m.) The second paper gives a final definition of property to be restored.[6] The French member pressed urgently for both papers. The US member stated that although he had no objection to the definition, he could not give his final consent as a long-term matter without the authority of his Govt. The British member objected to the general terms of the article on replacement of destroyed or damaged works of art and unique objects, suggesting that these be replaceable only "when practicable" and under conditions set by the Council. He also suggested excepting securities as well as gold from the plan for interim deliveries.

On the other hand, the Soviet member was dissatisfied with the whole definition generally and made it appear that he intended to limit the scope and to block the whole program so far as he could. He argued 1) that the present definition does not exclude the many cases where citizens or firms in occupied countries legally sold property to the Germans for reasons of profit and thus strengthened Germany; 2) that restitution should cover only property taken by

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[6] Substance of this paper is contained in telegram 5142, November 2, 8 p. m., to Paris, p. 1367.

force; 3) that the Govts of the four powers had never given to the Control Council the right to settle questions of restitution and that it was only being discussed to accommodate the French; 4) that the words "necessary repairs" in the definition were too vague; 5) and that there were many "general considerations" which should be considered; (he did not say what they were). He appeared deliberately to misunderstand the remarks of the French member and dragged in extraneous arguments. When pressed by the French and British member to submit his own text of a definition, he avoided agreeing even to this until the end. The French member in reply stressed: 1) that property apparently "purchased" by the Germans without force was in fact paid for with stolen money and should be returned to the French Govt; 2) that the paper had already been delayed 6 months since the German defeat; 3) that all but the Soviet member of the Committee agreed and even the Soviet member of the Directorate had agreed to the definition. The UK member referred sympathetically to the French argument that restitution is connected with reparations.

A compromise was reached under which: 1) the US member will submit his position after receiving instructions and the Soviet member will submit a text; 2) United Nations interested will be invited at once to submit lists of looted property to zone commanders of the zones where the property is believed to be; 3) the property when located will be held in custody by these commanders until final decision is reached.

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As to advance deliveries on account of reparations, it was stated that neither the US nor the British member had had further instructions from their Govts as to the allocation to the Soviet Union of more than 25%. The French member made a statement that his Govt could not accept the compromise suggested earlier by the British that looted goods in factories set aside for reparations be compensated for in similar goods. The French position remains that the looted goods themselves must be restored to their original owners.

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HEATH

740.00119 E.W./11–745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 7, 1945—8 p. m.
[Received November 8—4: 15 p. m.]

6488. From Angell No. 37. For Departmental distribution only. Following are further comments and background interpretation of

certain aspects of the development of the reparation share problem reported in my No. 36 of Nov. 7 [8].[7]

1. I am greatly encouraged by the substantial measure of agreement which has been reached in a very short time among the British, French and American reparation representatives. There has been a marked disposition on the part of each of the three delegations to approach this problem with a conciliatory and objective attitude and with an effort to give full weight, not only to the claims of the other two major powers, but also to the position of the 14 smaller nations who will convene with us beginning Nov. 9. I believe that, unless the home govts of the tri-partite representatives raise objections, it is probable that the general conference of Nov. 9 will be able to proceed with its work unimpeded by any substantial disagreement among the three sponsoring powers. I believe that the agreement which we have tentatively reached is in substantial accordance with my instructions as set forth in the Repmems. I hope that the Dept will weigh carefully these factors in the situation before sending me instructions which would create a need for a lengthy reexamination of the problems by the tri-partite representatives at this late date.

2. With reference to the percentages suggested in my telegram under reference, it should be emphasized that these shares are of a tentative nature. If the results of the 17-power discussions point to the conclusion that smaller powers should have a somewhat larger share of reparations, this could possibly be accomplished by transfer of a few percentage points from the shares of the sponsoring powers.

3. With reference to the shares in external assets in the neutral countries, I and my staff are in agreement that the inclusion of the small countries provides an opportunity for bringing more forcefully to the attention of neutral countries the justice and equity of the proposed disposition of these German assets. It is apparent that the diplomatic approach of the three major powers to the neutrals will be strengthened if the beneficial interest, no matter how small in the case of the other individual countries, is widespread and encompasses a large percentage of the United Nations. Waley and Rueff fully concur with this position. It is not contemplated, of course, that there would be any modification of the general plan to have the diplomatic approach made by the three large powers, but rather that supporting action by the 14 other claimants guided by the major powers can be of important auxiliary assistance. Such action might, for example, include a declaration of the 17-power conference at Paris and informal support by the individual powers. [Angell.]

CAFFERY

[7] Not printed.

740.00119 EW/11–145 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 8, 1945—6 p. m.

5221. For Angell Number 20. Your No. 10, Nov. 1, from Angell to Dept,[8] repeated to London as 783, to Berlin as 185. Re your question on CFM discussion of restitution for Italy. This question was not discussed by Council, but was referred to deputies for consideration. Brit submitted document[9] which provided that Italy should have same treatment in connection with claims on Germany as United Nations in respect to restitution of identifiable property and restoration of property in Germany. Brit paper further provided that gold restored to Italy should be used toward payment of post-armistice relief debt.

Subject was discussed informally with representatives of Brit FonOff, Treasury and TED[10] on Oct 17 by Mosely and Reinstein of US Delegation. Brit explained that their proposal covered both Italian gold recovered at Fortezza in northern Italy and gold removed to Germany. They believe gold at Fortezza to be clearly identifiable as Italian and therefore recoverable by Italy, under their restitution formula. Gold removed to Germany would be restored if identifiable. Under Brit formula, Albanian and Yugo gold claims against Italy would be dealt with by returning such gold wherever discovered if identifiable. To extent not recovered these would presumably become general claims. (Albanian claim is for about $10 million of gold held by Bank of Italy on earmark for Bank of Albania. Yugo claim is for $10 million gold looted by Italy.)

US position was set forth as follows. Gold at Fortezza has continued to be property Bank of Italy and should be returned there. Italy should be required to make full compensation to Yugo and Albania on their claims, taking assignment against Germany if gold had been removed to Germany. For these purposes Italy to have full rights of Albania and Yugo in claiming against Germany. With respect to Italian gold removed to Germany, US position still to be determined. Regarding use of gold for payment of relief debt, Brit were informed US view was that this debt should be cancelled as part of general reciprocal waiver of war claims other than certain specified ones to be dealt with in treaty. Views set forth were based upon treaty draft prepared in Dept prior to London Conference and

[8] See telegram 6351, November 1, 5 p. m., from Paris, p. 1366.

[9] Reference is to section V of part VIII of C.F.M. (45) 3, September 12, for text of which see vol. II, p. 144.

[10] Trading with the Enemy Department.

fully cleared in Dept.[11] No conclusion was reached at Oct 17 meeting in view of relationship to German gold problem.

Foregoing for your information. Answers to questions in your 6351 [12] will follow as soon as possible.

BYRNES

740.00119 EW/11-945 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 9, 1945—8 p. m.

5244. For Angell Number 15. As you know, US Govt has taken position in discussion of Italian Peace Treaty that any reparation demands on Italy should be confined to removal of such equipment for production of war material as is surplus to Italian needs in light of armament provisions of treaty and cannot readily be converted to peace time use. It seems unlikely that much equipment could be removed under this formula. Furthermore, what is removed would probably not be susceptible of use for reconstruction purposes by countries which suffered from Italian aggression.

US position regarding Italian reparations based upon manifest impossibility of extracting reparations from Italy without increasing economic distress there and imposing further burden on those contributing to Italian relief and reconstruction particularly US. However, it would be highly desirable that some recognition be given to claims of Greece and Yugo, countries which suffered most notably at hands of Italy, and Dept is of opinion that some weight might be given this factor in determining Greek and Yugo shares in German reparations.

Dept appreciates that introduction of factors other than those relating to war against Germany, at least in formal way, would undoubtedly greatly complicate negotiations for determination of shares in German reparations. However, since percentages will in final analysis be determined by negotiation, you will probably have opportunity to lend support to Yugo and Greek claims without necessarily bringing matter up in such way as to confuse question of statistical basis upon which allocations might be made. Exact manner in which subject shall be dealt with left to your discretion. Furthermore, while it is desirable that Greeks and Yugoslavs should, at some point, be given to understand we are seeking to obtain some weighting

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[11] Draft treaty not printed; for documentation pertaining to the Italian Peace Treaty, see vol. IV, pp. 991 ff.

[12] Dated November 1, 5 p. m., p. 1366.

of their claims against Germany in light of Italian inability to pay reparations, Dept must likewise rely upon your judgment as to timeliness of any discussion of matter with Yugo and Greek representatives.

You may find it advantageous to discuss matter in near future with Brit and French. In doing so, you will appreciate that foregoing ideas relate only to Greek and Yugo shares. Dept does not feel that position of any other countries is such as to warrant consideration of their claims against Italy in connection with determination of shares in German reparations.

BYRNES

740.00119 EW/11–945 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 9, 1945—8 p. m.

5246. For Angell Number 25. Reurtel No. 29, Nov. 5.[13] Dept still believes you should seek adoption of view that Russian compensating deliveries should be considered reparation and urges following in support of its position:

1. Collado[13a] has reported that in conversations with Russians at Potsdam it was made clear such deliveries would be regarded as reparation.
2. Since deliveries of industrial capital equipment from three Western zones to USSR–Poland reduce amount of equipment available for reparation to other claimants, it is logical and just that any compensation made for this reduction should go to other reparation claimants.
3. Use of compensating deliveries to reduce imports into Germany would not make it possible to reduce amount industrial capacity retained for export because Germany could only count on this source of supply for brief period.
4. If Russian compensating deliveries when used to meet needs in Germany are not considered imports and therefore not taken into account in allocating proceeds of German exports in accordance with contributions of all occupying powers to cost of imports, then share of US, UK and France in export proceeds would be correspondingly reduced.

Dept proposes that occupying powers should claim in IARA major share in Russian compensating deliveries as reparation so that they may use their shares to meet import requirements for their respective zones in Germany and Austria. Such arrangement would reduce procurement from other sources of supply and interim financing

[13] See telegram 6420, November 5, 8 p. m., from Paris, p. 1371.

[13a] Emilio G. Collado, Director of the Office of Financial and Development Policy.

burden on occupying powers and make it possible for US to meet any eventual loss on German imports from reparation share rather than US Treasury. It is, however, in interest of US, UK and France to consider all supplies brought into their zones of occupation, no matter from what source, as imports and therefore qualified for payment out of export proceeds to extent such proceeds are available.

BYRNES

740.00119 E.W./11–1145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 11, 1945.
[Received November 11—2:20 p. m.]

6543. From Angell No. 42. French position on application of gold pot to ex-enemy countries following:

1. Italy. French appreciate arguments based upon economic desirability of restoring a portion of Italy's gold. French would appreciate additional information regarding disposition of Italian gold allegedly found at Brenner. Is it in Allied hands? Has it been included in the pot? With these questions in mind France is disposed to accept principle that Italy should participate in gold pot provided these "conditions" are met.

(1) All Italian gold wherever located is put into pot. If Italy has already had some gold returned to her by Allies even if that gold never left Italy its return should be charged against Italy's share of pot:

(2) That Italy restore to France out of Italy's share of pot 15 tons of gold. According to French they were obligated in 1941 under duress to allow Italy a drawing account supported by gold for financing deliveries of war material to Italy. France considers this a restitution claim against Italy. France's claim does not go into gold pot which is confined to claims against Germany.

(3) That the US and UK join France in strong demands upon Switzerland that Switzerland return to Germany for inclusion in pot 110 tons of Belgian gold received by Switzerland after prospect of United Nations Declaration of January 5, 1943 [14] but before the gold declaration of following year.[15] In French view earlier general declaration regarding looted property was sufficient to put Swiss on notice. (Oliver [16] understands that Schmidt [17] has discussed this question with Rubin.)

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[14] For text of the United Nations declaration regarding forced transfers of property in enemy-controlled territory, see *Foreign Relations*, 1943, vol. I, p. 443, or Department of State *Bulletin*, January 9, 1943, p. 21.

[15] For text of the United States declaration on gold, February 22, 1944, see *Foreign Relations*, 1944, vol. II, p. 213, or 9 *Federal Register* 2096. Similar statements were issued by the British and Soviet Governments.

[16] Covey T. Oliver, Associate Chief, Division of Economic Security Controls, and Counselor to the U.S. Delegation to the Paris Reparations Conference.

[17] Presumably Orvis A. Schmidt, Director, Foreign Funds Control, U.S. Treasury Department.

If these conditions are met French agree to immediate Italian participation in disposition of gold. Otherwise they would insist that Italian right to restitution be deferred for peace treaty settlement. Rueff later indicated privately he would withdraw third condition.[18]

2. Austria. France does not consider that Austria is entitled to participate in gold pot. Reason advanced is that Austrian gold reserve was taken at *Anschluss* and incorporated into Reich monetary system. Gold was presumably consumed in German economic development of Austria. I feel that Rueff is not personally happy about this conclusion or the reason advanced to support it. I made the obvious point that French position here seemed unduly theoretical and in contrast to what France had termed its practical approach to Italian problem. I also stated that even on theoretical grounds French argument was unconvincing. Rueff stated French would be prepared to discuss this farther.

3. Hungary. France does not consider that Hungarian gold should be returned at all. However, they will agree to Hungarian participation in pot provided that disposition to Hungary of its share is held in abeyance until there is a peace settlement with Hungary. To preserve a previous argument of mine I took the stand that whole amount of Hungarian gold, rather than its pot portion would have to remain undistributed.

4. Albania. The Albanian gold should be restored in full by Italy to Albania out of Italy's share in pot. This is regarded by French as similar to 15-ton claim of France against Italy.

Ref Dept's No. 21.[19] I urge speedy clearance of pot principle. Otherwise I cannot continue to take such a strong position supporting pot. Should clearance not be obtained, I can still withdraw in view of complications which French have injected. From Deptel No. 20 for Angell [20] I infer that French position regarding inclusion of Italian gold found in Italy would not be acceptable to Department. Department's comments and instructions urgently requested. [Angell.]

CAFFERY

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[18] Telegram 6605, November 15, noon, from Paris, not printed, reported that the United States, the United Kingdom, and France had agreed to approach the Swiss separately concerning German gold held in Switzerland; the French had consented to make Swiss action on the Belgian gold a wish rather than a condition in their approach (740.00119 EW/11–1545).

[19] Reference is to telegram 5219, November 8, 7 p. m., to Paris, which had indicated that if the gold pot was approved in principle, the claimant countries would have to submit statements on gold lost in Germany, including substantiation of any restitution claims advanced (740.00119 EW/11–245).

[20] See telegram 5221, November 8, 6 p. m., to Paris, p. 1376.

740.00119 EW/11–1245 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 12, 1945—11 p. m.
[Received November 13—11 a. m.]

6558. From Angell 47. Waley submitted following informal note on UK views regarding reparation labor.

Reparation Labor.

(*a*) Any Allied country holding German prisoners of war should be entitled to use them for any of the types of work laid down in the Geneva Convention.

(*b*) If an Allied country has not enough prisoners of war in their hands to meet their demands, it can request another Ally to transfer some of its prisoners. But in that case the transferring country would be entitled to lay down conditions on the kind of work that war prisoners might do.

(*c*) If an Allied country still finds it impossible to meet its demands for reparation labor from any source, the possibility of enrolling German civilian labor and the conditions under which such enrollment should take place should be discussed with the Allied Control Council for Germany.

(*d*) The question of international supervision of the conditions of work of reparation labor will not arise until civilian labor is enrolled. Memorandum which I am submitting to Waley and Rueff as follows:

(*a*). Action will be necessary at the Paris Conference with respect to the following matters.

1. Labor services, whether of PW's or of civilians should count as part of the reparations received by any country using such services. Accounting for such services should start from the end of hostilities.

2. The value to be assigned to labor services for reparation accounting purposes, the period over which such accounting should take place, and the agency to be responsible for making the necessary determinations of wage rates and costs of maintenance, should be the subject of discussion and agreed recommendations.

3. Reparations labor should be limited to the following sources: German prisoners of war, compulsory labor by judicially convicted war criminals, and voluntary civilian labor provided use of this category proves necessary and practicable.

4. The Paris Conference should recognize that the categories of persons eligible for service, the numbers to be made available, and terms of their employment will be subject of later decision and announcement by France, UK and US.

5. The three powers should take the occasion of any agreement with respect to reparations labor to announce that such labor will be utilized only for purposes which will aid directly in the rehabilitation of war-torn countries and only for limited periods under humane conditions.

(*b*). In addition to the matters requiring action at the Paris Conference the US makes the following proposals:

1. Questions concerning the availability, type of work, term and conditions of employment and methods of enrollment of civilian labor from the Western Zones should be settled jointly by the UK, France and US. If agreement is reached the concurrence of the USSR should be sought. With respect to these questions the US holds the following views:

(*a*) Compulsory labor service should be required only from those judicially convicted as war criminals, including individuals determined by appropriate process to be members of European Axis organizations, official or unofficial, which themselves have been adjudicated to be criminal in purpose or activities. Except for persons tried for specific crimes, and convicted and sentenced to lifetime punishment, the period of compulsory labor service should be limited to a definite span of years.

(*b*) Insofar as compulsory labor is used for reparation purposes, arrangements should be made for international survey of the living and working conditions of such workers and of the uses made of their services.

(*c*) Both compulsory and voluntary labor services furnished as reparation should be used outside of Germany only for reconstruction and repair of war damage and not for current production operations except for fuel and food.

(*d*) The number of persons to be made available as reparations in each category of labor should be subject to the approval of the zone commander. Similar questions concerning use of PW's should be settled by each Allied country for such German PW's as that country itself holds. If a country transfers prisoners to another country for reparation labor, the transferring country should be entitled to define conditions of employment and maintenance. The three powers, France, UK and US should, however, seek to establish a uniform policy with respect to use of German prisoners.

[Angell]
[Caffery]

740.00119 EW/11–1245 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

Paris, November 12, 1945—11 p. m.
[Received November 13—11 : 40 a. m.]

6559. From Angell 46. At Tripartite meeting on November 9, use of German labor as reparations and manner in which this subject should be handled by 17-power conference was discussed.

French Delegation raised following objections to treatment of subject by 17-power conference:

1. The principles involved have been inadequately explored by the major powers.

2. Labor, like current production, was not covered in Berlin Protocol as source of reparations, and therefore is outside scope of Paris Conference.

3. Question of whether labor shall be considered as reparations and charged to reparation account must be considered on quadripartite basis inasmuch as (*a*) Soviet reparation account would be subject to similar charge and (*b*) Berlin Protocol is based on principle Soviets would receive 50% of total reparations and Soviets might, therefore, request share of labor services from Western Zones corresponding to 25% of capital equipment.

4. At Yalta, industrial removals, external assets and labor were listed as sources of reparations but only first two were mentioned in connection with establishment of Reparation Commission.

5. It is difficult to evaluate labor services on a comparable basis with industrial removals.

French Delegation appeared to be advancing every possible reason so as to avoid necessity for decision on labor question at this time, although Rueff agreed that the question cannot be ignored as benefit to country using German labor. French position suggests that they wish to obtain their full share of other reparation items with subsequent determination of their additional share of labor services. Waley's views were as follows:

1. Use of German labor should be considered as reparation and should reduce country's share of other reparation items.

2. Soviets not involved in question of whether labor from Western Zones shall be considered as reparation. Berlin Protocol based on principle that Soviets could get 50% of capital removals plus whatever labor they might obtain from Eastern Zone.

3. Paris Conference should decide how receipt of labor shall affect global reparation shares.

4. Receipt of labor services should be kept in mind as a background factor in making appropriate reduction of global reparation share, instead of attempting to evaluate labor services and subtract value from country's global share. His preference appeared to be based on evaluation difficulties inherent in latter procedure.

I expressed the view that the subject of labor as reparation cannot be ignored and will undoubtedly be raised by 1 of the 14 other powers. I stated that at the very least, the Paris Conference should decide upon method for accounting for labor services in event it is decided, by whatever body, that labor should be regarded as reparation.

With respect to the conditions of employment of German labor, which all agreed is not subject for Paris Conference, Waley submitted informal note on his Government's views. (See immediately following telegram from Angell No. 47.[21])

[21] See telegram 6558, November 12, 11 p. m., from Paris, *supra*.

In addition Waley commented orally as follows:

1. The UK strongly desires to avoid impression Allies are employing slave labor. Therefore, humane terms of employment should be established as a condition of type of reparation labor. This policy should be widely publicized.
2. The work performed by either transferred PW's or civilian labor should be restricted to such works as reconstruction, and should exclude commercial types of work since these involve competition with countries not using German labor.
3. In response to my comment that the memorandum took no stand on whether civilian labor should be obtained on a compulsory or voluntary basis, Waley stated that it was his general feeling that it would be advantageous to place the arrangement on a voluntary basis.

French agreed in principle with British memorandum with following comments:

(*a*) France is now using PW's for dangerous task of de-mining, which is perhaps not in accord with Geneva Convention but is provided for in armistice.
(*b*) France intends to have employers pay commercial wage rate for services of PW's which in their view would take care of commercial competition point.
(*c*) French labor will not at present time, because of strong feeling toward Germans, permit use of German labor beyond PW's.

French stated that 550,000 PW's were being used within France and that 70,000 were waiting transfer from French zone of occupation. Former figure does not check with figure in Repmem 12 [22] of one million PW's transferred to France under Facs 240.[23] We are cabling USFET [24] for up-to-date information on this point.

Waley requested United States' views of his memorandum, and suggested that it would be desirable, if agreement can be reached among the three western occupying powers on the principles which should govern the conditions of employment of German labor, that concurrence of Soviet Government be requested in response to Waley's memorandum and statement of British and French views on labor as reparation. I propose to submit following memorandum to Waley and Rueff as statement of my views which I am prepared to submit to my Government (see following telegram from Angell No. 47).

If one assumes France will use in neighborhood of one million German laborers and that French reparation account is charged therefor at reasonable net value, French share of industrial removals and external assets would be substantially affected. In view of French

[22] Not printed.
[23] Not printed; this message from the Combined Chiefs of Staff to General Eisenhower, June 6, 1945, was intended as an interim directive to provide terms for the transfer of prisoners of war to the United Nations for rehabilitative work.
[24] Headquarters, United States Forces, European Theater.

position as stated above and possible effect upon Paris Conference of impasse over issue of effect of labor on share of other reparation items, a serious problem is presented. I shall continue to explore ground for agreement with Waley and Rueff. My preliminary feeling is that, if any agreement at all is to be reached with the French on this matter before the conclusion of the Paris Conference, it will be necessary for us to compromise by assenting to a fairly low value for labor services for reparation accounting purposes.

I urgently request Department's comments and instructions. [Angell.]

CAFFERY

740.00119 EW/11–1445 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 14, 1945—7 p. m.

5312. For Angell No. 26. In teletype conversation Nov 12 Clay and Murphy requested permission War and State Depts to allocate to USSR 50% by value of plants on first list of advance deliveries. Dept stated it had no objection to allocation 50% of list by value in principle, provided that no allocation of specific plants on list was made until comments of countries possibly entitled to claim reparations from western zones on this list had been received. These comments due Nov 14 in response to telegraphic from Murphy, and were requested in form of cable to Murphy, copy to Angell.

Clay is prepared to hold up allocation of specific plants including Fischer Ball Bearing plant at Schweinfurt and ship building plant at Bremen until Nov 15. If you receive expression of interest in plants on first list which you know or suspect has not been communicated to Murphy for Clay, please advise Murphy for Clay of this interest prior midnight Nov 14.

Clay has suggested that over-all division between USSR and western claimants should be based not on conflicting claims to specific plants but on equitable division industry by industry. Dept has asked him delay formulating proposal of this character until it is learned whether both USSR and western claimants desire cross section of reparation removals, on theory it is possible in certain industries no conflict will arise.

Clay is bearing in mind needs and desires western claimants. At earliest date possible to advise him firmly these needs and desires, suggest you communicate with him on this problem.

Sent to Paris, repeated to Berlin as 868.

BYRNES

740.00119 EW/11–1445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 14, 1945—midnight.
[Received November 15—12:20 a. m.]

6598. From Angell No. 59.

1. At tripartite meeting on November 13, I submitted following referendum on treatment of reparations from current production and commodity stocks in the Western Zone.

a. In placing [*planning*] the amount and character of capital equipment to be retained in Germany no provision should be made for reparation from current production. This proposal is consistent with the provisions of the Potsdam Declaration (III, B, 15, *b* and IV, 6).[25]

b. Any surplus of current production or stocks above minimum requirements for (1) the German domestic economy, (2) exports to pay for necessary imports and (3) other prior charges, should be made available for reparation during a limited period to be determined by the Governments of France, the UK and the USA.

c. Any current production made available for reparations to claimants other than the USSR and Poland should be allocated according to a formula established by the present conference.

d. In view of the present German foreign trade deficit, existing commodity stocks should be exported only for cash.

2. It was agreed that only item *c* required formal consideration by the present conference.

3. Waley expressed general agreement with all points in our memorandum.

4. Rueff presented the view that if the possibility of reparation from current output were restricted to a "limited period" there would in fact be no such reparation. He felt this would also be the interpretation of the smaller countries and that this fact would be the cause of considerable disappointment.

5. Both Rueff and Waley pressed me for a statement of our position with respect to the period during which we would propose to make German surplus production available for reparation. Waley stated that the UK favored a period of 10 years with review of situation after first 5 years. Alternatively the UK favored a period of 6 years without qualifications. Rueff expressed no view.

6. Rueff and Waley also desire to know whether we favor treating occupation costs and accumulated import deficits as prior charges. Since these matters are now subject of departmental review I reserved our position. Waley stated that the UK wished to treat as

[25] See *Conference of Berlin (Potsdam)*, vol. II, pp. 1504 and 1506.

prior charge all imports for the occupation forces other than strictly military items and pay of troops.

7. I urgently request instructions with respect to the questions raised in paragraphs 5 and 6. [Angell.]

CAFFERY

740.00119 EW/11–1545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 15, 1945—11 a. m.
[Received November 16—5 : 10 p. m.]

6601. From Angell, No. 56. Following agenda adopted in meeting of Conference delegates on Nov 13 and released to the press:

I. Allocations of reparations (*a*) shares (1) relative importance of data (2) comparability of data (*b*) Inter-Allied Reparations Agency (IARA).

II. Assets available for reparation (1) capital industrial equipment (2) merchant ships (3) foreign assets (4) current production and stock.

III. Assets not available for reparation (1) restitution including gold (2) war booty.

In first discussion of agenda Nov 10, Czechoslovakian, Yugoslavian, Belgian and Dutch Delegations all insisted that Conference first consider restitution, that restitution must take precedence over work on distribution of shares of IARA. Arguments advanced that (1) if restitution is not satisfactorily handled share in reparation for some countries might be less than value of looted property not recovered; (2) that reparation for one United Nation might be in property actually owned by another United Nation. In this connection Belgian delegate mentioned plants in Germany wholly owned by Belgian nationals which might be subject to removal. Delegates of all four nations stated that no progress had been made on the restitution problem although much easily identifiable property was known to be available and, furthermore, that the occupying powers had not allowed experts to enter Germany for inspection and identification of property. Belgian delegate also mentioned that the unsatisfactory situation on restitution has repeatedly been brought to attention of US, UK, and France and that no positive action had as yet been taken.

Delegates of these countries were finally convinced that determination of shares of reparation and plans for the establishment of IARA were the most urgent problems and concurred in placing them in first place on the agenda. It was agreed that the agenda adopted could be varied at the suggestion of the Conference Presi-

dent and that items not on the present agenda could be added later. [Angell.]

CAFFERY

740.00119 EW/11–845 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 15, 1945—6 p. m.

5326. For Angell Number 28. Dept not satisfied with preliminary percentage shares proposed urtel 6487 of Nov 8 (from Angell Number 36).[26] Dept does not approve allocation to France of entire 5 percent which statistical computations would credit to US and which would entitle France to receive as reparation practically as much as 14 other claimants. Further, Dept would prefer to see further 7 percent of US shares ceded to other claimants. Thus Dept prepared to approve division as follows: UK 27, US 20, France 18, all other 35.

Further comment follows.

BYRNES

740.00119 EW/11–645 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, November 16, 1945—5 p. m.

888. BritEmb has urged Dept not to approve allocation to USSR-Poland of appreciably more than 25 percent of aggregate value of plants now declared available for reparation. In reply Dept has taken following position:

1. No plants beyond three now set aside for Soviet Union should be allocated until possible to examine statements which other claimants have been asked to submit by November 14 in response to request that they indicate extent of interest in any plants declared available for reparation.

2. Until examination of such statements impossible to determine whether or not USSR-Poland should get more than 25 percent of plants. If possible to allocate more than 25 percent to USSR-Poland without disregarding expressed interest of other claimants, Dept has no objection in principle to such allocation.

3. USSR-Poland should get at least 25 percent of plants on first list, and, if allowed more, corresponding cuts must be made in subsequent allocations. Division into 25 percent and 75 percent shares

[26] Not printed; in this telegram Mr. Angell reported on tentative informal understandings reached by him with Messrs. Waley and Rueff concerning reparations shares. The percentages suggested were: United States 27%, United Kingdom 27%, France 21%, other countries 25%. (740.00119 EW/11–845)

unnecessary in case of each list of plant and equipment available for reparation, but with successive allocations greater care must be exercised to ensure that final global allocation corresponds to these shares.

Please inform General Clay.

Repeated to AmEmb, Paris, for Angell and to AmEmb, London.

BYRNES

740.00119 EW/11–1445 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

[Extract]

WASHINGTON, November 16, 1945—8 p. m.

5348. For Angell, Number 36.

. . . . . .

3. Reurtel No. 50.[27] Dept approves inclusion of Albania as reparation claimant from Germany on grounds damage suffered by it during occupation by German troops and fighting conducted by Albanians against Germany. Dept, however, is not willing to press Albanian case should strong resistance be encountered from Greece. You should approach Fr and Br reps to support Yugo position but be prepared to retreat. Since diplomatic channels not yet established between US or Fr and Albania, presumably Br channel could be used representing three sponsoring powers.

4. Approve referendum urtel 59,[28] though Dept feels it might be more appropriate to state policy of no reparation from current output. If small hope of such reparation must be held out, period should be limited to five years from VE Day or conclusion of peace treaty, whichever is less. Prior charges over reparation from current production should include: 1) current imports into Germany; 2) cumulated import deficit; 3) externally incurred costs of occupation, in the stated order.[29]

BYRNES

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[27] Reference is to telegram 6581, November 14, 9 a. m., from Paris, not printed, wherein Mr. Angell reported that the Yugoslav delegate had requested that the Albanian Government be invited to the Conference (740.00119 EW/11–1445).

[28] See telegram 6598, November 14, midnight, from Paris, p. 1386.

[29] At a meeting of the United States, British, and French delegates on November 23, Mr. Angell presented a redraft of his memorandum. The portions altered are quoted here and correspond to paragraphs *b* and *c* in telegram 6598:

"2. Any surplus of current production or stocks above minimum quantities required for the German domestic economy must be used first to meet the following prior charges in the order stated: (1) the cost of current imports into Germany, (2) any balance of unpaid import charges incurred during the period of occupation, (3) costs incurred outside Germany for the support of the armies of occupation.

"3. A surplus of German production over and above the prior charges cited above should be available as reparation only during a period of five years from May 8, 1945." (740.00119 EW/2–1846)

740.00119 EW/11–1245 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 17, 1945—7 p. m.

5363. For Angell, No. 35. Reurtels 6558 and 6559 from Angell Nos 47 and 46 respectively.[30] Dept approves your stand on necessity to value services of PWs used in rehabilitation work, as well as your and Waley's expressions on terms of employment, restrictions as to types of work, etc. French position rejected as untenable. British position acceptable, but Dept envisages as many difficulties in taking account of distribution of PWs for rehabilitation work, when duration of work and numbers are as uncertain as at present, as in the valuation process.

You are authorized to obtain requests from Zecho, Greece and Jugo which they may have for PWs in US possession for rehabilitation work and to forward them to OMGUS via Murphy, without, however, assurance that PWs can be supplied.

You are instructed to press for valuation of services of PWs in rehabilitation labor as part of reparation settlement at reasonable net value rates. You may inform French that US cannot guarantee how long PWs of US origin will remain available for rehabilitation work if French are unwilling to recognize benefits accruing to France therefrom.

Please repeat urtels 6558 and 6559 to USPolAd, Berlin for Murphy.

Sent to Paris, repeated to USPolAd, Berlin for Murphy as Dept's 900.

BYRNES

740.00119 Control (Germany)/11–1945 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, November 17, 1945—8 p. m.
[Received November 19—10 : 02 a. m.]

1049. 1. The 21st meeting of the Coordinating Committee, Russian member presiding today disposed of a long agenda expeditiously and smoothly.

2. On first point respecting advance deliveries on account of reparations, US member stated he was authorized to accept Soviet reservation claiming 50% of such deliveries of plants from the Western Zones. As regards the three plants originally allocated to Soviets,

[30] Both dated November 12, pp. 1381 and 1382, respectively.

US withdrew Bayerische Motorenwerke factory at Munich, since French had protested it contained large number of tools stolen from France by force. A second plant was withdrawn because it was not on Soviet list of claims. In place of these two factories US offered to the Soviets 50% of ballbearing works at Schweinfurt and 75% of shipyard at Bremen. General Clay stressed that these offers would be contained in 25% ultimate total available to the Russians in reparations. He pointed out that US has filed no claims against the first list for advance reparations, except for certain parts of the dye works at Ludwigshafen.

Soviet member thanked General Clay for his statement.

British member expressed sympathy with Soviet position, stating however, that his Government would like to examine bids received before final decision. He considered that if the demands from other countries were reasonable the latter should not object to 50% allocation to Russians on advance deliveries. British member insisted that any allocation in excess of 25% should, however, be adjusted in future allocations. He asked for opportunity to examine General Clay's proposal in greater detail.

French member agreed essentially with British position but stated he must reserve final approval until Coordinating Committee made known its decision regarding looted property.

General Clay then stated that if French took this position he must reserve his decision on looted property as long as French reserved their position on the establishment of central administration for Germany. French member let this remark pass. General Clay then stated he had a declaration to make for the record, namely, that US had made clear its understanding for the interests of other countries by not claiming any reparations until the claims of other countries were satisfied.

Coordinating Committee agreed to put question of advance deliveries on agenda of next meeting of Control Council.

At a later point in the discussion, Coordinating Committee decided to permit the Economics Directorate to notify interested countries through diplomatic channels as soon as particular plants became available for advance delivery, without waiting to include therein composite lists. On British proposal Economics Directorate will also be requested to present recommendations concerning advance deliveries as between Soviet Union and the western nations. French member announced that he had received the claims from the Belgian and Dutch Governments, the former having submitted its total demands for advance deliveries.

4. On the subject of restitution of looted property, (see my 984, November 10, 10 a. m.[31]) French member referred to gesture by his Government in renouncing priority of restitution over reparations and objected that on the subject of identifiable looted objects, Soviet compromise proposal spoke of compensation and US proposal only provided for restitution of such objects in very rare cases. French member submitted new paper, summary of which will be sent in separate telegram,[32] which will be considered at next meeting of Coordinating Committee.

. . . . . .

MURPHY

740.00119 EW/11–1745

The French Chargé (Lacoste) to the Secretary of State

No. 929

The Chargé d'Affaires of France ad interim in the United States presents his compliments to His Excellency the Secretary of State and, referring to the note of the Embassy, No. 898, under date of November 8,[33] has the honor to invite his attention to the following matter:

The Division of Reparations and Restitution in Berlin, in its session of November 12, studied the question of deliveries of factories as payment on account of reparations.

The draft submitted to the Division by the Representative of the Government of the United States provides:

1. That equipment not previously claimed by the plundered State shall be delivered with the factory to which it belongs, when the said factory is allocated under the head of reparations;

2. Whenever a factory, which is available for delivery to one of the Allies under the head of reparations, has not been allocated, the plundered and identified equipment shall be returned to the owner

[31] Not printed; in this telegram Mr. Murphy reported that the Coordinating Committee had agreed at its nineteenth meeting on November 6 on the text of a message to be transmitted on behalf of the Allied Control Council to the interested United Nations inviting them to submit to the zonal commanders lists of materials to which claims for restitution were to be made (740.00119 EW/11–1045).

[32] Telegram 1050, November 17, 9 p. m., from Berlin, summarized the French request for despatch to France of materials from Germany needed for industrial recovery (740.00119 EW/11–1745).

[33] Not printed; in this note M. Lacoste reviewed the discussion which had taken place concerning restitution at the seventeenth meeting of the Coordinating Committee on October 29, a report on which is contained in telegram 883, October 30, 5 p. m., from Berlin, p. 1364. The note also reiterated the French proposal that restitution take precedence over reparations and requested that in drawing up any inventory of equipment for reparations delivery, a distinction be made between material of Allied and German origin so that the former might be treated as subject to restitution. (740.00119 EW/11–845)

State if it claims it before the dismantling and on condition that the absence of such equipment does not seriously reduce the productive capacity of the factory;

3. The allocation of compensation in case restitution, after having been justified, cannot be made.

In view of the inability of the French Authorities to send to the spot, within a very brief time limit, experts to search for and identify the plundered equipment, the French Government deems that these conditions render illusory in fact the restitution provided for.

The French Government feels obliged, under these conditions, to call attention to the observations which this Embassy was charged with presenting in note No. 898 of November 8. It takes the liberty of emphasizing again in this connection that the Declaration of January 5, 1943,[34] to which the United States and France are signatories, stipulated that all the property of which Germany took possession by pillage or through transactions which were apparently legal, must be returned to the United Nations. The French Government deems that the said Declaration, based upon a respect for law and justice, was not modified by the Potsdam Agreements.

The French Government contests the principle according to which only the equipment taken from the United Nations by force must be returned, to the exclusion of that which the Reich acquired for a consideration and by contract. It points out in this connection that it is not possible to establish differences between these two methods of acquisition, force having usually been employed directly or indirectly in the second case. It continues to think that reparations cannot have priority over restitution. It deems it contrary to equity to contemplate the retention in the German factories of stolen equipment, the absence of which is cruelly felt by the economy of the occupied countries. The maintenance in Germany of a minimum standard of living, provided for by the Potsdam Agreements, cannot be achieved, it feels, at the expense of the countries that have been pillaged by the Reich. The French Government deems it pertinent to point out that the plan set forth on November 12 by the American Delegate in the Division of Reparations and Restitution would, if it were put into effect, arouse considerable agitations, not only in France, but also in the other countries formerly occupied.

The Representative of France in the Division in Berlin has already agreed to limit requests for restitution to identifiable property, and to renounce claiming compensation for property which is not recovered. To go farther in this direction, the French Authorities feel, would be to compromise the right to restitution which was guaranteed to France by the Declaration of January 5, 1943.

[34] See footnote 14, p. 1379.

The French Government does not doubt the attachment of the American Government to the principles that dominated the Declaration of January 5, 1943 concerning the restitution of stolen property. Under those conditions it charged the Embassy of France with insisting again and in the most pressing manner that there be sent to the American Delegate in Berlin, if possible before November 20, instructions which, taking into consideration the ideas advanced by the French Representative, would permit France and other plundered countries to regain, in larger measure, possession of the property of which they were despoiled in open or thinly disguised disregard of international law.

Mr. Francis Lacoste is happy to avail himself of this occasion to renew to the Honorable James F. Byrnes the assurances of his very high consideration.

WASHINGTON, 17 November, 1945.

740.00119 E.W./11–1845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 18, 1945—2 p. m.
[Received November 19—noon.]

6677. From Angell No. 65. Meeting of heads of delegations on November 16 began discussions of "Memorandum Relating to Inter-Allied Reparations Agency" which was submitted to smaller powers in connection with invitation to Paris Conference.[35] Phelps attended for Angell who was engaged in unsuccessful attempt to fly to Berlin for weekend visit with Murphy and Clay.

[Here follows inconclusive discussion of paragraph 2 of the memorandum relating to the functions of the Inter-Allied Reparations Agency.]

It was decided temporarily to postpone discussion on IARA functions and to discuss remainder of IARA memo.

Paragraph 3 of memo was accepted.

With respect to paragraph 4 of memo Netherlands delegate submitted proposed amendment (see my immediately following telegram No. 66 [36]). Basic reasons given for proposal were to give smaller countries greater voice in committee and to establish practical rotation scheme giving time for development of working relationships between Big Three and delegates of smaller powers on committee. South African delegate approved proposal but suggested, because of possibility of several members of committee being claimants and therefore

[35] See telegram 4814, October 16, to Paris, and footnote 63, p. 1346.
[36] See telegram 6678, November 18, 2 p.m., from Paris, *infra*.

not entitled to vote, that there should be a minimum quorum of four; or committee members who were claimants should nominate successors to sit on committee to decide between conflicting claims.

Belgian and Yugo delegates supported Netherlands proposal and strongly favored regional grouping as offering economic and political opportunity for regional cooperation. Yugo delegate suggested, in view of possible three to three decision in committee of six, that there be four instead of three regional groups of smaller powers each with representative on the committee, thus making a committee of seven.

Greek and Norwegian delegates opposed Netherlands proposal on ground that 6-month period of rotation would bar smallest powers from sitting on committee until major task of reparation allocations was finished. Greek delegate also opposed regional groups because proposal involved political decisions outside scope of Conference and possible dangers. Indian delegate favored original proposal of Big Three as more international in character than regional proposal of Netherlands but stated that he would not oppose Netherlands proposal, if 6 months were reduced to 4 months, since regional proposal was strongly favored by many of the countries for reasons of sentiment and prestige.

Views of Big Three were requested on Netherlands proposal. Waley stated that Big Three would request considerable portion of reparations and should be correspondingly represented on committee and that Big Three conflicting claims with respect to very large plants should not be settled by a few smaller powers. Waley was sympathetic to proposal that claimant should not be judged in own case but offered no concrete proposal. Phelps expressed sympathy with right of party in interest to present case before committee and with proposal that interested member should not be judge in own case. He reserved expression of US views on regional blocks. He also suggested possibility that instead of sending question back to assembly in case of tie vote in committee, that might send disputed item back to Secretariat for further study and possibly inclusion in new program.

Rueff pointed out that original Big Three proposal was compromise between voting by head and voting by reparation share and stated that original proposal was more democratic than voting by share. He also stated that settlement of Big Three conflicting claims by smaller powers would not be satisfactory to Big Three. Although Netherlands proposal attractive to the mind he felt it was not practical in application and had dangerous political consequences.

Depts views are urgently request[ed] on Netherlands proposal especially with respect to (*a*) regional grouping of smaller powers (*b*) abstention from voting of interested members despite possibility of

consequent loss of Big Three preponderance in committee (*c*) election of successors for adjudication of conflicting claims if claimant members abstain from voting (*d*) whether committee larger than five is acceptable.

At close of meeting Rueff proposed reversal of decision by agenda committee on order of items so as to permit discussion of restitution before allocation of reparation shares. This proposal is another indication that Rueff is taking advantage of smaller powers position on restitution to further French aims in this matter. French have stated their position on restitution as an alternative between (*a*) obtaining full restitution prior to obtaining full share of reparations or (*b*) obtaining larger share of reparations in light of unsatisfied French restitution claims. Decision of delegates on Rueff proposal to discuss restitution immediately was temporarily held up by US proposal that comparative tables prepared by statisticians for various claimants should be examined at once in order to determine whether further work by statisticians is necessary to facilitate comparison of various claims. Rueff agreed subject to understanding that discussion on restitution would begin as soon as possible and that discussion on allocation of reparation shares would not be extended unduly. [Angell.]

CAFFERY

740.00119 E.W./11–1845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 18, 1945—2 p. m.
[Received 8 p. m.]

6678. From Angell 66. Netherlands substitute proposal for Committee of Five provision in memorandum relating to IARA (see mytel No. 65 [37]) is as follows:

"Amendment of the Netherlands delegation on the memorandum regarding the Inter-Allied Reparation Agency.

"Section 4 of this memorandum will read as follows:

"4. The General Secretariat will establish programs of repartition of goods between the countries, members of the agency, taking into consideration their respective needs. It will submit these programs to the assembly of the delegates of the agency with [*which*] decides with majority of votes.

"If two or more countries lay claim to the same assets, the question will be put before the Committee of Six, of which the delegates in the agency, representing the United Kingdom, the United States of America, and France are permanent members. The three other members will be in function in turn for a period of 6 months; each member will represent one of the three groups of countries indicated below:

[37] See telegram 6677, November 18, 2 p. m., from Paris, *supra*.

"I. Belgium, Denmark, Luxemburg, Norway and the Netherlands;

"II. (Albania), Greece, Czechoslovakia, and Yugoslavia;

"III. Australia, Canada, Egypt, India, New Zealand and the Union of South Africa.

"The sequence of session of the members in each group will be determined by the amount of their claim in decreasing order. The decisions of the committee will be taken with a majority of votes, each member being entitled to one vote. No appeal will be allowed except in the case of a balance of the votes. In that case the final decision will be taken by the assembly of the delegates in the agency. Members of the Committee of Six, claiming a certain item shall not have the right to vote on the allocation of that specific item. In the case of competing claims between a country represented in the Committee of Six and a country which is not represented therein, the delegate of the latter is entitled to attend the discussion in this claim in the committee, without having the right to vote.

"In section 3 the words 'Committee of Five' will be replaced by the words: 'Committee of Six'."

[Angell]
CAFFERY

740.00119 E.W./11–1945 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 19, 1945—10 a. m.
[Received 12:40 p. m.]

6680. From Angell. No. 67. Conference resumed discussion November 17 (see mytel 65 [38]) of memorandum relating to IARA (Inter-Allied Reparations Agency).

1. Paragraph 5 was accepted.

2. Paragraph 6. The words "in particular to assure the required liaison with the ACC and Commanders in Chief" were added to meet proposal of Yugoslavian delegate.

3. Paragraph 7. Yugoslavian delegate proposed that common expense of IARA be borne according to "shares received" instead of according to "shares allocated". After considerable debate former adopted with 9 to 7 vote. Nine votes included Big Three. In view of narrow margin, decision regarded as tentative only and further discussion likely. Conference agreed to adopt same words in clause on voting on budget.

4. Paragraph 8. Yugoslavian, Czechoslovakian, Belgian, Dutch and Indian delegates strongly insisted on inclusion of additional provisions permitting IARA staff and, especially, missions of member govts to enter zones for purpose of inspecting plants and for other

[38] See telegram 6677, November 18, 2 p. m., from Paris, p. 1394.

work connected with IARA. All but Indian delegate strongly emphasized that they had received unsatisfactory treatment by ACC, that they wished inspection of plants to be a matter of right, that they could not be expected to select from lists of plants without opportunity of inspection, and that each govt should be permitted to send technical missions into zones for this purpose. The feeling of the smaller nations, particularly those with a large stake in restitution, that they have been unnecessarily excluded from the occupied areas when their immediate interests demand access has been the most persistent false note of this conference. All are fearful that reparations deliveries will include restitutible items and that other items subject to restitution are losing value rapidly. IARA discussions have been used as a vehicle to press claims for access to occupied areas. Dutch and Belgian delegates were told of recent decision taken by USFET to allow teams from these countries to enter US zone for purpose of identifying items subject to restitution. Waley, Rueff and I expressed sympathy with points of view expressed but pointed to inherent practical difficulties such as transportation and living quarters, and necessity of consulting govts with respect to any proposal for access to Western Zones.

5. It was agreed after debate that delegates would consult their respective govts on the proposition that ACC and zone commanders be requested to provide opportunity for sending into Germany staffs of national delegations to IARA and IARA staff necessary for tasks envisaged in proposed IARA charter, likewise to provide necessary transportation facilities.

It is understood direct approach through diplomatic channels would be used by the govts for obtaining entry for national missions.

6. The proposal of the smaller powers for access to Western Zones is reasonable if the scope of activities is limited to fulfillment of tasks envisaged in IARA charter. Intelligent selection cannot be made unless inspection of plants is possible. Whether such inspection should be arranged directly by a claimant govt with zone commanders or through IARA is open to question. Urgently recommend you contact War Department on this general problem at once and provide instructions with respect to content of IARA charter on these points. [Angell.]

CAFFERY

740.00119 EW/11–1945 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 19, 1945—7 p. m.
[Received November 20—12: 55 a. m.]

6699. From Angell No. 69.

1. The following countries have changed more or less substantially the statistical data originally submitted for reparations claims purposes: Belgium, Czechoslovakia, Egypt, Greece, India, Norway, US, Yugoslavia.

2. For purposes of study have tried numerous formulae for combining data and eliminating undesired items from original submissions. Formula least unsatisfactory for present purposes is unweighted average of each country's percentage, as stated, of (*a*) direct war damage, (*b*) war expenditures during hostilities plus occupation costs, and (*c*) military man years including prisoners of war.

3. Application of this formula to unscreened data as now revised by submitting countries yields following rounded overall reparation shares in percents: US 26, France 21, UK 25, others 28. These results discussed informally with Waley but not yet with Rueff or others.

4. Have explored screening of data submitted to eliminate or adjust items which seem overstated or inappropriate. Preliminary examination suggests following:

a. Elimination of damages to monuments and cultural and historical objects from claims for direct damage as follows: For France 1 billion dollars, for Yugoslavia 3.6 billion dollars.

b. Reduction of direct damage claims as follows:

(1) France 20% because property damage was valued at new replacement cost with no allowance for accrued depreciation at time of damage and because some unit costs were unreasonably high;

(2) Czechoslovakia and Greece 10% each, for similar reasons; and

(3) Norway 50%, because ship losses seem seriously overvalued and because items relating to occupation costs and to undermaintenance were placed under heading of direct damage.

c. Elimination of prisoners of war from military man years.

5. This adjustment of revised submissions and use of formula proposed in paragraph 2 above would give following rounded percentages for overall shares: US 27, France 18, UK 26, others 29. Other formulae which are almost equally defensible in theory, however, yield markedly different results. Seems clear that arithmetic and formulae alone will not solve shares problem. Moreover, noncomparability within several categories of raw data and long time

which would be required to get better figures make exact arithmetical basis impractical to achieve.

6. In private talks with Rueff over past week, prior to receipt of urtel to Angell 28,[39] I had already indicated my belief that probable French recoveries from restitution plus labor reparation plus French removals from French Zone would justify giving France a lower share in global remaining reparation pot than statistical formulae seemed likely to suggest, and that in any event, in light of growing body of information available, I thought that percent of 21 for France previously discussed was too high.

7. In further private talk with Rueff and me yesterday, Waley presented instructions from his Government to request as overall percentage US 30, France 15, UK 30, others 25. These proposals rest on a defensible statistical basis for UK and for small countries, but on same basis for US are too high and for France too low. Waley based this revision of his earlier proposals on much the same grounds I had previously given Rueff outlined in paragraph 6 above. Rueff insisted his Ministers would not consider seriously such a proposal for France but agreed to present it to them. He also argued French share should equal or exceed total for smaller countries.

8. I have not yet presented all of proposals in urtel to Angell 28 to Rueff or Waley for tactical reasons, but have indicated US would consider reduction of its statistical share. UK does not want to benefit therefrom, but Waley suggests benefit be spread ratably among other countries.

9. As practical compromise, lying between extreme UK position in paragraph 7 above and formula results in paragraph 5 above, and after reduction of US share to level you indicate, suggest as overall shares US 20, France 18, UK 28, others 34. Since the shares discussion will be very active by middle of week and is now stalled by lack of agreement among Big Three, propose to use substantially these percentages as ultimate objective in discussions with heads of delegation unless otherwise instructed. Reconciliation of conflicting views, however, may require some flexibility within range of one or two points either way for each major group, subject to minimum of 20 for US.

10. Am already fairly near agreement with Waley on relative size of individual small country shares within whatever percentage is allotted them in total. No further discussion has taken place on percentages for plant removals. [Angell.]

CAFFERY

[39] See telegram 5326, November 15, 6 p. m., to Paris, p. 1388.

740.00119 EW/11–745 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 20, 1945—7 p. m.

5401. For Angell No. 32. Dept endorses points 1 and 3 urtel no. 33, Nov 7 [40] but wishes formal agreement to this effect concluded in ACC Germany since these are restitution questions for which ACC is proper forum. Dept also endorses point 2 but formal agreement on disposition of satellite currencies found in Germany should be concluded in quadripartite Allied Reparation Commission since this is matter of German external assets to meet Soviet reparation claims as provided for in Potsdam Agreement.

Agreement reached by you should therefore cover only points 4 and 5 which are properly questions of reparation from western zones. Dept approves these except that point 5 should be modified so that currency issued by uninvaded United Nations shall be regarded as in the nature of German assets in those countries as have recognized reparation claims against Germany and be delivered only to such countries for disposition in accordance with the procedures regarding German assets within their borders. Agreement should require treating currencies of uninvaded United Nations with no recognized reparation claims against Germany same as neutral currencies under point 4 and you should not recede from this position.

Repeated to USPolAd, Berlin as 909.

BYRNES

740.00119 EW/11–2045 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 20, 1945—10 p. m.
[Received November 21—4: 30 p. m.]

6722. From Angell No. 70. Further on treatment of Russian reciprocal deliveries. After exchange of UK and US memoranda [41] submitted to three-party meetings November 12 and 13 Waley transmitted following note to Rueff and me on November 19 [*16*].

"My Government points out that the Potsdam Agreement clearly suggests that the 15% of the plant and equipment removed from the Western Zones as reparations which Russia will receive is something more than her proper share and would otherwise have gone to the Western Powers. In view of this and particularly in view of the fact that paragraph 19 of the economic principles specifically excludes from the first charge all equipment removed from the Western Zones

[40] See telegram 6454, November 7, 10 a. m., from Paris, p. 1372.
[41] Neither printed.

and the products delivered by Russia against her 15% my Government have reached the conclusion after careful consideration that goods delivered by Russia against her 15% should be regarded as belonging to the other claimant powers and that either the goods themselves or the cash proceeds from their sale should be distributed by IARA (Inter-Allied Reparations Agency)."

Since this view is consistent with US position and with indicated views of French, I consider matter settled in principle. Shall attempt to secure UK and French concurrence to an agreed memorandum.

Sent Department; reported to USPolAd Berlin as 10 from Angell and 214 from Paris. [Angell.]

[CAFFERY]

740.00119 EW/11–1145 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 21, 1945—4 p. m.

5426. No. 34 for Angell. Urtel 6543, Nov 11, No. 42 from Angell.

1. Italy Italian gold valued about $25 million found in northern Italy is now in Allied custody at Rome. Gold has not been included in pot.

Re French "conditions"

(1) Dept opposed to inclusion in pot of all Italian gold wherever located. Dept does not regard $25 million of Italian gold uncovered in northern Italy as properly belonging in pot since this gold never removed from Italy by Germans.

(2) Dept does not understand nature of French claim against Italy for 15 tons of gold. Please request Rueff for more info on this. Was gold actually paid to suppliers of war material to Italy? From what country was such material delivered?

(3) Dept willing to make three-power approach to Swiss concerning Belgian gold received by Swiss after United Nations declaration of Jan 5, 1945 [*1943*] [42] and is canvassing procedures that might be followed.

Dept is willing to have immediate Italian participation in pot. Dept will not, however, oppose French insistence that restitution to Italy of Italian share in pot be deferred until peace settlement.

2. Austria Dept believes Austria should participate in pot. U.S. policy is not to recognize any acquisition of Austrian property by Germany since *Anschluss*. View is that United Nations declaration of Jan 5, 1943 regarding forced transfers of property to which French National Committee was party covers German post-*Anschluss* acquisitions in Austria. Reestablishment of Austrian independence

[42] See footnote 14, p. 1379.

should be under as favorable conditions as possible. Recovery by Austria of part of gold taken by Germans would contribute to creation of such conditions.

3. Hungary Dept's view is that Hungary should participate in pot and that disposition of Hungarian share be held in abeyance until peace settlement. For bargaining purposes only you may take position that whole amount Hungarian gold should be kept out of pot, if French prove reluctant to permit Hungarian participation.

4. Albania Dept agrees Albanian gold should be restored in full by Italy. Dept views this as similar to Belgian claim against French for Bank of Belgium gold delivered to Germans. On basis of present info Dept fails to appreciate French 15 ton claim as similar.

BYRNES

740.00119 EW/11–145 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 21, 1945—4 p. m.

5427. No. 18 for Angell. As previously indicated no understanding on restitution for Italy reached at CFM (Deptel 5221, Nov 8, for Angell No. 20) but Brit held that Italy should be treated as United Nation in this and other similar respects. (Urtel 6351, Nov 1, No. 10 from Angell.) Dept prepared to support policy of restitution for Italy and satellite countries with proviso that actual return of identifiable properties to these countries should be effected by the military only after program of restitution to liberated Allied countries well developed. Full share in gold pot for Italy and Hungary concomitant of such policy.

Dept agrees that Austria should participate fully in gold pot and that Albanian claim against pot should be fully admitted. Dept approves proposal that Italian, Hungarian and Austrian shares in pot be set aside for time being probably until final peace settlements are made with these countries.

Potsdam arrangements which provide that USSR will take care of Polands reparation claims not regarded as pertinent to question of whether Poland is to participate in gold pot. Dept regards gold pot as operating on principle of restitution and that Danzig and Poland fully entitled to share therein. Dept's view is that Potsdam waiver by USSR of claim to gold in Germany does not affect rights of Poland and Danzig in this regard.

You are authorized to agree to inclusion in gold pot of all gold coins found in Germany (urtel 6418, Nov 5, No. 23 from Angell) except for coins of numismatic value which should be restituted directly if possible.

728–099—68——89

Gold pot now completely cleared in this Govt as Treas has given final concurrence. Distribution of gold now in pot should proceed immediately after agreement is reached on such distribution. Dept prefers not to await recovery of looted gold from Switzerland and other countries before proceeding with distribution. Please ascertain Brit and French views on this point. Although it might be argued that recovery of Belgian gold is more important than immediate distribution, Dept prefers not to delay for such reason.

You will wish further to consider possible procedures in implementing gold pot. Dept's view is that allocation of shares in pot is for determination by U.S., Brit and French Govts, not by military authorities. Determination of shares will require presentation of claims by Govts of countries from which Germans looted gold together with proof of such looting. Nature of invitation to submit such claims and method of processing claims should be referred to Dept after being worked out with Brit and French. You may also wish to consider presenting gold pot proposal to IARA meetings with view to obtaining reaction of interested Govts.

BYRNES

740.00119 EW/11–2145 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 21, 1945—4 p. m.

5428. For Angell No. 43. War Dept instructing OMGUS to restore looted property in plants declared available for reparation in accordance with revised definition of restitution agreed upon in R, D and R Directorate of Control Council (reference our 5, Nov 2 [43]), and requesting urgently recommendation on machinery to implement this principle.

BYRNES

740.00119 E.W./11–2345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 23, 1945—1 p. m.
[Received 5 : 20 p. m.]

6754. From Angell No. 73.[44]

"German external assets. The Paris Conference on reparation recommends:

[43] See telegram 5142, November 2, 8 p. m., to Paris, p. 1367.

[44] According to telegram 6753, November 23, 1 p. m., from Paris, this telegram and the three telegrams immediately following (Nos. 6754–6757, Angell's Nos. 73–76) transmitted certain United States draft recommendations for the Final Act of the Conference (740.00119 EW/11–2345).

1. That German external assets be regarded as a source of reparation;

2. That each United Nation represented at the Conference under such procedures as it may choose charge all German external assets within its jurisdiction against its reparation share and hold or dispose of such assets in manners designed to preclude their return to German ownership or control;

3. That the war related claims of United Nations not represented at the Conference (other than the USSR and Poland) be met exclusively out of German external assets within their respective jurisdictions and that such nations be urged to make any excesses of German external assets over their claims available for the relief and rehabilitation of war devastated countries;

4. That German external assets in those countries which remained neutral in the war against Germany be removed from German ownership or control and liquidated or disposed of in accordance with the authority of the powers occupying Germany and the net proceeds of liquidation or disposition made available to the Inter-Allied Reparation Agency for distribution on reparation account; and

5. That the countries which remained neutral in the war against Germany be prevailed upon by all available and suitable means to recognize the reasons of justice and of high international security policy which motivate the powers occupying Germany in their efforts to extirpate the German holdings in the neutral countries which were so useful to Germany in preparing for and waging this war and so detrimental in both World Wars to the Allies opposing Germany."

CAFFERY

740.00119 E.W./11–2345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 23, 1945—2 p. m.
[Received 5:08 p. m.]

6755. From Angell No. 74.

"Monetary gold found in Germany. The Paris Conference on Reparation recommends:

1. That all the monetary gold (including gold coins) found in Germany to which restitution claims could be asserted, be considered as looted gold in conformity with implications of United Nations Gold Declaration of Feb 22, 1944; [45]

2. That this monetary gold be pooled for distribution among countries participating in the pool as restitution in proportion to their respective losses of gold to Germany;

[45] See footnote 15, p. 1379.

3. That without prejudice to claims by way of separation for unrestored gold the portion of monetary gold thus accruing to each country participating in the pool be received by that country in full satisfaction and liquidation of all claims against Germany for the restitution of monetary gold;

4. That the powers occupying Germany be supplied with detailed and verifiable data regarding the gold losses suffered through German acts of spoliation by the various countries participating in the pool and

5. That the powers occupying Germany be requested to take appropriate steps to implement distribution in accordance with the foregoing."

CAFFERY

740.00119 E.W./11–2345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 23, 1945—2 p. m.
[Received November 26—2 : 57 p. m.]

6756. From Angell Nr 75.

["] Settlement of claims against Germany arising out of the war. The Paris Conference on Reparation recommends that each country participating in the reparation settlement proposed by the Conference accept its share of reparation in entire settlement of all claims of the receiving state and those persons entitled to its protection for losses arising out of or during the war including financial claims resulting from clearing balances adverse to Germany, occupation charges levied by Germany, insurance contributions paid by foreign labor in Germany, and all other demands for redress against Germany arising out of or during the war not otherwise provided for specifically. ["]

CAFFERY

740.00119 E.W./11–2345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 23, 1945—3 p. m.
[Received 4 : 52 p. m.]

6757. From Angell No. 76.

"Prewar claims against Germany. The Paris Conference on Reparation recommends that reparation settlement not be considered as limiting the power of the countries represented to negotiate with some future German Govt regarding settlement of pecuniary claims against Germany arising out of contract and other rights which preceded existence of a state of war between Germany and the country concerned."

CAFFERY

740.00119 EW/11–2345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 23, 1945—3 p. m.
[Received November 26—2 : 20 p. m.]

6758. From Angell No. 77. November 19 meeting resumed discussion (my Angell No. 65 [46] and 67 [47]) of memorandum on IARA. Paragraphs 9 and 10 adopted, leaving unsettled three major questions: (*a*) IARA restitution function (paragraph 2), (*b*) Committee of Five (paragraph 4), and (*c*) entry into Western Zones of IARA staff and of national delegations (paragraph 8). Subcommittee appointed to draft IARA charter subject to later resolution of above questions.

Comparative tables and explanatory footnotes prepared by statisticians from submitted data (see mytel No. 20 [48]) were basis of subsequent discussion. Belgian delegate proposed (1) recalculation of data on standard basis; (2) selection of categories for use in comparing claims and making final allocation (3) elimination of overlapping, and common procedure for conversion of values into 1938 dollars.

Waley and I stated scientific recalculation of data would take months and proposed instead statisticians be instructed to expand footnotes explaining methods used by each country in computing various data already submitted. Waley emphasized difficulty of revising downward any claims published. I stressed doubts that conference could develop any scientific formula equitable to all, necessity of examining formula on bases of common sense and equity, and advantage of sacrificing some accuracy in figures to greater speed.

Meeting unanimously approved procedure suggested with understanding (*a*) that subcommittee statisticians also standardize conversion of values in 1938 dollars and (*b*) that each delegation submit report on steps taken to avoid overlapping especially as between occupation costs and material damage.

Meeting then undertook examination, continued on November 20, of table I of categories of claims measured in monetary term, to assess importance to be given each in determination of shares.

I. Damage to and loss of property.

1. Direct damage

a. Own territory. All agreed on importance.

b. Territory of other claimants, and

[46] See telegram 6677, November 18, 2 p. m., from Paris, p. 1394.

[47] See telegram 6680, November 19, 10 a. m., from Paris, p. 1397.

[48] Reference is to telegram 6397, November 4, 7 p. m., from Paris, in which Mr. Angell reported on a tentative agreement reached with Messrs. Waley and Rueff on basic categories of monetary and non-monetary claims to be exacted against Germany (740.00119 EW/11–445).

c. Other locations. Some delegates stated inability to enter enemy territory and ascertain true facts. In view of guess work involved in estimates, generally agreed that great weight could not be attached to categories (*b*) and (*c*).

2. Undermaintenance. With exception of Dutch, French and Czech delegates, generally agreed that this category important but very difficult to estimate. Waley said British figure if inserted would be four billion dollars. I stated US figure would be many billions if included, abnormal depletion of US natural resources would have to be included, and suggested in view of difficulty of evaluation small weight should be given this category. Dutch delegate stressed accuracy of his country's figure, and real damage caused by exploitation of equipment by Germans in occupied countries in contrast to addition of new equipment in non-occupied countries. Czech stress[ed] close relation to direct damage in his country. Rueff likened undermaintenance to domestic disinvestment on same footing as British foreign disinvestment, and proposed inclusion as additional item in weighting of direct damage for occupied countries. Indian [delegate] and Waley opposed distinction between occupied and unoccupied countries. Finally meeting agreed "to bear in mind" in allocation of shares.

II. Cost of occupation by Germany. New Zealand delegate inquired whether correct to interpret category as monetary evaluation of decline in standard of living resulting from diversion to Germans of current production. Rueff confirmed this interpretation. Waley stated that to this extent occupation costs should not be [basis] for reparation claim since closely parallel to decline in standard of living sustained by fighting powers not appearing in data submitted except indirectly in bugetary war costs. Waley, however, admitted real cost to occupied countries. Rueff adroitly thanked Waley for apt statement on delicate question and expressed agreement with Waley's statement that category represented important cost to occupied countries.

New Zealand delegate on November 20 referred back to this category and expressed disagreement with suggestion that cost of occupation be given weight comparable with war damage and expenditures. Cost of occupation called negative factor in winning war as it represented supplies furnished enemy. Rueff stated reasoning sound if purpose of reparation to reward war effort but disputable if purpose to provide reparation. Rueff stated Waley's views reflected faithfully opinion of majority of delegates.

III. Budgetary war costs. Rueff, speaking as French delegate expressed gratitude of occupied countries to big powers whose tremendous war expenditures helped in liberation. He stated relative weight for direct or indirect war damage and war expenditures would have great effect in determining reparation shares. War expenditures ought

to have large weight but Potsdam Agreement concerning reparation in kind meant repair of damage. Whereas, damage leaves lasting traces, war expenditures may increase productive facilities. Should take into consideration only such consequences of war expenditures as drop in standard of living and domestic or foreign capital disinvestment. Potsdam also emphasized reconstruction of countries devastated and real meaning of reparation is to repair such damage. Should therefore give less weight to budgetary expenditures than damage. Rueff apologized for what might be construed as attack on US position and repeated gratitude for US war effort.

Waley read from memorandum of Crimea Conference to effect that reparations should be received in first instance by those countries which had borne main burden of war, suffered heaviest losses and organized victory over enemy. These principles underlay Potsdam Agreement and represented view of British Government. Both war effort and losses should be given full weight.

On November 20 I stated US position on budgetary war expenditures as follows:

(1) allocation of reparation should be guided by principles determined at Crimea and underlying Potsdam;

(2) US subjected itself to tremendous economic and financial dislocations, mobilized large part of population in direct war effort, used up enormous reserves of natural resources, and incurred gigantic public debt burdening taxpayers for decades;

(3) budgetary war cost is rough but simple measure of material, economic, and financial burdens assumed by US and likewise by other countries, notably Great Britain and British Empire countries;

(4) US prepared to consider very seriously in distribution of reparation reconstruction needs of occupied countries and direct damage and other losses suffered by all countries.

Rueff replied in conciliatory vein and stated that within framework of Crimea and Potsdam, Conference should retain war damage which has permanent effect on a country's economy. Waley stated that budgetary expenditures are rough and ready measure to which great weight should be attached. Rueff agreed. Belgian delegate, emphasizing reluctance to take position between powers suffering from German occupation and powers who fought and liberated occupied countries, made strong plea that if reparation is to rebuild European civilization, which might otherwise disappear, first task of reparation is to make good loss of productive capacity in occupied countries.

Opinion of US Delegation is that my speech had effect of restoring balance between war damage overemphasized by Rueff and budgetary war costs, without prejudicing ultimate allocation of shares, including portion of US theoretical share, with great weight on reconstruction need.

Indian delegate inquired concerning 5 billion dollars entered by France for prewar budgetary expenditures. Rueff stated figure included exception war expenditures after Hitler's accesses to power and represents effort to prepare for brunt of first German offensive. Yugoslav stated figure included by Yugoslavia represented only prewar expenditures for equipment surrendered to or seized by Germans.

Waley suggested omission of pre-war expenditures in view of difficulty of obtaining comparable figures. Rueff said if majority of delegates supported Waley on pre-war expenditures, should also omit post-war expenditures as even more difficult to defend. I pointed out that US war expenditures continued at high rate even after end of hostilities, but proposed, in view of reasons given by other delegates, that pre- and post-war expenditures should be given substantially lesser weight than expenditures during hostilities. Proposal accepted by Conference, Rueff stating that he concurred with reservation that proposal was unfavorable to countries which made exception defense effort before hostilities.

IV. Pensions. Waley gave number of reasons for rejecting this category as one of worst items for achieving comparability in view of variation from country to country depending on rate of interest, pension laws, etc. Conference agreed to rejection subject to Yugoslav transfer to budgetary war costs of dollars 1.8 billion representing salaries paid or to be paid to Yugoslav officers and soldiers and not properly placed under pensions.

V. Other claims. Conference agreed to eliminate this item in view of impossibility of statistical measurement, with Greek, Dutch and Yugoslav reservation that appropriate items included would be transferred to other categories.

Foreign disinvestment. Waley emphasized that UK sustained unique and serious loss in huge overseas debt incurred in war effort and urged that factor be given great weight in consideration of budgetary war expenditures of which it is a part. Indian delegate repeated argument made in opening speech at Plenary Session to effect that a given amount of war expenditure in India with its low pre-war standard of living had much greater impact on economy than same war expenditure in Europe, and especially US which had higher standards of living. In asking that Conference take this factor into account he stated that he would not press his argument on statistical basis as previously proposed but would leave matter to good sense of Conference. [Angell.]

CAFFERY

740.00119 E.W./11–2345 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, November 23, 1945—4 p. m.
[Received November 23—12:35 p. m.]

1081. Reference is made to Department's 888 of November 16, 1945, 5 p. m. and to transcript of TWX (Teletypewriter Exchange Message) Conference on November 12 [49] which states in part;

"Should neither Murphy nor Angell have received by midnight November 14 indication of interest in listed plants, State Department has no objection to allocation entire lot to USSR", and "no objection here to allocation of 50 percent of value of list to USSR at this time, but allocation of specific plants in list would, it is believed, better wait until receipt of indications from other countries by November 14. You are, of course, fully authorized to allocate plants to USSR even when they are specifically desired by other countries."

Based upon the above statements in the Teletype Conference, General Clay agreed in principle to the allocation of 50 percent of the value of the list to the USSR. This was agreed by British but subject to final action being delayed until all indications of interest on the part of claimant nations have been received. The transmission of these claims has been delayed in several cases.

Paragraph 2 of Department's telegram under reference received subsequently appears to withdraw somewhat from position taken TWX Conference, but was received too late for consideration and I do not believe that we can now in good faith change.

MURPHY

740.00119 EW/11–1545 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 23, 1945—6 p. m.

5469. For Angell No. 39. Urtel 6601 of Nov 15, from Angell No. 56. Re Zecho, Yugo, Belg and Dutch desire to discuss restitution, Dept urges you limit this discussion to minimum. You should point out informally to these countries that restitution concerns all four zones in Germany, whereas present reparation conference relates only to western zones; that ACC is now deciding formula for application restitution all four zones; that US has adopted interim procedure for restitution from US zone, pending adoption of quadripartite machinery.

[49] Latter not found in Department files.

In any event there should be no attempt to reach formal agreements except on gold. If majority conference insists on adopting resolution on restitution, such resolution should not be regarded as binding agreement, but merely advisory to occupying powers.

You should also seek to enlist support Brit and French reps in preventing adoption any intergovernmental agreements on restitution, in light of above.

BYRNES

740.00119 E.W./11–2445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 24, 1945—10 a. m.
[Received 11:49 p. m.]

6781. From Angell 78. Waley has informed me UK has agreed to my currency proposal [50] based on Repmen 13 except that where "currencies of United Nations are known to have been looted from a second country, they should be delivered to their true owners. Further United Nations receiving bank notes of unknown origin should declare themselves willing to satisfy any claims which may later be made to their satisfaction by another country that they had been looted from them."

I have replied that my present instructions do not permit me to accept this modification and that I felt sure Department would not wish to alter my instructions in this regard, unless it should become quite clear that cancellation practices in other countries did not effectively preclude similar relief where their currencies were concerned. [Angell.]

CAFFERY

740.00119 EW/11–2445 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 24, 1945—noon.

5487. For Angell No. 44. See Deptel for Angell no. 39 [51] re desire smaller countries to include broad discussion of restitution in IARA. Dept fearful conflict jurisdiction between occupying powers responsible for government Germany and reparation claimants on this question. IARA powers, if any, in restitution should be limited to quasi-judicial resolution of conflicting claims per Waley's suggestion. Dept has previously maintained that principle of restoring property to jurisdiction from which it was removed by Germany and *ad hoc*

[50] See telegram 6454, November 7, 10 a. m., from Paris, p. 1372.
[51] See telegram 5469, November 23, 6 p. m., to Paris, p. 1411.

committees of national commissioners for restitution and representative of zone commanders can settle most conflicts, and still leans to this position. (Urtel 6677 and 6678 Nov 13 [*18*] from Angell Nos. 65 and 66. From Angell 67 [52] just received and will be answered later).

Re Neth suggestion amend Sect 4 IARA charter:

1. Dept opposes regional grouping smaller powers on general ground that political blocs on regional lines not desirable to settle economic questions and, particularly, because entire committee of 5 or 6 as well as secretariat should bear in mind needs and desires of all countries and arrive at decision on quasi-judicial basis rather than bargain on basis of representation.

2. Re abstention from voting of interested members, Dept suggests for your consideration possibility that if conflict of claims arises between one member on committee of 5 and one member not on committee, member on committee would withdraw; if conflict arises between two members on committee, no withdrawal take place; if conflict arises between two or more members on committee and one or more members not on committee, one or more members not on committee be added to committee for purpose of adjudicating claim.

Some such formula may, it is suggested, preserve some measure of Big Three representation and provide for full statement of bases for conflicting claims in any tangled dispute.

3. Dept not inclined to favor election of successors if claimant members on committee of 5 abstain from voting.

4. Dept prepared to accept committee of 6 rather than 5.

5. Dept not sympathetic to Neth proposal that smaller powers serve on committee for six months on grounds mentioned by Greek and Norwegian delegates.

6. In case of tie in committee of 5 or 6, Dept sympathetic to Phelps' suggestion that matter be referred again to secretariat before coming again before committee and eventually assembly.

Please repeat all telegrams bearing on restitution to USPolAd, Berlin, for Murphy, including your number.

Sent to Paris as 5487, for Angell No. 44, repeated in part to Berlin, for Murphy as 934.

BYRNES

740.00119 E.W./11–2545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 25, 1945—8 p. m.
[Received November 25—3 : 55 p. m.]

6804. From Angell No. 85. If necessary, in order to obtain Waley's agreement to general principle of transferability among sub-classes of category of remainder of reparations (other than plant removals), request Department agree that an informal understanding may be

[52] See telegram 6680, November 19, 10 a. m., from Paris, p. 1397.

made with British that in sub-class of German assets in neutral countries, US will share equally with British any opportunity to acquire share in sub-class of such assets larger than its quota in remainder category. British to give same assurance. US and British percentages in external assets sub-class could thereby be kept equal if all opportunities are equally shared. If either US or UK declines to avail itself of an opportunity, the other will not be enjoined from taking advantage of such opportunity or be forced to accept a smaller share in subsequent opportunities.

Require reply, even if preliminary, to arrive here by Monday afternoon.[53] [Angell.]

CAFFERY

740.00119 EW/11–2545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 25, 1945—9 p. m.
[Received November 25—5 p. m.]

6805. From Angell No. 87. Further with respect to accounting for labor services.

1. In view of British refusal to support US view that labor services be charged against reparation share of employing countries in category of remaining assets, I consider that it is not practicable to attempt to maintain present US position.

2. As an alternative I propose to adopt Waley position that labor be taken into account by rough adjustment of share of French and other countries that now use or may use large quantities of labor.

3. On this basis, I would not envisage any change from proposed French share suggested in my recent communications.[54] Following considerations support this position:

a. Prisoners transferred thus far were given to French without stipulation as to charge against reparation share. Therefore, only future labor service is properly to be considered.

b. Labor likely to be surplus both with respect to German requirements after capital removal and to demands of claimant countries for German labor. French share ought not to be charged at full rate for such surplus labor.

c. Use of labor services already given some weight in reduction of French share from level indicated by statistical considerations to present proposed share.

4. This proposed treatment of labor would be without prejudice to US right to define conditions and terminal date for use of PWs trans-

[53] November 26.

[54] See telegrams 6558 and 6559, November 12, 11 p. m., from Paris, pp. 1381 and 1382, respectively.

ferred by US to other countries. I would also stipulate that if either voluntary or compulsory labor of German civilians is made available to reparation claimants such services will be charged at reasonable net value against reparation share of employing countries in category of remainder of reparation assets.

5. Require reply, even if preliminary, to arrive here by Monday afternoon.[55] [Angell.]

CAFFERY

740.00119 EW/11–2545 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 26, 1945—noon.

5494. For Angell No. 47. Dept agrees to informal understanding with Brit outlined urtel 6804 from Angell No. 85.[55a]

Dept agrees acceptance Waley position that labor be taken into account by rough adjustments shares of French and other countries, but has difficulty seeing without figures how this would fail to affect proposed French share previously suggested by you. At minimum it is suggested that you alter the distribution of 16 percent of industrial capital equipment given up by US as between French and other countries to take account labor services of PW's, in view of fact that division this 16 percent, 6 for French and 10 for all other claimants than Brit, was already generous to France.

BYRNES

740.00119 E.W./11–2645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 26, 1945—3 p. m.
[Received 8:25 p. m.]

6801. From Angell No. 81. November 21 meeting of heads of delegations discussed table II, (see mytel No. 77[56]) categories of claims not measured in monetary terms. Discussion inconclusive.

I. Man years allocable to war effort (*a*) armed forces; (*b*) munitions industries; (*c*) other war activity.

Waley proposed less weight be given pre-war man years, POWs not measure of war effort, and (*b*) and (*c*) important but too difficult to get comparable statistics. Rueff questioned historical wisdom of giving less weight to preparation for war and stated POWs material loss and therefore basis for reparation. Indian, New Zealand and Aus-

[55] November 26.
[55a] Dated November 25, p. 1413.
[56] See telegram 6758, November 23, 3 p. m., p. 1407.

tralian delegates stressed inseparability of (*a*), (*b*) and (*c*) in countries totally mobilized for war, but suggested less weight for POWs. Belgian view that loss of manpower through diversion to war effort, whether POWs or underground activity, should be given considerable weight.

II. Loss of potential income (*a*) deportation (*b*) forced labor inside territory.

Waley proposed account be taken of (*a*) only to extent of lasting effect on productive capacity of individuals and no separate account be taken of (*b*) unless account also be taken under II of similar loss to non-occupied countries of manyears devoted to war industries. Rueff agreed on same effect for occupied and non-occupied countries. Czechs proposed account be taken not only of extent of contribution but also how far a country in position to contribute to war effort. Greeks proposed deletion of I (*b*), I (*c*) and II from table II and inclusion in third, roll of honor table.

III. Loss of life.

Yugoslav delegate explained high civilian figure as result of early, widespread, and ill-armed insurrections against enemy, fierce Yugoslav resistance and German brutality, executions and exterminations, and bombardments by Germans and Allies. Indian referred again to loss of life in Bengal famine as consequence of war and stressed indivisibility of armed and civilian losses of life.

IV. Disability. Rueff said comments on III also apply to this category.

In summary Rueff said (1) no agreed conclusion reached on relative weights except on importance of loss of life; (2) some delegates emphasized war effort, others war damage; (3) French view supported by probable majority including Belgium, Yugoslavia, Czechoslovakia, and possibly India.

Discussion of weights provisionally closed and subject of restitution opened. Waley submitted British views, said these views implicitly rejected theses that claims for replacement have priority and that claims for particular goods looted should be met by distribution from similar goods in proportion to losses.

I restated my position that subject was before ACC being discussed by other US representatives, therefore I could not express either agreement or disagreement with views expressed by other delegates, but would be glad to transmit such views to my Government. Alphand stated basic accord with British view with minor qualifications (*a*) burden of proof on enemy to show legality of act of possessing goods during occupation; (*b*) replacement of looted works of art.

Yugoslav proposed agreement on categories of looted goods to be restituted or replaced in proportion to losses without lessening repara-

tion share. Czech said injustice in Waley's views since cow stolen but not identifiable remains in Germany for benefit of Germans, and he proposed replacement without charge against reparation. Belgian and Dutch delegates sympathetic to Yugoslav and Czech views. Greek agreed with British view. Norwegian unwilling to extend legal theory of restitution since extension would give losses incurred through German scorched earth activities importance secondary to pilferage.

Alphand proposed as compromise that each country claim categories of non-identified looted goods important to economy and that priority be given in deliveries of similar goods as reparations. Proposed further that reparation quotas be increased to take account of non-identified looted goods and that other categories be added to Waley's shipping and rolling stock for allocation as reparation in proportion to losses.

French, Czech, Belgian, Dutch, Yugoslav, Luxembourg delegates instructed to submit views in writing. [Angell.]

CAFFERY

740.00119 EW/11–2645 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 26, 1945—8 p. m.

5511. For Angell No. 40 from Byrnes. Dept has had long discussions with General Clay on reparation problems and is sending to you by air pouch copy of memo of conversation of Nov 3.[57] Dept has discussed with Clay question of tasks of Allied Commission on Reparations in relation to Allied Control Council. Gen Clay has expressed view that ACC has, on representations of previous US representative on ACR, been given task of implementing reparation agreement and policies contained in Potsdam Protocol. Clay feels that last two substantive pghs of your letter of instructions[58] create in effect a double set of operating mechanisms covering same field and covering operations as well as policies and that this double coverage makes impossible the adequate fulfillment of task previously assigned to ACC. He also feels that discussion in Paris in tripartite meeting of matters which are to be raised at a later state at quadripartite meetings in Berlin is not good procedure and is not consistent with the attempt to work out quadriparite government in Germany.

Dept feels that you will recognize desirability of not negotiating in Paris on such matters as restitution (except with respect to gold) which have been referred to the ACC. The question of gold has of

[57] Not found in Department files.
[58] See letter from Secretary Byrnes to Mr. Angell, October 24, p. 1357.

course been put on a tripartite basis by Russian acknowledgment of lack of interest and there is no objection to discussion of this matter in Paris.

In view of fact that ACC has responsibilities for carrying out reparations agreement under policies provided by ACR and that certain of such policies are provided in Potsdam Protocol, and with view toward providing satisfactory basis for working relations between you and Clay, Dept proposes to amend last two substantive paragraphs in your letter of instructions so as to read as follows:

Begin paraphrase: "It will be your responsibility at the quadripartite meetings in Berlin of the Allied Commission on Reparation to discuss and to present the US views on such policy questions as may arise, either with respect to interpretation of the Berlin Protocol or with respect to policy matters not treated in the Protocol. Such questions as labor reparations, the source of reciprocal deliveries called for from the USSR under the protocol, etc, will, as policy matters not handled in the Potsdam Protocol, be discussed by you in the ACR. In addition, you should, as the US representative, be ready to discuss in the Commission any questions of policy or policy interpretation of the Potsdam Protocol which may be referred to the Commission by the ACC or by any of the participating governments. It is anticipated also that you and your staff will hold yourselves ready to discuss with the American member of the ACC such questions affecting reparation policy or operations as he or his staff may raise with you or your staff.

The ACR should provide to the ACC any policies and principles required for a reparations plan. Such policy guidance may be given either at the request of the ACC or upon the initiative of the ACR. In order to coordinate the US position on overall reparations policy which you may assume in ACR and the position with respect to plans for removal of industrial equipment which the US representative may take in ACC, it is the desire of your govt that close liaison be maintained between you and the US representative in ACC, which desire will also be transmitted to the US representative on ACC. Overall policies affecting reparations will of course be reviewed in the Dept of State and will be taken up with you as well as with the US member on the ACC." *End paraphrase.*

Clay has expressed his complete confidence in your ability and in his being able to cooperate closely with you on all matters. However he and War Dept are anxious that no possibility should exist of dual responsibility in this field and that responsibilities should be fixed in accordance with above statement. It is believed that above does not substantially affect your duties as previously intended in your letter of instructions although language is less broad and not subject to inference that you would in fact review all actions of ACC.

This cable being transmitted for comment to Gen Clay. Please cable your reactions. Dept is extremely anxious that workable arrangement, on both your side and on side of Generals Clay and Eisenhower, be

worked out and believes that above formulation will be adequate for this purpose.

BYRNES

740.00119 EW/11-2345 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 27, 1945—7 p. m.

5534. For Angell No. 54.

1. Dept approves your proposals re separate percentage shares for industrial capital equipment and remainder reparation category and re procedure on presentation to heads of delegations.

2. Reference allocation of merchant ships,[59] War Shipping Administration, acting on assumption ships were regarded war booty, previously unwilling to turn over to other Allies more than about 38 percent of its one third share in German merchant marine which, if British surrendered same percentage, would have given other Allies 25 percent share in total German fleet. If British agree to consider ships reparation, WSA now prepared to surrender claim to about 60 percent of U.S. share since this action would entitle U.S. to larger share in other reparation assets. While still insisting that British surrender some part of their one third share to other claimants WSA believes U.S. willingness to forego large proportion of its share would reduce size of contribution British would need to make to pool for other claimants and facilitate British acceptance of U.S. view ships should be considered reparation. WSA apprising British Ministry of Transport of these views. According to present plan WSA will reach agreement with British regarding percentage of U.S. and U.K. shares of merchant marine to be turned over to IARA for allocation. Understood that while IARA would not decide on portion German merchant marine to be retained by U.K. and U.S., value of ships so retained would be included in IARA reparation accounting.

3. Re valuation of ships for reparation, Tripartite Merchant Marine Commission in Berlin has adopted somewhat arbitrary method of valuation for purposes of three-way division on which Dept will supply information if desired. Dept believes this method of valuation may require modification for purposes of reparation accounting to ensure that ships are valued in same way as industrial capital equipment. Please discuss this point with Waley.

4. Reurtel 87, Nov. 25 [60] and Dept's 47, Nov. 27 [*26*],[61] on labor reparation Dept fails to appreciate reasons for position that taking

[59] For documentation on disposition of the German Navy and Merchant Marine, see pp. 1506 ff.

[60] See telegram 6805, November 25, 9 p. m., from Paris, p. 1414.

[61] See telegram 5494, November 26, noon, to Paris, p. 1415.

into account PW labor services would not necessitate change in French share. Question is one of equity as between reparation claimants enjoying fruits of PW rehabilitation labor and these claimants not enjoying such economic benefits. Fact that PW's were not allocated to France on explicit understanding their services would be valued therefore regarded irrelevant. Contention PW labor should not be valued because surplus to needs of economy might be applied also to industrial capital equipment. Fact that you already made some reduction in French statistical share regarded irrelevant since statistical calculations could yield widely varying shares depending on weight given to each factor entering into calculation. Rough estimates made in Dept indicate French reaping benefits in form PW labor services out of all proportion to other claimants. If PW services are valued for one-half year at only one-third of gross annual wage for unskilled labor on basis 8-hour day, value of PW's to France (800,000 PW's) would be 230 million Reichsmarks, to U.S. (350,000 PW's) 100 million, to U.K. (250,000 PW's) 72 million and to all others (35,000 PW's) 10 million. If France obtains additional PW allocations bringing total to 1,770,000 value of all PW services to France on above basis would reach 500 million Reichsmarks. Dept, while appreciating difficulty of your position, believes these or similar calculations would easily justify reduction of several percentage points in French share of remainder category and allocation of this to claimants other than three big powers. If you cannot get such reduction in French share of remainder category, Dept suggests you follow instructions in Dept's 47. If French prove unyielding you may point out that they are dependent on U.S. authorities for additional PW allocations.

5. Impossible for you to enter into any agreement regarding terminal date for employment of PW's. U.S. position must be agreed upon by State and War and then negotiated on quadripartite basis either in ACC or at intergovernmental level.

6. Regarding your proposal on restitution of rolling stock, Dept assumes your suggestion is that rolling stock declared by ACC surplus to needs of Germany's minimum peacetime economy should be put in restitution pool like gold and distributed as restitution rather than reparation among claimant countries in accordance with their established losses of rolling stock. This proposal runs counter to instructions on which U.S. authorities in Germany are now acting and if approved by conference should be regarded as purely advisory to occupying powers.

7. With reference to war material susceptible of civilian use turned over to liberated countries under war booty agreements, Dept under-

stands your experts are now in touch with CALA [62] regarding accounting problems involved. Dept suggests you propose that value put on such material by IARA be included with value of German assets in countries in question, thus avoiding problems involved in establishing new subclass of reparation. If, however, you have already acted on proposal made by Dept in teletype conversation Nov. 24,[63] you may proceed on that basis.

8. Reurtel 73, Nov. 23,[64] following comment re draft on German external assets is in confirmation Surrey's [65] teletype conversation:

"Pgh 1. and 2. Satisfactory.

"Pgh 3. Recommend inclusion words 'subject to any agreements to be made between such countries or between IARA and such countries' be placed after words 'external assets within their respective jurisdictions'. Arrangements are being made for reparation discussions in Inter-American Economic and Social Council [66] now convened in Washington, which discussions will look toward possible pooling of external assets in other Am republics and use as a common fund for benefit of other Am republics, with possible surplus to be turned over to IARA (latter contingency not considered likely). Chief purpose is to put pressure of other Am republics on Argentina to yield German external assets. Consequently your draft pgh 3 should be revised as suggested above to make possible such arrangement with Inter-American Economic and Social Council.

"Pgh 4. If phrase 'net proceeds of liquidation or disposition made available to the Inter-Allied Reparations Agency' permits some payment of external assets to neutrals to satisfy their pre-war claims this pgh is satisfactory. Thus net proceeds might be proceeds after deduction amount to go to neutrals. At this time we do not wish neutrals to be advised that they may receive such satisfaction since they will then in course of proposed negotiations claim this as matter of right. We wish to reserve this inducement for negotiations to be used only if necessary to obtain agreement on our over-all objectives.

"Pgh 5. This is considered most desirable as providing basis to request other countries to go along with Great Britain, France and US in granting inducements and imposing sanctions in order to achieve our objectives vis-à-vis neutrals in proposed negotiations. As stated by teletype, Dept expects to transmit cable on inducements and sanctions this week."

9. Dept's comments on proposed conference recommendations on monetary gold (urtel 74, Nov. 23 [67]) follow:

"*a.* Dept assumes that gold coins to be included in pot will not include gold coins of historical value (Deptel 5427 Nov. 21 No. 18 for

[62] Reference is to the Combined Administrative Liquidating Agency set up to accomplish the dissolution of any joint combined machinery that might remain after the dissolution of combined command.

[63] No record found in Department files.

[64] See telegram 6754, November 23, 1 p. m., from Paris, p. 1404.

[65] Walter S. Surrey, Acting Chief, Division of Economic Security Controls.

[66] For documentation, see vol. IX.

[67] See telegram 6755, November 23, 2 p. m., from Paris, p. 1405.

Angell). Words 'or Austria' should be inserted after 'found in Germany' in para 1 since Hungarian and other gold found in Austria should be included in pot. Phrase 'to which restitution claims could be asserted' should be omitted since otherwise recommendation would appear to exclude from pot bona fide German gold not subject to restitution claim.

"*b.* Words 'to Germany' at end of para 2 should be deleted and following substituted 'by way of looting by Germany or removal to Germany or Austria during the period of German occupation'. This change will permit inclusion in pot of gold which former Hungarian Govt removed to Germany and which was not lost to Germany.

"*c.* There should be inserted after words 'the Powers occupying Germany' in both paras 4 and 5 words 'and which under the Potsdam Agreements are concerned with gold found in Germany'. This would preclude Soviet participation in implementation of gold pot agreement since Soviet Union in Potsdam Protocol renounced claims to gold uncovered by Allied forces in Germany and presumably will not contribute any gold uncovered by it to gold pot.

"Words 'through German acts of spoilation' should be deleted and words 'by way of looting by Germany or removal to Germany or Austria'.

"*d.* Text of recommendation contains no reference to gold looted by Germany and subsequent[ly] transferred to third countries. Dept believes reference to such gold desirable together with indication that any such gold subsequently recovered from third countries will be included in gold pot. You may also wish to consider proposing to conference that declaration concerning such gold be issued by conference to back up any three power approach that may be made to countries known to have received looted gold from Germany."

10. Content of urtel 75, Nov. 23 [68] approved.

11. Content of urtel 76, Nov. 23 [69] approved, though you may point out that in view of extremely limited postwar economic resources of Germany little likelihood of satisfaction of prewar claims exists.

BYRNES

740.00119 EW/11–845

The Secretary of State to the French Chargé (Lacoste)

The Secretary of State presents his compliments to the Chargé d'Affaires ad interim of France and refers to the notes of the French Embassy (nos. 898 [70] and 968 [*929*]) dated November 8 and November 17, 1945 respectively, regarding restitution of looted property from Germany.

The United States government has always fully endorsed the principle that identifiable looted property should be restored to the government of the country from which it was wrongfully taken. Consider-

[68] See telegram 6756, November 23, 2 p. m., from Paris, p. 1406.
[69] See telegram 6757, November 23, 3 p. m., from Paris, p. 1406.
[70] Not printed, but see footnote 33, p. 1392.

able difficulty has been experienced, however, in defining what constitutes looted property. The United States government has recently instructed its representatives in Germany to support a definition of restitution advanced in the Reparation Deliveries and Restitution Directorate of the Allied Control Council which would provide for restitution of (1) property which existed at the time of occupation or invasion and was subsequently removed to Germany, and (2) property which was produced subsequent to invasion and was acquired by the Germans as the result of an act of force.

United States representatives in Germany have also been instructed to support, in accordance with the above-mentioned definition, the restitution of looted property contained in plants declared available for reparation and to advise this government urgently of the procedure which they propose to follow in determining whether plants declared available for reparation contain, in fact, any such looted property.

It is hoped that these arrangements will enable the French government to recover a substantial portion of the property wrongfully acquired by the enemy. Reparation will, of course, be available for satisfaction of claims arising from the looting of property which cannot be recovered through restitution.

WASHINGTON, November 27, 1945.

740.00119 E. W./11–2845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 28, 1945—4 p. m.
[Received November 28—3 : 25 p. m.]

6851. From Angell No. 91. Have received after 24-hour delay Dept's undated telegram No. 5494 not marked for Angell.[71] Telegram arrived subsequent to initiation of conversations with Waley and Rueff on basis of quotas proposed in teletype conversations of November 23 and 24[72] which were approved by Dept for such presentation in absence of other instructions. French share proposed in teletype, of 22% for capital equipment and 16% for other reparation items, was arrived at after rough allowance for probable French receipts of labor and for other relevant factors.

Resulting reduction in French share is believed reasonable in circumstances though it probably does not make full allowance for probable French use of labor. Believe that in absence of protest by smaller powers, US has no strong interest in insisting on full repara-

[71] This telegram was actually dated November 26, and designated No. 47 for Angell; for text, see p. 1415.
[72] No records of conversations found in Department files.

tion accounting for labor. Moreover in absence of British support and lack of clear US position on length of service of PWs our power to take stronger position is questionable. Hence believe no further reduction in French share should be required. Waley concurs and would recommend acceptance of our present proposals to his Government. French likely to accept present proposals but would strongly resist further reduction and would seek to reopen whole basis of quota determination. Long delay would result. In understandings with the French I would make clear that US position would have to be reconsidered if question of labor is raised by smaller powers, but that I will not myself raise question in conference. With this reservation urgently request immediate authority, even if only preliminary, to agree to French shares as proposed in teletype without further reduction. Work of Conference at standstill till agreement among Big Three on our desired shares is reached.[73] [Angell.]

CAFFERY

740.00119 EW/11–2845 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 28, 1945—4 p. m.

5553. For Angell No. 50. Present tel intended to follow that Personal for Angell from Secy on subject Secy's letter of appointment.[74]

Following is answer sent by War Dept to Gen Clay in response his tel Nov 23 [75] which states:

1. He had not received copy clarifying inst to Angell.
2. Copies tels from Angell to Dept sent to Murphy indicate tripartite consideration given in Paris conference to matters ultimately requiring quadri-partite decision and citing evaluation of labor services.
3. He requests opportunity comment evaluation labor services in reparations accounts in light of Clay's view that this would nullify efforts to democratize Germany.
4. Clay's view OMGUS should withdraw from reparations negotiations now pending for Control Council for fear duplicating efforts Paris and Berlin.

Following answers Clay's tel:

"Subject is possible conflict of jurisdiction between Angell and OMGUS on reparation and restitution.

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[73] The Department replied as follows in telegram 5571, November 28, midnight: "Agree to position outlined urtel 6851, November 28 (from Angell 91) so long as reservation with respect to position of small powers on labor services received by French is made explicit to French." (740.00119 EW/11–2845)

[74] See telegram 5511, November 26, 8 p. m., to Paris, p. 1417.

[75] Reference is to telegram CC–19295, November 23, from General Clay to General Hilldring, not printed.

Clarifying instructions from State Dept to Angell now in process of dispatch for comment are being sent you for comment separately. Meanwhile State Department has issued instructions to Angell to avoid negotiations and agreements on number of specific points where possible conflict might arise, in particular restitution other than gold, to ensure that area of possible conflict is narrowed to minimum.

State Dept does not fully agree with point you make on labor reparation. State Dept concedes that fixing terminal date under which PWs should be returned to Germany after hostilities in accordance with Geneva Convention, recruitment of civilian labor, in Germany for purpose of labor and its valuation are matters of quadripartite decision which are not to be taken up in Paris, and has so informed Angell. State Dept believes, however, that duty imposed on Angell to negotiate allocation of reparation shares among countries entitled thereto other than USSR and Poland, requires him to take PW labor allocated under Facs 240 [76] program into account. Rehabilitation labor performed by PWs confers benefit on receiving country. Unequal distribution of benefits therefrom must be taken into account in distribution of reparations benefits. In view French opposition, it is unlikely that benefits from Facs 240 program for distribution of rehabilitation labor by PWs will be explicitly valued at Paris Conference, but they may affect percentage allocations of reparation benefits. In State Dept opinion, however, explicit or implicit valuation of PW services rendered Western European reparation countries has no proper relation to allocation of industrial capital equipment to USSR and Poland now being carried out by Control Council and therefore is not a matter for quadripartite negotiation. (Re last sentence CC 19295) State Dept will appreciate amplification your views relation between evaluative labor for reparations and efforts to democratize Germany, especially as concerns appraisal of benefits from PW labor in considering reparations for Western Europe.

In State Dept opinion, as yet no important conflict has arisen between Angell mission and tasks assigned Control Council by governments. State Dept hopes you will recognize Angell's task is made difficult by fact that smaller countries have been drawn into reparation matters for first time by Paris conference and are accepting opportunity thus afforded to give vent to opinions on many aspects of question. Under circumstances impractibility of restricting talk to subjects appropriate for three-power discussion must be recognized. Agreements arrived at, however, will conform to proper jurisdictional lines.

In light of foregoing, State Dept believes it of utmost importance you continue your negotiations in Control Council."

BYRNES

[76] See footnote 23, p. 1384.

740.00119 Control (Germany)/11–2845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extract]

BERLIN, November 28, 1945—8 p. m.
[Received December 1—2 : 18 a. m.]

1126. (1) Twenty-third meeting of the Coordinating Committee. Russian member presiding, was held yesterday and gave rise to a certain acrimony on the questions of restitution and decentralization of German economy.

(2) Economics Directorate produced a report[77] containing on the one hand a Russian definition of restitution and a US, British and French definition on the other. Russian definition, which was essentially the same as that brought forward at last Coordinating Committee meeting (see 1092 of November 24, 6 p. m.[78]), was that restitution is limited to property capable of identification, forcibly seized and carried away from the territory of the country by the enemy. Alternative definition was that restitution will be limited to identifiable goods which existed at the time of the occupation and which were taken out of the country by the enemy, whatever the means of dispossession; it would also include identifiable goods produced during the occupation acquired by the enemy by force. French member pointed out that in this latter respect the alternative definition was narrower than the Declaration of January 5, 1943,[79] which envisaged restitution of goods sold to the enemy with the consent of the victim country and/or pointed to the conciliatory attitude of his delegation in accepting this narrower interpretation. He referred to the positions taken at the current Paris Reparations Conference, by the US, British and French representatives. This provoked a question by the British member as to which body would furnish a definition and he stated his understanding that responsibility in this regard rested with the Control Council.

General Clay emphasized the urgent need of reaching a definition and pointed out that the intent of the present discussion was mainly to set a limit on restitution and that progress could later be made with respect to procedure. He suggested a compromise along the following lines:

"Restitution will be limited in the first instance to identifiable goods which existed at the time of the occupation of the country and which

[77] The paper referred to, designated CORC/P (45) 167, actually emanated from the Reparations, Deliveries, and Restitution Directorate.

[78] Extracts of this telegram, dealing with a different aspect of the German situation, are printed on p. 911.

[79] See footnote 14, p. 1379.

were taken out of the country by the enemy through use of force. Also falling under measures of restitution are identifiable goods produced during the occupation and whose acquisition was accompanied by an act of force. All other articles removed by the enemy which existed at the time of occupation are eligible for restitution to the extent consistent with reparations and the minimum economy to be left Germany."

French member pointed out French public opinion could not accept the leaving of certain important looted articles to the remaining German minimum economy, but he stated he would seek his Govt's views on General Clay's suggestion for presentation the next meeting. Russian member likewise requested time for consideration. British member expressed sympathy with French position and mentioned he would accept whatever definition is agreeable to the French.

. . . . . .

MURPHY

Department of the Army Files: Telegram

The Joint Chiefs of Staff to General Clark and General McNarney [80]

WASHINGTON, 29 November 1945.

WARX 85965. 1. This directive,[81] received from the State, War and Navy Departments, is issued to you as Commander in Chief, U.S. Zone of Occupation, Austria (Germany) and U.S. Member of the Allied Council, Austria (Germany).

You will seek to obtain agreement in the Control Council to the application in the other zones of occupation of the policies laid down in this directive. If, in your judgment, it appears impossible to obtain quadripartite agreement, you will explore the possibilities of a tripartite agreement applicable to the three western zones and make appropriate recommendations to the Joint Chiefs of Staff.

You will proceed with the application of this directive in your own zone even prior to agreement, provided, however, that restitution of property defined in Paragraphs 2 *c* and 2 *d* will be effected only when the return of such property is certified by the appropriate representative of the claimant country to be urgently required for the rehabilitation and reconstruction of his country. The restitution shall not be delayed on the ground that items subject to restitution are needed

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[80] Gen. Joseph T. McNarney had succeeded Gen. Dwight D. Eisenhower as Commanding General, United States Forces, European Theater, United States Military Governor for Germany, and United States Member of the Allied Control Council, Germany.

[81] A draft of this directive had been approved by informal action of the State-War-Navy Coordinating Committee on November 13 and designated SWNCC 204/2; concerning SWNCC 204 and SWNCC 204/1, see telegram 8245, September 20, 5 p. m., to London, p. 1299.

to meet the military or civilian requirements in any zone of occupation provided that in the case of transportation equipment restitution may be so phased as not to reduce available transportation below that required for military deployment and for purposes of the occupation, including the removal of industrial plant and equipment for reparation.

ITEMS SUBJECT TO RESTITUTION

2. Without prejudice to the formulation of a definitive restitution program, the following categories of property shall, as an interim measure, be subject to restitution in accordance with the provisions of this directive:

a. All currencies of the United Nations occupied by Germany;

b. Works of art and cultural works of either religious, artistic, documentary, scholastic or historic value including, as well as recognized works of art, such objects as rare musical instruments, books and manuscripts, scientific documents of an historic or cultural nature and all objects usually found in museums, collections, libraries, and historic archives, identified as having been looted or acquired in any way through commercial transactions or otherwise by Germans from United Nation countries during German occupation;

c. Heavy and power-driven industrial and agricultural machinery and equipment, rolling stock, locomotives, barges and other transportation equipment (other than sea-going vessels) and communication and power equipment identified as having been looted or acquired in any way by Germans from United Nations during German occupation;

d. Other goods, valuables (excluding gold, securities, and foreign currencies other than those mentioned in Paragraph 2 *a*), materials, equipment, livestock and other property found in storage or otherwise in bulk form and identified as having been looted or acquired in any way by Germans from United Nations during German occupation;

e. In the case of property mentioned in *c* and *d* above which was produced during the period of occupation, restitution shall be made only if the claimant government submits adequate proof that the property in question was acquired by Germany through an act of force.

PROCEDURES FOR RESTITUTION

3. Your government will transmit to you from the governments of the USSR, France, Belgium, Luxembourg, Netherlands, Norway, Denmark, Poland, Czechoslovakia, Yugoslavia and Greece lists of property claimed to have been taken from their countries during the period of German invasion or occupation. Such lists will include wherever possible all relevant information which will aid in the identification and location of such property.

4. After examination of these lists you will indicate to your government which of these countries should be invited to send missions

into your zone for the purpose of (*a*) substantiating claims for the restitution of property mentioned in paragraphs 2 *a* and *d*, (*b*) receiving information regarding the location of property which has been the subject of restitution claims by their government (*c*) identifying and receiving any such property to be restored or distributed in accordance with the provisions of this directive. You will recommend appropriate time and the size of the mission. After approval, details can be arranged by the respective governments direct with you as commander in chief of the United States Zone. You will furnish such missions facilities necessary to the proper discharge of their functions in your zone.

5. You will take steps to deliver all paper currency of United Nation countries invaded or occupied by Germany, now in your zone, to the government of the country of issue without the necessity of proof that it was looted or otherwise acquired from that country during the period of German invasion or occupation.

6. You will take steps in your zone to uncover and secure possession of property covered by paragraphs 2 *b*, 2 *c* and 2 *d*, mentioned in lists submitted by claimant governments, and to restore such property to the government of the country from which it was taken.

General Provisions

7. You will require the claimant governments to give receipts for items received by them in accordance with the provisions of the directive. These receipts shall contain a brief description of the item received and its condition, and a waiver of any further claim as reparation or otherwise based upon the removal of the item concerned by the Germans or the exaction of funds used by the Germans to pay for it.

8. You will keep a complete record of items returned or distributed in accordance with the provisions of this directive; and you will submit to the Control Council and your government monthly reports on the progress of the restitution program.

9. The cost of administering this program of restitution shall be counted as part of the costs of occupation.

10. Any property subject to restitution uncovered in Austria and subsequently removed to Germany shall be regarded as uncovered in Germany.

11. After final determination of the amount and character of reparations removals, to be made by 2 February 1946, there should be no restitution on any items of equipment of key importance to plants retained in Germany as essential to minimum peacetime economy.

740.00119 E.W./11–2945 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 29, 1945—11 a. m.
[Received 12:45 p. m.]

6864. From Angell No. 94. For General Clay OMGUS. In discussion at the Reparation Conference here of the functions to be performed by the Inter-Allied Reparation Agency, question has been raised as to whether functions relating to restitution should be included.

1. It is felt that, as a general rule, the govts of countries claiming restitution should deal directly with the zone commander concerned. Question has been raised, however, as to the method of deciding between conflicting claim to restitution in kind in cases where two or more countries claim the same object and have notified such claims to the zone commander concerned. Is it your view that all such conflicts should be decided by the zone commanders, or alternatively should they be referred to the Inter-Allied Reparation Agency? In the latter event, should conflicts be referred only at the request of the zone commanders, or also on the initiative of any claiming government?

2. Question has also been raised whether the zone commander should (*a*) be required or (*b*) entitled at his discretion to refer to the Inter-Allied Reparation Agency or some other arbitral body, in case of conflict between his view and that of any claimant govt as to whether goods claimed have, in fact, been removed from an Allied country and if so whether this was the result of an act of force or the result of a regular and genuine contract.

3. The American, French and UK delegates have agreed to request the views of the three zone commanders on these points. I would greatly appreciate it if a reply could be received before the end of the present week. The British and French delegates are similarly consulting their Govts and zone commanders.

Sent USPolAd Berlin 229 (Angell No. 18 for General Clay OMGUS), repeated Dept 6864.[82] [Angell.]

CAFFERY

[82] Text of General Clay's reply was transmitted to Mr. Angell in telegram 164 to Paris from Berlin, repeated to the Department as telegram 1213, December 8, 6 p. m., from Berlin. General Clay expressed the view that conflict of jurisdiction cases between the occupying powers and reparations claimants should not be brought before the IARA. Disputes of fact concerning restitution, he continued, should be decided by the zonal commanders if the parties involved could not settle them. (740.00119 EW/12–845)

740.00119 E.W./11–2945 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 29, 1945—9 p. m.
[Received November 29—4 : 50 p. m.]

6884. From Angell No. 96.

1. Norwegian delegate, seconded by Dutch, objected strenuously to my written proposal submitted to meeting of heads of delegations, that countries holding ships would have first choice of ships they wished to retain under pooling of losses formula. Waley had previously approved written proposal in tripartite discussion but did not support me at conference meeting and later apologized in presence British Ambassador, alleging he had not caught point in reading proposal and was in profound disagreement with it. Statement in my proposal that any US agreement regarding ships would be subject to congressional action encountered no noticeable opposition.

Waley suggested later that if US had particular ships "such as *Europa*" in mind, this be explained to Norwegians, Dutch, etc., on the side. I believe this is practicable if US interest in particular ships is narrow and can be stated now with sufficient specification.

Instruct urgently.

2. Section 6 of urtel for Angell No. 54 [83] does not state correctly our proposal concerning rolling stock. We proposed that rolling stock removed from Germany be allocated as reparation and not restitution in proportion to losses of rolling stock.[84] [Angell.]

CAFFERY

740.00119 EW/11–2945 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 29, 1945—10 p. m.
[Received November 29—4 : 55 p. m.]

6885. From Angell No. 95. Netherlands proposal re Committee of Six in IARA (Inter-Allied Reparations Agency) (mytels 65 and 66 [85] and Deptel 5487 of November 24) has been thoroughly discussed

[83] See telegram 5534, November 27, 7 p. m., to Paris, p. 1419.

[84] The Department's reply, contained in telegram 5631, December 1, 1 p. m., to Paris, reads as follows: "Unable to understand fully urtel 96, Nov. 29. Are British prepared to submit their entire one-third share of German merchant marine to IARA for allocation and take chance that IARA will allocate to them ships they want? If IARA allocated ships would it apportion them strictly according to global shipping losses or losses in each category of ships?

"Proposal on rolling stock appears acceptable if also approved by countries now claiming restitution identifiable looted rolling stock." (740.00119 EW/12–145)

[85] See telegrams 6677 and 6678, November 18, 2 p. m., from Paris, pp. 1394 and 1396, respectively.

with Waley and Rueff, within US Delegation, and with Dutch and Belgian delegates. Numerous solutions explored for handling items appealed from majority vote of assembly. Basic difficulties arise from attempts to blend notion of arbitration by disinterested persons and notion of participation in committee (whether of 5, 6 or 7 members) of all interested claimants. These difficulties include:

(*a*) Techniques for implementing principle that no claimant should sit as judge in own case, or alternatively that all claimants should participate thereby necessitating selection among interested small power claimants if number exceeds available positions;
(*b*) Elimination of big power domination of committee without at same time giving small powers preponderance and authority to decide disputes concerning only Big Three.
(*c*) Techniques for selected non-claimant small powers to sit on committee and for affording reasonable opportunities to all small powers to participate in committee decision.

There is widespread inclination to favor arbitration of appeals of claimants from majority decisions of assembly if practical solution along these lines can be found. Arbitration would have advantage of simplicity and speed if simple technique were adopted for selection of arbitrator and if arbitrator selected already had necessary background information for making allocation of items among claimants.

With these considerations in mind, Waley, Rueff and I have informally and tentatively agreed on following arbitration provision: Delegates of govts claiming item appealed from Assembly shall select an arbitrator from among delegates of non-claimant govts. If failure to agree on selection US delegate would either act as arbitrator or appoint delegate of non-claimant govt as arbitrator. In event US is claimant president of IARA would appoint as arbitrator delegate of non-claimant govt. Arbitrator would have authority to make final allocation to one of claimants or to send item back to secretariat for resubmission to Assembly as element in another program.

Request Dept comments by Monday. [Angell.]

CAFFERY

SWNCC File

Memorandum by the Acting State Department Member (Hickerson) to the State-War-Navy Coordinating Committee [86]

[WASHINGTON,] November 29, 1945.

THE PROBLEM

1. To determine the action to be taken with respect to a request from the French Government for captured enemy war material now in the hands of American forces in Europe.

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[86] This paper was designated SWNCC 113/7.

FACTS BEARING ON THE PROBLEM

2. On October 15, 1945, by Note from the French Embassy,[87] the French Government requested that pending submission of their detailed requirements instructions be issued to suspend the destruction of enemy war material in the American zones of occupation. This request was supported by the Secretary of State and pursuant thereto instructions were issued on October 30, 1945, to the Commanding General, USFET, to postpone further destruction of such material until further notice from the Joint Chiefs of Staff.

3. On October 23, 1945, the French Embassy transmitted the detailed lists of French requirements of German equipment.[88] These lists have presumably been made available to the War Department through the French Military Mission. At that time the French Government likewise indicated that similar requests had been addressed to the Governments of the United Kingdom and the Soviet Union.

4. The problem of disposal of captured or surrendered enemy war material was treated in SWNCC 113/5.[87] The basic recommendation was that such captured material should be destroyed with the exception of material convertible to civilian use needed for operational purposes (except aircraft); material needed to satisfy requests for trophies or scientific research; material identifiable as having been captured from another United Nation; and war material pertaining to ships and vessels of the Germany Navy. The Commanding Generals were instructed to try to reach quadripartite agreement on this policy but, in any case, to put it into effect in their own zones by October 15, 1945.

5. The Commanding General, USFET, replied that the question of disposal of captured war material had been presented to the Allied Control Council before receipt of this instruction, and that it had been agreed that it would be the responsibility of each Zone Commander to dispose of such material as war booty. It was stated that the British had ordered destruction of all weapons and dangerous items in their zone, although they had agreed to discuss transfers of specific items to the French. The Russians had indicated that similar material was being destroyed in their zone. The file does not appear to indicate what action was taken in Austria.

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[87] Not printed.

[88] Lists not printed. On December 20, in a note to the French Embassy, the Department of State requested the submission of a new set of consolidated lists of requirements; it also indicated that the United States Government was considering the policy of meeting French needs by transfer of surplus American material (851.24/12–2045).

DISCUSSION

6. *a.* In a communication dated November 5, 1945, supporting the French request, the French Military Mission in Washington indicated that the task which now falls to France is:

"1. To participate in the occupation of Germany;
"2. To place herself in a position to satisfy the demands which may be formulated by the organization responsible for the maintenance of collective security;
"3. To insure the security of the ensemble of French territories;
"4. To provide instruction for recruits, trained personnel of the Reserved Army, maintain obligatory military service, which is, even though of short duration, a very important factor of democratization in our country."

b. In the same communication, the French Military Mission indicated that if the request for German equipment was granted:

"1. Maintenance will not be requested subsequently;
"2. German factories will not be called upon to help;
"3. The maintenance of this material will be insured either by French means or by cannibalization;
"4. Finally, this German material will be replaced by French material as soon as our economy permits."

7. The problem discussed herein does not relate to material which is susceptible of civilian use but relates only to munitions and other war material. Property which is susceptible of civilian use has been dealt with in other communications to the War Department, which has authorized the transfer of such material either to Allied nations or the use of such material for civilian purposes within Germany. Nor does the problem relate to vessels of the German Navy and stocks of armament, ammunition and supplies appertaining thereto, which were included in the French request but which are being considered separately.

8. The earlier decision in favor of the outright destruction of captured or surrendered war material was based primarily on the desirability of reducing to a minimum German industrial plants capable of producing war material, and on the desirability of avoiding the difficult political questions which allocation to other nations might entail. On the other hand, it is the policy of the United States Government to assist in the reestablishment of a strong France in order that the country may serve as a bulwark of democracy on the continent of Europe and be in a position gradually to assume an increasing share of responsibility in the occupation of Germany and in maintaining the peace.

9. It is the opinion of the Department of State that the latter consideration outweighs the arguments on which the previous policy was based, particularly in view of the fact that it should be possible to ob-

tain firm commitments from the French Government, along the lines of the statements by the French Military Mission quoted in paragraph 6 above, which would preclude them from looking to German industry for maintenance or replacement, and in view of the understanding that German plants capable of producing war material will, in large part, be destroyed or removed from Germany.

10. At the same time the question arises whether the French requirements could not be met, in large part or in entirety, out of surplus stocks of American equipment now in Europe. If so, it is suggested that it might be preferable to enter into an arrangement with the French Government to take over such stocks instead of the stocks of German equipment which they have requested.

RECOMMENDATIONS

11. It is recommended that, in the absence of military objections:

a. The French requests be met insofar as possible out of American stocks which can be declared surplus in Europe.

b. Such portion of the French requests as cannot be met out of American stocks be met out of captured German war material.

c. As soon as determination is made under subparagraphs *a* and *b* above, the Federal [*Foreign*] Liquidation Commissioner institute negotiations with the appropriate French authorities for the disposal of the equipment in question at a consideration which should approximate its scrap value.

d. A definite time limit be indicated to the French Government within which they should take over the stocks.

e. The Commanding General, USFET, be immediately authorized to proceed with the destruction of captured German material in excess of the French requirements as communicated to this Government, in accordance with previous instructions. (SWNCC 113/5)

JOHN HICKERSON

[Since further investigation indicated that it was not feasible to meet fully the French requests for material from captured German supplies, particularly due to the poor condition of the latter, it was decided in 1946 to renew authorization for destruction of captured German material and to use United States surplus stocks to meet the French requests (SWNCC 113).]

740.00119 EW/12–145 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 1, 1945—1 p. m.

5630. For Angell No. 60–A. Arbitration proposal in urtel 95, Nov. 29 [90] approved, but believe negotiation of interested parties with medi-

[90] See telegram 6885, November 29, 10 p. m., from Paris, p. 1431.

ation or in committee should precede arbitration. Maximum opportunity should be afforded for adjustment of conflicting claims by negotiation and mediation, particularly by trading one plant against another in same or similar category of industry. Settlement of rival claims through negotiation likely to be more satisfactory than decision of arbitrator which would leave one claimant empty-handed and without *quid pro quo* which might have been obtained through bargaining.[91]

BYRNES

740.00119 EW/12–145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 1, 1945.
[Received December 1—3 : 43 p. m.]

6930. From Angell Number 102. Proposals by the Belgian and Netherlands Delegates, Conference on Reparations.

"The Conference recommends that as regards assets in the territory of Germany or her Allies or in territory which was at one time occupied by Germany or her Allies which are in whole or in part the property of one of several of the United Nations or of their nationals, whether physical or juridical persons, the following principles should be adopted:

1. The rights of each of the United Nations and of their nationals over this property shall be respected. Assets which are wholly the property of the United Nations or of their nationals shall, therefore, be excluded from the lists of assets available for allocation as reparation.

2. Assets which are only in part the property of a signatory government or its nationals shall, if they are allocated as reparation, be offered in the first instance to that government. If several signatory governments are interested in the same assets, account shall be taken of their respective shareholdings when allocation is made. Any proportion of such assets over and above that belonging to the United Nations or to their nationals shall be charged the sum to reparation account. If necessary, adjustments shall be made between the United Nations.

3. If for reasons of security it is necessary for an asset belonging to one or several of the signatory governments to be removed from Germany, the signatory government or governments concerned shall be bound to remove it within a stipulated time."

[Angell]
CAFFERY

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[91] In telegram 7031, December 7, 9 a. m., from Paris, Mr. Angell reported to the Department: "Paris conference has adopted arbitration procedure proposed in mytel from Angell No. 95. With reference urtel for Angell No. 60A, it is contemplated that in practice govts claiming same item will, both before and after vote in Assembly, have adequate opportunity for negotiation." (740.00119-EW/12-745)

740.00119 EW/12–245 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 2, 1945—8 a. m.
[Received 3 p. m.]

6931. From Angell No. 105. Following is report on negotiations on reparations share for non-repatriable persons.

1. On November 12 I transmitted proposal to Waley and Rueff following lines of Repmem 3.[92] Proposal dispatched to you on November 20.[93]

2. On November 19, Waley transmitted reply of British Government in form of departmental comment on our proposal.[94] UK reply dispatched to you November 20.[95] British express general sympathy but doubt workability of scheme. Main points of reply follow:

a. British agree that allocation of non-monetary gold is appropriate. Desire to restrict allocation of external assets to portion of proceeds of such assets in neutral countries. Object to allocation of agricultural machinery since such machinery would have to be drawn from current production and favorable foreign balance not anticipated for long time.

b. British desire that categories of persons eligible for aid under scheme should be defined as narrowly as possible. In this connection they point out that Germans and Austrians deprived of nationality by Nazi legislation are not properly speaking stateless since validity of this legislation is not recognized.

c. British object to suggestion tentatively put forward in US proposal that Inter-Governmental Committee be considered as possible agency to administer fund for non-repatriables since future of Inter-Governmental Committee is under negotiation. Suggest board of trustees to work under general supervision of Commission of Economic and Social Council of UNO.[96] Such board of trustees to work in conjunction with organizations such as Jewish Agency and others.

d. In event that US makes proposal to conference, Waley is instructed to attempt to have proposal referred to representatives of three western controlling powers for further examination.

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[92] Repmem 3 not printed. The United States note of November 12 proposed to aid three classes of persons who suffered heavy losses by reason of Nazi-induced action: German nationals who fled Germany, not intending to return, but who had not yet acquired other citizenship; nationals of countries occupied by Germany who had been transported by the Germans or forced to flee and were now unable to return; persons who had been stateless before the war and who suffered property losses due to German action during the war. The United States suggested that two percent of the total pool of resources available for reparations be set aside for the relief of such persons. In particular, non-monetary gold seized in Germany as well as other German assets were to be placed at the disposal of an international agency to be entrusted with the problem, perhaps the Intergovernmental Committee on Refugees. (740.00119 EW/-11–2045)

[93] Enclosure to despatch 3794, November 20, from Paris, not printed.

[94] Not printed.

[95] Enclosure to despatch 3793, November 20, from Paris, not printed.

[96] United Nations Organization.

3.[97] Our impression of British attitude, based on this reply and on comments by Warren[98] concerning negotiations on Inter-Governmental Committee is that British are fundamentally opposed to plan on general ground that it may discourage voluntary repatriation and commit British to general aid for non-repatriables with attendant complications for British Palestine policy.

4. I made reply to Waley by letter of November 29 with copy to Rueff.[99] In this letter I attempted to deal with specific problems raised by British and to restate basic United States proposals as follows:

a. Agreed to restrict fund to non-monetary gold and portion of proceeds of German external assets in neutral countries. Dropped suggestion for deliveries of agricultural equipment and possibly other capital equipment after consultations with representatives of refugee organizations in Paris.

b. With respect to persons eligible for aid under scheme, I put forth view that scheme should not be limited to persons who are stateless in strictly legal sense. I explained that United States position was that scheme should cover all persons who are non-repatriable because of political views or racial origins. The United States would not wish to create conditions which would force return of persons who would face physical danger or economic starvation in former countries of residence. With respect to German and Austrian refugees, I stated United States view that such persons should not be forced to return to live among people who had persecuted them bitterly and been responsible for the murder of their relatives and political associates.

c. Explained that United States was not committed to view that proposed fund be administered by Inter-Governmental Committee. Indicated that United Kingdom suggestion of board of trustees under Economic and Social Council would be acceptable provided proper provision is made for liaison between proposed board and other agencies with related functions and provided interim arrangements are made until UNO machinery begins to function.

d. Recognizing fact that scheme involves numerous administrative problems which might require solution by major interested powers after Paris Conference, I urged that Conference take action with respect to general principles of scheme, as follows:

(1) That a share of reparation of agreed size should be allocated for the rehabilitation and resettlement of any non-repatriable victims of Germany;

(2) That the share so allocated should be satisfied out of the non-monetary gold seized in Germany, and also from a portion of the proceeds of German external assets in neutral countries

[97] Portions of items 3 and 4, garbled in the original, have been supplied from copy in Council of Foreign Ministers files (Lot M–88, box 2060).

[98] George L. Warren, Adviser on Refugees and Displaced Persons, Department of State, had been United States delegate at the Fifth Plenary Session of the Intergovernmental Committee on Refugees, held in Paris, November 20–22, 1945.

[99] Not printed.

plus any surplus of German assets in countries which do not receive reparation;

(3) That the classes of persons who are eligible for aid under the scheme should likewise include the nationals both of Germany and of ex-occupied countries who suffered loss by reason of German action, who also require aid, and who in addition cannot be returned to their countries within a reasonable time because of past persecution or prospective physical or economic dangers;

(4) That the share allocated for these purposes should be administered by an international agency;

(5) That the funds should be used not for the compensation of individual victims, but at the discretion of the agency to further the rehabilitation or resettlement of persons in the eligible classes.

5. Explained general lines of US proposal November 30 to Messrs. Gottschalk and Gray, representatives of American Jewish Committee. Latter expressed view that US proposals would be most unsatisfactory to Jewish organizations. They would object to a scheme which has appearance of affording general solution of problem of refugees while actually providing very little aid per capita. They suggest as alternative to restrict scheme to non-repatriable persons who have been victims of Nazi concentration camps. Germans and Austrians now living in Germany and Austria would continue to be excluded. Under this definition, they estimate persons eligible would number between 100,000 and 200,000 including Polish DP's who have served in Nazi concentration camps.

I am inclined to sympathize with this view for reasons stated above and on following grounds:

a. Value of proposed share so small that it is urgently necessary to concentrate benefits on most needy refugees.

b. Former inmates of concentration camps are in general most needy group.

c. Such restriction would automatically exclude non-repatriable persons in Germany who sympathized with Nazi and aided German war effort. Such exclusion desirable both on grounds of equity and to increase political acceptability of scheme. Request authority to use concentration camp criterion if such criterion is acceptable to other delegations.

6. Prefer proposal in paragraph 5 to that in paragraph 4, *d*, (3). Please advise Department's preference. If Waley will not concur, will present to Conference alone.

7. It may prove more acceptable to other delegations to allocate absolute rather than percentage share to non-repatriable persons. In this event would propose non-monetary gold plus $15,000,000 out of proceed of German external assets in neutral countries. Request concurrence.

8. Reply desired soonest. [Angell.]

CAFFERY

740.00119 EW/12–345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 3, 1945—midnight.
[Received December 4—8 a. m.]

6961. From Angell No. 107. Your 5348, November 16, 8 p. m. Greek Government through London Embassy threatened to withdraw from Reparations Conference if invitation issued to Albania. Greek protest based on facts that still at war with Albania, boundary disputes still unresolved, and Albania actively cooperated with Germany against Greece during the war.[2] Waley said that Foreign Office was dubious about Albania's claim to representation at the Conference but considered unwillingness to issue invitation would lead to trouble with Marshal Tito,[3] Yugo delegate having requested that invitation be extended. British Foreign Office therefore intervened and persuaded the Greek Government to withdraw its protest. Full agreement was reached, invitation was issued by French Government on behalf of France, UK and US, and Albanian delegate has now arrived. [Angell.]

CAFFERY

740.00119 Control (Germany)/12–445 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extract]

BERLIN, December 4, 1945—7 p. m.
[Received December 5—10 : 21 a. m.]

1176. (1) Twenty-fourth meeting of the Coordinating Committee, US member (Gen. Echols[4]) presiding, reached a deadlock yesterday on restitution. (2) Russian member proposed deletion, from Clay's compromise definition, of the sentence "all other articles removed by the enemy which existed at the time of occupation are eligible for restitution to the extent consistent with reparations and the minimum economy left to Germany". (See my No. 1126, November 28, 8 p. m.) He suggested the substitution of point 3 from the Soviet definition which stated in effect that in the case of property destroyed or worn out by the enemy, the right of replacement by identical or comparable property should be restricted to objects of a unique character such

[2] Similar protests had been conveyed to the Department of State by the Greek Embassy in the form of notes dated November 20 and 27, neither printed.

[3] Prime Minister and Minister of National Defense in the Provisional Government of Yugoslavia.

[4] Maj. Gen. Oliver P. Echols, U.S. Assistant Deputy Military Governor for Germany.

as works of art, etc. (See my 1126 of November 28, 8 p. m. and my 1092 of November 24, 6 p. m.[5])

Pointing out that Clay's compromise was more restrictive than alternative definition agreed upon by French, British and US in the Economics Directorate (see my 1126, November 28, 6 [*8*] p. m.) and that it was far removed from the Declaration of January 5, 1945 [*1943*],[6] French member regretted it was inacceptable to his Govt.

US member indicated that since it was impossible to reach a definition, the question should be referred to the Governments. British member felt that in view of the delay which might result from this procedure a renewed effort should be made in the Coordinating Committee. He pointed out that the delegations were bound by rigid instructions from their Governments which in turn had tied themselves down by specific texts and he suggested that if the Governments gave their delegations a certain latitude, agreement could probably be reached. French member stated that continued discussion might involve further concessions from the French, British and US Delegations and he would like to see a conciliatory gesture from the Russians, of which there has been no indication as yet. He proposed that the three Governments which were in agreement might be asked whether they would authorize tripartite restitution agreements between their zones.

In reply to a question whether he would consent to informing his Government concerning the current discussions, Soviet member stated he kept his Government "fully informed each time," and in reply to a further question as to whether he could request his Government for latitude in instructions, Soviet member said he could give no answer.

British member stated he must emphasize the seriousness of the failure to reach a definition on restitution, which must have an effect on the question of reparations. He said he would submit the matter to the British Government and he appealed to the other delegations to do likewise. In his view the divergence was not great.

It was agreed that the question be put on the agenda of the Control Council meeting of December 10[7] for information and also on the agenda of the Coordinating Committee of December 12.[8]

. . . . . .

MURPHY

[5] Extracts of latter telegram, dealing with a different aspect of the German situation, are printed on p. 911.

[6] See footnote 14, p. 1379.

[7] See telegram 1231, December 11, 2 p. m., from Berlin, p. 857.

[8] See telegram 1252, December 13, 2 p. m., from Berlin, p. 1462.

740.00119 EW/12–545 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 5, 1945—6 p. m.

5681. For Angell No. 68. Dept believes you should strongly oppose Belgium and Netherlands proposals (reurtel Angell 102 [9]).

1. Selection of actual plants must be left to ACC on quadripartite basis since they have responsibility for shaping future German economy. Severe restrictions such as outlined in proposals would retard whole reparation program.

2. Proposals put premium on pre-war property claims against Germany as opposed to all others. While quantitatively most important claims such as budgetary costs, destruction, deaths, etc. will be settled by a small percentage, under subject proposal pre-war claims to actual German property would be settled nearly 100 percent. Moral aspect also poor as proposal gives undue weight to pre-war trading and investments with Germany over destitution caused by war.

BYRNES

740.00119 EW/11–1545 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 5, 1945—7 p. m.

5682. For Angell No. 46. Deptel 5244, Nov 9 for Angell 15; urtel 6602, Nov 15 from Angell 54.[10] Since German reparations shares of small countries are to be negotiated within residual percentage available for distribution after shares of U.K., U.S. and French reparation receipts from Germany agreed upon, Dept feels that it should be possible to secure some recognition of Greek and Yugoslav claims against Italy when these small countries' shares are determined without reopening whole question of French share of German reparations. Since any benefit Greece and Yugoslavia might derive from such recognition would be within residual and since French share of German reparations will have been previously agreed upon, such additional support of Greek and Yugoslav claims as contemplated by Dept could have no effect on French share. Dept feels that, in any case, recognition of claims against Italy in manner suggested for Greek and Yugoslav claims should be confined to small countries and not extended to major powers which will claim major share of reparations from Germany.

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[9] See telegram 6930, December 1, from Paris, p. 1436.

[10] Latter not printed; in this telegram Mr. Angell expressed the belief that any discussion of weighting the Greek and Yugoslav claims against Germany in the light of Italy's inability to pay reparations would elicit from France a request for similar weighting of its claims. He also inquired whether any potential Albanian claim should be so weighted. (740.00119 EW/11–1545)

Dept's view is that any claim Albania might be invited to submit against Germany should not be weighted to take account of possible Albanian claim against Italy. Albania not devastated by Italy as were Greece and Yugoslavia; rather, Albanian economy was recipient of various Italian improvements in that country.

BYRNES

740.00119 E.W./12-545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 5, 1945—midnight.
[Received December 6—5 a. m.]

6996. From Angell No. 118. Desire Department's instruction urgently re addition of a second section to mytel 75 [11] (previously approved by No. 54 [12] to me) to read as follows:

"2. That each country participating in the reparation settlement proposed by the Conference accept its share of reparation with the understanding that by such acceptance it has waived, on behalf of itself and those persons entitled to its protection, all claims which might be made against Germany, the Allied Control Council and France, the United Kingdom and the US in consequence of the incidence of the industrial removals policy in the Western Zones of Germany upon property within Germany in which such country or those entitled to its protection may have had an interest, direct or indirect."

See in this connection mytel 102.[13] Even should it be decided that United Nations' interests removed will not be charged to reparation, share of interested country if allocated thereto and that interested country will be compensated if removed property allocated elsewhere, suggested provision as protection against miscellaneous claims for loss of earning power, quasi-tort claims re negligence in removals operations, etc.

Only possible objection I see would exist if Department completely abandoned position that US should in some way claim outside of reparation settlement for US interests removed. Since I consider that Clayton-McCloy letter [14] and Repmem 15 [15] are definite renunciations of this position, I recommend inclusion of above provision.

Characteristically, Waley reacted against above on ground that fairly complicated, unnecessarily specific and would provoke protracted discussion in full conference. He averred, jestingly perhaps, that would take 10 days to clear such a proposal in London. A sub-

[11] See telegram 6756, November 23, 2 p. m., from Paris, p. 1406.
[12] See telegram 5534, November 27, 7 p. m., to Paris, p. 1419.
[13] See telegram 6930, December 1, from Paris, p. 1436.
[14] Not printed, but see telegram 638, October 10, 1 p. m., to Berlin, p. 1335.
[15] Not printed.

ordinate of his believes a brief insertion of above principle in statement in my 75 would be accepted by Waley with little delay. [Angell.]

CAFFERY

740.00119 EW/12–645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 6, 1945—10 a. m.
[Received December 15—6:30 p. m.]

7003. From Angell No. 124. Reurtel 143 [*43?*] to Paris for Angell.[16] As result combined efforts British and ourselves, discussion of restitution has been kept to minimum at Reparations Conference here. By mail I am supplying you with marked copies of relevant minutes.[17] Should appreciate your making them available to General Clay together with following summary:

1. It has been made very clear to all delegations at Paris Conference that definition of restitution is an ACC matter and that US representative here will not associate himself with any action of conference which might trench upon authority of ACC in this regard.

2. Only statement intended to appear in final act of this conference as a recommendation regarding restitution is:

> "The conference recommends: (1) that IARA, in distributing German assets between different states, should take account of the losses resulting for each state from the inability to obtain restitution of certain categories of assets particularly useful for its economy. (2) The Belgian, French, Luxembourg, Netherlands, Czechoslovak, Yugoslav, and blank delegates requested the American and UK delegates to bring to the attention of their govts the views concerning restitution expressed in the attached annexes I and II. The American and UK delegates agreed to do so."

3. Additionally, following annexes were proposed by France, Belgium, Netherlands, Czechoslovakia, Yugoslavia for acceptance of as many countries wish to join them in expressions of views to US and UK. Annex 1 is substantially definition now pending before ACC and Annex 2 reads as follows:

> "(1) For the restitution of goods produced during occupation which were taken by acts of spoliation and which still might be found in the hands of German organizations or inhabitants of Germany, the proof of origin shall be upon the claimants and the proof that the acquisition was the result of a regular contract is upon the holders of the goods. (2) Those in possession of goods which have been the object of spoliation shall be compelled to declare them to the control authorities: stringent penalties shall be attached to infractions to this obligation (3) all necessary

[16] Presumably reference is to telegram 5428, November 21, 4 p. m., to Paris, p. 1404.

[17] Not printed.

facilities shall be given, under the auspices of the zone commander, to the Allied states to send into Germany expert missions to search for goods which have been the subject of spoliation, to identify, store and remove them to the country from which they were taken."

Sent to USPolAd Berlin as 24 from Angell, Paris 242 repeated to Dept as 124 from Angell. [Angell.]

CAFFERY

740.00119 EW/12–645 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 6, 1945—3 p. m.

5696. For Angell Number 67. Reurtel No. 61, Nov 15.[18] Warx 63230, Sept 12 [19] to CG, USFET provides for restitution of identifiable war material acquired by Germans provided it can be identified as having been actually captured from the armed forces of any United Nations. No provision made for restitution of war material produced for German account in occupied countries or for turning over to Zecho war material produced in Germany.

BYRNES

740.00119 EW/12–645 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 6, 1945—8 p. m.

5714. For Angell No. 72. If you follow proposals in Deptel 46, Dec 5, for Angell,[20] information requested urtel No. 98, Nov 30 [21] unnecessary. Additional claim in any event would not significantly affect US reparation share. If small powers and France object their share should not be cut owing to big powers insistence on non-payment reparation by Italy, point out US willingness to forego substantial portion its share of capital equipment for benefit both small powers and France. You should not concern yourself with reparation settlements with Rumania, Bulgaria and Hungary which already make provision for reparation for Zecho, Jugo and Greece.

BYRNES

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[18] Reference is to telegram 6616, from Paris, in which Mr. Angell reported the desire of the Czech delegate at the Paris Conference to secure restitution of identified Czech military equipment, or its equivalent, which he claimed the Germans had seized and taken back to Germany (740.00119 EW/11–1545).

[19] Not printed.

[20] See telegram 5682, December 5, 7 p. m., to Paris, p. 1442.

[21] Reference is to telegram 6888 from Paris, in which Mr. Angell requested information on adjustment of United States reparations claims, if damages caused by Italy and other European Axis satellites were to be included (740.00119-EW/11–3045).

740.00119 EW/12-645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 6, 1945—midnight.
[Received December 8—3 : 15 a. m.]

7026. From Angell No. 123. Mytel 74.[22] Conference recommendation on monetary gold, was amended to include specific reference to Austria, Hungary and Italy in conformity Deptel 54 to me.[23] Czech delegate has strong political objection to mentioning Hungary in final act at all, lest there be an implication from association that Hungary is getting some sort of favorable treatment. So far drafting suggestions designed to make clear disadvantageous results for Hungary of participation in pot have not convinced Czechs. They may, however. He does not object to similar inferences of respectability re Italy and Austria.

Yugoslav objection more serious because Soviets apparently have been consulted and have reacted. Yugoslavia asserts that Soviet gold renunciation at Potsdam[24] applies only to gold found in pre-*Anschluss* Germany and hence that ultimate disposition of Hungarian gold found in Austria cannot be prejudged in part by applying pot reduction coefficient to it. Yugoslavia attempted similar argument re Italy, arguing that to bring Italy into pot would prejudge final settlement in which USSR vitally interested. This was successfully countered by argument that Italian gold in Germany is not identifiable and that pot was therefore only available device for determining Italy's portion, fate of portion thus fixed to await peace. *Arguendo*, we stated Potsdam renunciation must have been understood to cover all gold found by Allied forces in "Grossdeutsches Reich" including Ostmark.

Since, however, it appears that Yugoslavia cannot recede without Soviet clearance, Waley has suggested to me that Hungarian gold, which is all identifiable by transaction of capture, be reserved *in toto*. If future developments permit, a portion of Hungarian gold could be distributed to pot participants. He agrees that Austria and Italy must be included because of lack of identifiability re their gold. I believe omission of Hungary could speed settlement here and hence agree with Waley.

Dept instruction desired. [Angell.]

CAFFERY

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[22] See telegram 6755, November 23, 2 p. m., from Paris, p. 1405.
[23] See telegram 5534, November 27, 7 p. m., to Paris, p. 1419.
[24] See paragraph 10 of section III of the Protocol of Proceedings of the Berlin Conference, *Conference of Berlin (Potsdam)*, vol. II, p. 1487.

740.00119 Control (Germany)/12–745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, December 7, 1945—10 a. m.
[Received December 8—9:59 p. m.]

1196. (1). At twenty-fifth meeting of the Coordinating Committee held yesterday, US member presiding . . .

(2). A long and at times embittered discussion, which was characterized by Russian hard bargaining, took place on the allocation of the first list of plants available as advance deliveries on reparations account. Agreement had been obtained in Economic Directorate on part of list representing allocation of roughly 86,628,000 RM value to the western nations and 52,658,000 RM to Russia and Poland. In reply to French observation that some of the plants contained looted material, Russian member made the significant statement that his Government was prepared to discuss the question of looted material in every case with a view to its possible return. Gen. Clay declared that until quadripartite agreement on restitution is reached the US zone commander will reserve his right to determine restitutable property.

Coordinating Committee then turned to rest and most important part of the first list, upon which agreement had not been reached in Economic Directorate and which contained valuable machine tool plants. Russians renounced any claim to Krupp Essen and openly declared their interest in machine tool plants to replace those destroyed by the Germans in Russia.

British member accused the Russians of wishing to pick only the plums and stated that as part of a fair bargain the British had in mind reserving for the Western Powers such plants as Schiess-Defries and the metallurgic plant at Dinslacken. General Clay made a compromise proposal which was debated in private by the experts. The latter's conclusions which were finally adopted by the Coordinating Committee provided for the following allocations: To Russia and Poland—Krupp plant at Borbeck, Dinslacken metallurgical plant, and 13 million RM value of Schiess-Defries; to the Western nations—Blohn and Voss shipbuilding plant at Hamburg, BMW factory No. 1, and 3 million RM value of Schiess-Defries. Rough total values, including the plants from the first list agreed upon in the Economic Directorate mentioned above were estimated as follows: To Russia and Poland 115,260,000 RM; to the Western nations 120,500,000 RM. Krupp Essen is to be allocated later, but the British made a strong

reservation for keeping the railway repair shops in their zone for a period of at least 2 years to aid in transport repair.

. . . . . .

MURPHY

740.00119 EW/12–845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 8, 1945—2 p. m.
[Received December 10—2:32 a. m.]

7075. From Angell No. 130. Discussion of quotas with French has reached an impasse over charging PW labor to reparation. After further consultation with his Government Rueff now states that agreements under which German PW's are provided to France by US contain no provision for payment or for charging them to reparation account. Also contends that US gave France PW's partly from generosity but partly to avoid cost of feeding them, and that PW's should in any event not be considered a reparation asset. Therefore opposes any charge now to French reparation share.

2. Please wire copies of PW agreements immediately if obtainable or adequate summary of provisions.

3. Repeated firm proposal to Rueff for B quotas [25] of US 28, UK 28, France 16 and for A quotas [26] of US 12, UK 28, France 22. Stated that French quotas would be regarded by US as embodying a roughly adequate charge made in advance for all German PW's we transfer to French, as long as we leave them in French hands. Reserved right of US to withdraw PW's later. Stated we would support and defend this position in conference, and that we would make comparable adjustments in quotas of any other countries to which we gave PW's, but also reserved our rights to review our position if conference support could not be obtained for this treatment of PW labor. Waley strongly supported our proposal. He agreed that PW's should be charged to reparation, and argued that our proposal was actually very favorable to French. Rueff is reporting proposal to his Government but indicated he thinks it not acceptable for reasons given in paragraph 1.

4. We propose to stand firm on our proposal pending [official reply by Rueff. Urgently request, however, immediate reaffirmation even if preliminary of previous authority to vary quotas in major categories by one or two points. If necessary and sufficient to reach tripartite

[25] Category B embraced industrial and other capital equipment removed from Germany, as well as merchant ships and inland water transport.

[26] Category A included all forms of German reparation not in category B.

agreement, may wish to raise French B quota][27] to 17 or 17.5 and reduce others to 27 or 26.5 in B quota. Waley now authorized to agree to 17 and could easily go to 17.5. Must be recognized failure to reach tripartite agreement will involve lengthy and difficult course in Conference.

5. Meanwhile following problem has arisen over treatment of German assets situated in United Nations. Certain United Nations, notably Belgium, Netherlands, Norway, Denmark, Egypt and Luxembourg have more than enough such assets to exhaust their B quotas as presently calculated and might thus have to make payments back to IARA unless A quotas were reduced by the excess over their B quotas. This would probably result merely in failure by most such countries to declare total of assets or in subsequent unreasonable reductions in reported total assets through deduction of exaggerated claims against assets. Following possible solution has been worked out by Waley and me to meet these administrative and accounting difficulties.

Each United Nation at Conference would be permitted to retain all assets situated within its territory and would be required to render accounting to IARA. Surplus over country's B quota share in external assets in United Nations (calculated on basis present estimates of net value of such assets) would be roughly absorbed by reduction in country's B quota share of other categories (external assets in neutral countries, Russian reciprocal deliveries, etc.) and by corresponding reduction in country's A quota (plant and ships). Effect on Netherlands, for example, would be to reduce calculated B quota from about 4% to about 2.5% and A quota from about 5.8% to 3.5%. Above procedure creates a disposable surplus of A and new B quotas available for distribution to other countries not having surplus over unadjusted B quota share in external assets in United Nations, rough account being taken of amount of such assets held relative to unadjusted quota. US and UK would not propose to benefit from distribution of surplus quotas.

External assets held in United Nations would then form separate category to which no quotas apply, each country receiving its own assets, and new B quotas as adjusted would apply to totality of external assets in neutrals, reciprocal deliveries, etc. (B quota percentage as calculated prior to above adjustment for foreign assets held would be used, as explained above, only to determine any excesses of such assets held.) Believe this new basis has many inherent practical advantages from administrative standpoint.

6. In addition under above procedure roughly two or three additional points could be made available to France in B quota and corre-

[27] Bracketed insertion on basis of copy in Council of Foreign Ministers files (Lot M–88, box 2060).

sponding additional points in A quota. This increase of French B quota to 18 or 19 might help to end present impasse over labor described above. Although new B quota applies to smaller totality of items (external assets in United Nations, having been excluded as noted above), higher French B quota would be politically advantageous for them and higher French A quota would mean slightly greater share in plant. New French B quota of 18 or 19 would provide for same adjustment for labor as French B quota of 16% on old basis.

7. Waley not at present authorized to lower new French B quota of 17 or 17.5 basis but might if necessary be able to obtain authority for 18. I would not propose greater adjustment as French quota on new basis than Waley would agree to in advance. Recognize that French might refuse new basis suggested but might at same time attempt to retain new B quota offered for application on old basis.

8. Urgently request immediate authorization, even if preliminary, to make proposal along above lines in lieu of or as alternative to adjustment in paragraph 4 if such proposal appears to be necessary and desirable.

9. In order to place problem of share for non-repatriables before conference, I shall make following recommendation today without reply to my telegram from Angell No. 105.[28]

(*a*) Allocation of share of dollars 25 million for rehabiltation and resettlement of non-repatriable victims of Germany;

(*b*) share to be satisfied from all non-monetary gold and portions of proceeds of German assets in neutral countries;

(*c*) classes eligible to include nationals of Germany and formerly occupied countries who suffered loss by German action, who require aid, and who cannot be repatriated in reasonable time, but excluding persons determined to have voluntarily aided Germans in war;

(*d*) administration by board of trustees of 5; one each to be appointed by France, UK, and US; two to be appointed by assembly of IARA from other countries. Board to be responsible to IARA initially but to be transferred to UNO auspices as soon as possible;

(*e*) non-monetary gold to be available immediately;

(*f*) claims of individual refugees against future German Government to be preserved.

10. Waley will support this proposal in principle but will urge that size of share and organization and functions of administering agency be referred to France, UK and US to formulate proposals for submission to other governments.

11. Urgently request comment on above and on desirability of further limitation of eligibles through use of concentration camp criterion or other restriction. [Angell.]

CAFFERY

[28] See telegram 6931, December 2, 8 a. m., from Paris, p. 1437.

740.00119 EW/12-945 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 9, 1945—8 p. m.
[Received December 10—5 p. m.]

7084. From Angell No. 131.

1. Introduced proposal regarding share for non-repatriable persons at meeting of heads of delegations December 8, as per mytel from Angell No. 130.[29] Debate postponed until Dec 10 but indication is that proposal will meet strong opposition. Major objections likely to be:

a. Dissipation of reparation pool in general.
b. Share per head for non-repatriables may be greater in some cases than that for injured nationals of govts represented.
c. Fund may use unduly large portion of proceeds of external assets in neutral countries.
d. Fund may be construed to benefit German collaborators or political opponents of existing govts.

2. To secure action by Conference, it may prove necessary to accept British suggestion that Conference agree to principle of US proposal but charge US, UK and France with formulation of concrete plan for submission to interested govts.

3. Even this may prove unacceptable to Conference. In that event, would Dept specifically authorize acceptance of lower US share in B quota as suggested in Repmem 3,[30] to finance most, if not all, of proposed fund? It should be realized that 25 million dollars may be approximately 4 percent of residual B quota assets as adjusted to exclude external assets in United Nations jurisdiction.

4. Reply extremely urgent. [Angell.]

CAFFERY

740.00119 EW/12-845 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 10, 1945—7 p. m.

5760. For Angell No. 84. You are authorized to proceed as requested para 8, urtel 130, Dec 8.[31]

No specific agreement on transfer of PWs exists. PWs transferred by SCAF [*SCAEF?*] and its successors under terms indicated Appendix B, Repmem 12.[32]

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[29] *Supra.*
[30] Not printed.
[31] See telegram 7075, December 8, 2 p. m., from Paris, p. 1448.
[32] Repmem 12 not printed; see telegram 6559, November 12, 11 p. m., from Paris, paragraph beginning "French stated that 550,000 PWs . . .", pp. 1382, 1384.

Following is our reply urtel 105 [33] drafted last week but not despatched owing to oversight:

"1. Dept not inclined favor Gottschalk and Gray proposal (urtel 105, para 5) to restrict benefits of reparation for victims of Nazi persecution to non-repatriable concentration camp denizens, since people of German and Austrian nationality who were found in concentration camps and wish to leave Germany and Austria and needy refugees now abroad should not be excluded from benefits. Believe it satisfactory to leave determination classes of persons aided in rehabilitation and resettlement to Board of trustees or other intergovernmental body charged with responsibility of distribution reparation on understanding such persons must be: *a.* true victims Nazi persecution; *b.* needy in terms future economic position.

"2. Gottschalk, Gray view that allotment of share must not be construed as solution of problem shared by Dept. Should be made clear that reparation cannot compensate victims fully, that occupying powers, United Nations, (thru UNRRA [34] and otherwise), and private charities thruout world recognize their obligations. Because reparation will consist largely of payments in kind and will leave Germany with economy capable only of paying for essential imports, Germany cannot be made to compensate in full victims of Nazi persecution who have left or will leave Germany. Proposal therefore is simply to add small amount liquid assets, which can be made available, to supplement other arrangements. Restitution of property taken from victims of Nazi persecution will, of course, be made in Germany, but can hardly be expected to benefit refugees substantially.

"3. Dept favors allotting absolute sum rather than percentage share to victims Nazi persecution. Believes sum should be nearer 50 million than 15 million dollars plus non-monetary gold you propose. Any figure less than 30 million plus non-monetary gold regarded here as contributing too little to solution to be acceptable.

"4. Dept agreeable British proposal of Trustees under UNO, with your provision of interim arrangement.

"5. Whatever sum or share is set aside should be in liquid assets. Agency handling fund should not be put in position of claiming equipment in IARA or of requesting share in stocks or current output."

Please repeat urtel 105 to Dept to London for Stevenson.[35]

Sent to Paris as 5760, For Angell No. 84, repeated in part to London for Stevenson as 10690.

BYRNES

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[33] See telegram 6931, December 2, 8 a. m., from Paris, p 1437.

[34] United Nations Relief and Rehabilitation Administration; for documentation concerning United States participation in this body, see vol. II, pp. 958 ff.

[35] Adlai E. Stevenson, Deputy United States Representative, United Nations Preparatory Commission.

740.00119 EW/12–1145 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

[Extract]

WASHINGTON, December 11, 1945—5 p. m.

5778. For Angell No. 77.

1. No government should claim any German industrial plant or equipment as reparation except for use in its own territory or use by its nationals in the territory of another nation (urtel From Angell No. 110 [36]), with proviso permitting transfer of ships acquired as reparation to foreign ownership. Maritime Commission insisting on transfer of some smaller German vessels to other countries, notably Philippines. Dept opposes proposed resolution that removals would be for use only in claimant's country. Depts position consistent with US policy of aiding reconstruction of occupied nations, since plants received by US in above circumstances may in fact be moved to former occupied nations. . . .

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BYRNES

740.00119 EW/12–1145 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 11, 1945—8 p. m.

5790. For Angell No. 85. Urtel From Angell 130 [37].

1. Discussion unclear regarding external assets in individual United Nations exceeding individual B quotas. Do you mean these assets exceed amount which would be derived by applying B percentage to external assets only? Or do you mean these exceed individual share of total amount which would be derived from reciprocal deliveries, external assets, and other non-plant reparation?

2. Our view is that B pot should not be subdivided. Thus in former case excess holdings external assets should reduce share of reciprocal deliveries, etc. by corresponding amount. Do not reduce plant quota until share of all other assets exhausted.

3. In latter case excess holdings external assets should reduce share of plant and equipment by corresponding amount. If excess so great as to wipe out plant claim, grant adjustment to permit some plant reparation.

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[36] Reference is to telegram 6962, December 3, midnight, from Paris, wherein Mr. Angell questioned the possibility of a non-member of IARA receiving German reparations by transfer from a member nation which had obtained them under the terms of the IARA Agreement (740.00119 EW/12–345).

[37] See telegram 7075, ecember 8, 2 p. m., from Paris, p. 1448.

4. Anxious to avoid situation in which other countries would obtain increased share in non-plant assets other than German assets in United Nations at expense of US. Any offsetting reduction in their share in plant assets would not benefit US since latter in no position to take more than 12 percent of plant assets. US share in all non-plant assets should remain 28 percent. Furthermore, desirable that Belgium, Netherlands and other former occupied and devastated countries cited Para 5 urtel 150 [*130*] maintain their share plant assets substantially unreduced in order to assist rehabilitation their economies.

BYRNES

740.00119 EW/12–1245 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 12, 1945—8 a. m.
[Received 2:06 p. m.]

7122. From Angell No. 139.

1. First debate on share for non-repatriable persons took place December 10. General concern expressed about definition of persons eligible. Sharp opposition voiced by Yugoslav and Czech delegates to aid for nationals of formerly occupied countries. Nationals of such countries who refuse to return are considered enemies of present democratic governments and of suspect loyalty to country during war. In order to satisfy conference that aid will not be extended to persons of anti-democratic sympathy, I proposed to amend clause defining eligible classes as follows:

"That persons in the classes described below should be eligible for aid under scheme provided that they cannot be repatriated within a reasonable time, that they require aid for their resettlement or rehabilitation and that they are not found to have voluntarily supported the German war effort:

a. German and Austrian nationals including:

(I) Those who are now refugees from Germany and Austria and,

(II) Those still resident in Germany and Austria who were deprived of their citizenship under Nazi laws and who do not desire to remain in Germany or Austria.

b. Nationals of countries formerly occupied by the Germans who cannot be repatriated within a reasonable time and who were victims of Nazi persecution. In order to exclude persons whose loyalty to the United Nations is doubtful, aid shall be restricted to nationals of formerly occupied countries who were victims of German concentration camps."

2. Informal talk with Czech and Yugoslav delegates indicates that paragraph 1, *b*, will not be acceptable to them. I hope, however,

that it may satisfy remainder of conference. If further opposition develops to this and other aspects of scheme, I shall attempt to secure acceptance of principle of scheme in accordance with suggestion in mytel from Angell No. 131,[38] paragraph 2. However, it may be necessary to provide that specific programs of aid for nationals of formerly occupied countries be subject to veto of such countries. I am conscious of political aspects of this suggestion. Authorization of Department for such provision urgently requested if acceptable. Further delay at present stage of conference will make action difficult.

3. With respect to urtel for Angell No. 84,[39] paragraph 3, I do not consider it feasible to suggest higher sum than dollars 25 million ($25,000,000). This sum believed consistent with original instructions Repmem 3 [40] which suggested 1 or 2%.

4. Reply immediate.

Sent Dept as 7122 from Angell No. 139 repeated to London for Stevenson 858 from Angell No. 11. [Angell.]

CAFFERY

740.00119 EW/12–1245 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 12, 1945—7 p. m.
[Received December 12—3 : 53 p. m.]

7136. From Angell No. 142. Draft final act being cleared among British, French and ourselves for presentation to heads of delegations meeting tomorrow morning. French and British consider that IARA (Inter-Allied Reparations Agency) charter and understanding regarding division of shares should be cast in some form known to international law for binding inter-governmental undertakings. This raises an internal question regarding manner in which US will signify its adherence to results of this conference. Department will recall that in mytel 43 [41] I suggested that Repmem principles advocated by me for unanimous conference agreement be cast in form of recommendations, in manner of usual treatment of similar matters in conferences with other American Republics. Deptstel 36 to me [42] approved this suggestion. In view of British and French position on shares and IARA and because of important relationships between section on apportionment of shares and the recommendations I have

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[38] See telegram 7084, December 9, 8 p. m., from Paris, p. 1451.
[39] See telegram 5760, December 10, 7 p. m., to Paris, p. 1451
[40] Not printed.
[41] Reference is to telegram 6555, November 12, 8 p. m., from Paris, not printed.
[42] Department's telegram 5348, November 16, 8 p. m., to Paris; for an extract, see p. 1389.

introduced and supported, I recommend that I be authorized to agree to a final act organized as follows:

1. Final act to open with a conference recommendation reading "the Paris Conference on Reparation recommends that the Governments represented at the Conference conclude the agreement on reparation from Germany, on the establishment of an inter-Allied reparation agency and on the restitution of monetary gold, which is set forth below".

2. Preamble of Agreement referred to reads:

"The Governments of blank, in order to implement the protocol on German reparation between the Governments of the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics and the United States of America, signed at Potsdam on Aug 1, 1945,[43] in order to obtain an equitable division among themselves of the total assets available to them as reparation from Germany (hereinafter referred to as German reparation), and to settle an equitable procedure for the restitution of monetary gold, in order to establish an inter-Allied reparation agency, have agreed as follows:"

3. Under the heading of "Reparation From Germany" the agreement would contain material on division of shares and the various unanimously agreed papers along lines my Repmem instructions,[44] as amended and modified with Dept approval.

4. IARA charter and gold pot sections respectively would follow.

5. The penultimate section would read: "This agreement shall come into force as soon as it has been signed by Governments collectively entitled to not less than 50 percent of the aggregate of shares in category 'A' (all forms of reparation other than plant removals and ships) of German reparation."

6. Document would be concluded by signature clause reading: "The signature of each contracting Government shall, for the purposes of the present agreement, be deemed to cover its colonies, overseas territories and territories under its protection, or sovereignty, or mandate.

In witness whereof, the undersigned, duly authorized by their respective Governments, have signed the present agreement, prepared in English and French, the two texts being equally authentic, in a single copy, which shall be preserved in the archives of the Government of the French Republic."

I would sign only conference recommendation quoted paragraph 1. After appropriate Washington action, Dept would instruct Ambassador here to sign 6 and formally bind US. I have put this matter to Dept because I believe it had hithertofore been assumed in Dept that my actions here would require no more by way of implementation in US than have the recommendations of various inter-American conferences. Final act now under consideration calls for additional US action, such as that for executive agreements, to bring it into force. Please instruct with greatest urgency. [Angell.]

CAFFERY

[43] *Conference of Berlin (Potsdam)*, vol. II, p. 1485.

[44] None printed.

740.00119 EW/12–1245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 12, 1945—9 p. m.
[Received December 12—5 :04 p. m.]

1248. For Minister Angell, with reference to Paris 229, November 29, 11 a. m.,[45] and 253, December 10, midnight to Berlin.[46] I am informed by General Clay that he personally had no objection to I.A.R.A. being given the responsibility for adjudicating disputes between two claimant governments for the same item claimed as restitution. He does not understand, however, how such claims could arise. All definitions of restitution being considered in the Control Council envisage positive identification, prior to their restitution, of items claimed in restitution. Before he will approve delivery, the Zone Commander manifestly must be satisfied with respect to such positive identification. Therefore, if responsibility for delivery has been accepted on the ground that item has been positively identified, later claims would be after the fact and could only create difficulty. It would be an error to allow Missions indiscriminate search for property with a view to establishing identity. The U.S. proposal envisages that the claimant Mission, prior to arrival, would submit list of property and assumed location in Germany. The arrangement for determination of ownership based on positive identification must enable prompt decisions to be made to avoid undue interference with reparations and the reestablishment in Germany of a minimum economy.

Disputes between claimant governments with regard to identification would indicate the inability of these claimants to make positive identification and deliveries would not be made in such instances.

Determination as to removal of the claimed item by force would provide a more likely claim for dispute. Definitions under consideration of the Control Council make removal by force a governing factor in deciding restitution. General Clay believes that here the Zone Commander must take the final decision or else the task administratively will become long drawn out and will interfere consistently with reparations and in execution will create difficulties and friction.

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[45] See telegram 6864, November 29, 11 a. m., from Paris, p. 1430.

[46] Not printed; in this telegram Mr. Angell had inquired of General Clay whether he understood correctly that the latter desired to have the zonal commander rather than IARA settle disputes between two claimant nations over identifiable restitutable items. He also indicated that the British zone commander preferred to let IARA handle not only claims involving conflict between two governments but also those between a government and a zone commander. Mr. Angell felt that only the former type should be dealt with by IARA. (USPolAd file)

General Clay and I both would be glad to have from your group a Liaison Officer, M. Dearborn or anybody else appointed by you being entirely satisfactory.

He would also be delighted at the earliest opportunity to have a visit from you in Berlin.

Sent Paris as 172, repeated to Department as 1248.

MURPHY

740.00119 EW/12–1245 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 12, 1945—midnight.
[Received December 13—2 : 46 a. m.]

7138. From Angell No. 147.

A. At meeting of heads of delegations, December 12, French, Yugoslav, and Czech delegates submitted following alternative text of recommendation on non-repatriable persons:

"The Paris Conference on Reparations recognizes that there are a large number of persons who have suffered heavily at the hands of the Nazis, who now stand in dire need of aid to promote their rehabilitation, but who will be unable to claim the assistance of any government receiving reparation from Germany.

"The Conference, therefore, recommends:

"1. That a share of reparation of 25 million dollars be allocated for the rehabilitation and resettlement of non-repatriable victims of German action or the action of other Fascist governments.

"2. That the share so allocated be satisfied out of all of the non-monetary gold found in Germany and a portion of the proceeds of German assets in neutral countries which are available for reparation; that in addition there be made available for this purpose funds deposited in neutral countries by refugees from various European countries, or possible other Nazi victims, who have since died and left no heirs, and which funds are now blocked by the governments of those neutral countries.

"3. That the classes of persons eligible for aid under this scheme should include:

"(*a*) Needy refugees from Nazi Germany and Austria and from any other country under Fascist rule who cannot be returned to their countries within a reasonable time because of reigning conditions

"(*b*) Needy German and Austrian nationals now resident in Germany and Austria who were victims of Nazi persecution and who do not want to remain in Germany or Austria, and who will leave those countries within a reasonable time

"(*c*) Nationals of countries formerly occupied by the Germans who cannot be repatriated or are not in a position to be repatriated within a reasonable time and who were victims of Nazi persecution. In order to concentrate aid on the most needy and deserving refugees and to exclude persons whose loyalty to the United Na-

tions is doubtful, aid shall not be granted to the nationals of a formerly occupied country without prior approval of that country's representative on the Inter-Governmental Committee on Refugees.

"4. That the funds made available for these purposes be administered by the Inter-Governmental Committee on Refugees.

"5. That the non-monetary gold found in Germany be placed at the disposal of the Inter-Governmental Committee on Refugees immediately.

"6. That the funds be used, not for the compensation of individual victims, but to further the rehabilitation or resettlement of persons in the eligible classes.

"7. That nothing in these proposals be considered to prejudice the claims which individual refugees may have against a future German government, except to the extent that such refugees have benefited from the funds provided from German non-monetary gold or German assets in neutral countries."

B. Yugoslav delegate proposed following amendment to paragraph 3, (*c*): After the word "Country", add: "who were its nationals at the time of its annexation or occupation by Germany or its entry into war,"

C. Waley proposed that after the preamble the text should read roughly as follows:

"The Conference, therefore, recommends that the Governments of the United States, France, United Kingdom, Yugoslavia and Czechoslovakia, in consultation with the Inter-Governmental Committee urgently frame a practical scheme, to be submitted for the approval of the governments here represented, along the following lines:"

There would then follow the text of the proposal set out under section A, above.

D. I made the following points in discussion:

1. That it is not practicable to make a large increase in the number of persons eligible without an increase in the funds allocated.

2. That it is doubtful whether the refugee funds blocked in neutral countries and belonging to deceased persons without heirs can, in fact, be secured for the funds because of legal difficulties.

3. That I could not agree without further instruction that aid should not be granted to nationals of formerly occupied country without prior approval of that country.

E. The new text was referred to a committee composed of US, UK, France, Yugoslavia, and Czechoslovakia. From today's discussion, it appears highly probable that Conference will accept any text which can be agreed in this committee.

F. I submit following recommendations:

1. That victims of Fascist states other than Germany be excluded from scheme unless fund is raised to dollars 40 million out of potentially liquid assets.

2. That frozen funds of refugees without heirs be dropped from the text because of reason given in section D 2, above. I believe also that Jewish community would have legitimate objection to allocation of these funds for general use of non-German refugees, even if they could be secured.

3. That we accept veto of interested government with respect to aid for refugees from formerly occupied countries. Yugoslavia and Czechoslovakia, acting for themselves and also for Poland and USSR, will accept persons in Class 3 (*c*) of the text only subject to such veto. It should be remembered also that Polish Jews are the only substantial class of persons deserving aid and subject to the veto. Veto may be used against them. In that case, however, fund would be concentrated on German and Austrian victims now residing inside and outside Germany and Austria. Such concentration would make possible greater allocation of other private and public funds for Polish Jewish refugees.

4. That we accept the Inter-Governmental Committee as Administering Agency.

5. That we accept Waley's proposed amendment if necessary in order to secure British support for scheme. I consider that, if text provides allocation of funds and covers other questions now included, reference of scheme for implementation to a committee of countries in consultation with Inter-Governmental Committee will not unduly delay action and will produce more practicable scheme than we can frame in hurried atmosphere of Conference.

6. No further action possible until arrival of your instructions covering points above. Since Conference will turn tomorrow to consideration of shares and final act, utmost speed in reply is essential.

Repeated to London for Stevenson as from Angell No. 13. [Angell.]

CAFFERY

740.00119 EW/12–1245 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 12, 1945—midnight.
[Received December 13—4:41 a. m.]

7140. From Angell No. 143. Following "Proposed Recommendation on General Principles for Allocations of Plant and Equipment by the Inter-Allied Reparation Agency" was adopted at December 10th meeting.

["]The Paris Conference on Reparation recommends:

1. That claimants shall endeavor to submit comprehensive programs of requests for related groups of items, rather than submitting requests for isolated items or small groups of items. The work of the Secretariat will be more effective, the more comprehensive the programs which claimant Govts submit to it.

2. That in the allocation by IARA of items (other than ships) declared available for reparation, the following general principles shall serve as guides.

A. Any item or related group of items in which a claimant country has a substantial pre-war financial interest shall be allocated to that country if it so desires. Where two or more claimants have such substantial interests in a particular item or group of items, the criteria stated below shall guide the allocation.

B. If the allocation between competing claimants is not determined by paragraph A attention shall be given, among other relevant factors, to the following considerations:

I. The urgency of each claimant's needs for the item or items for rehabilitation or reconstruction purposes, and for the general revitalization of the claimant's economic life;

II. The extent to which the item or items would replace property which was destroyed, damaged or looted in the war, or which requires replacement because of [excessive] wear in war production, and which is important to the claimant's economy;

III. The relation of the item or items to the general pattern of the claimant's pre-war economic life and to programs for its post-war economic adjustment or development;

IV. The requirements of countries whose reparation shares are small but which are in need of certain specific items or categories of items.

C. In making allocations a reasonable balance shall be maintained among the rates at which the reparation shares of the several are satisfied, subject to such temporary exceptions as are justified by the considerations under paragraph (B) (I) above."

This document was submitted by the United States Delegation. Item 2–B–IV was not initially included. Australian, New Zealand and Indian delegates objected to 2–B–I and II and stated that if these provisions were rigidly applied, non-European countries with small reparation shares might secure practically nothing desired in A category. New Zealand delegates argued that non-European nations with small shares were less able to protect their interests than countries near Germany; also that non-European nations could use only certain particular items of removals and therefore should be given priority. The Conference delegates recognized some validity in these arguments and agreed to insertion of 2–B–IV.

Regret that due to inadvertence this document was not forwarded to the Dept for comment before final consideration and approval by the Conference. Criteria under consideration were mentioned in my telegram from Angell 93, November 29, but Dept's reply (urtel 5778, December 11) was not received until late on December 12.[47]

[47] In this exchange of telegrams, Mr. Angell mentioned the possibility of conflicting claims between the United States and another nation requiring the United States to justify its claims before the IARA in conformity with certain criteria which that body would likely draw up. The Department's reply stated that the determination of criteria for settling such disputes should be left to IARA. (740.00119 EW/11–2945 and 12–1145)

Members of the US Delegation feel strongly that IARA needs some guidance on criteria to be followed in making allocations. I wished particularly to secure general acceptance of item 2-A, and to induce constructive thinking in regard to requests for allocations before IARA became active. Unreasonable requests for removals may now have been forestalled by discussion of criteria in the Conference.

I consider, and Phelps fully concurs, that the US position is amply protected by the fact that 12 percent was retained in category A even though Repmem 1 [49] suggested only 10 percent and an even smaller percentage will probably be needed; that priority will be obtained on removals in which the US had a substantial pre-war property interest; and that a reasonable balance must be maintained among the rates at which the reparations shares of the several claimants are satisfied (item 2-C). Furthermore, these specialized or unique items which are most likely to be desired by the US will probably not be those items for which a request can reasonably be justified. [Angell.]

CAFFERY

740.00119 Control (Germany)/12–1345 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extract]

BERLIN, December 13, 1945—2 p. m.
[Received December 14—12:52 p. m.]

1252. Item 1. Coordinating Committee at its twenty-sixth meeting yesterday, US member presiding, dealt chiefly with routine matters.

Item 2. With respect to restitution question, French member said he had not yet received his new instructions but he understood they were on the way. Soviet delegation presented their promised new draft definition [49] which was a combination of their original definition and Clay's compromise.[50] Russians suggested amendment of paragraph 2 of Clay's compromise would read as follows:

"Restitution will be limited in the first instance to identifiable goods which existed at the time of occupation of the country and which were taken out of the country by the enemy through use of force. Also included under measures of restitution are other identifiable goods produced during the occupation and which were acquired by the enemy by an act of force. As regards all other articles taken away, the question will be discussed in each particular case by the Control Council which will take account of the compatibility of resti-

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[49] Not printed.
[50] See telegram 1126, November 28, 8 p. m., from Berlin, p. 1426.

tution with the satisfaction of reparations and the minimum economy to be left Germany."

Russians suggested no change be made in paragraph 3 of their original proposal reading substantially as follows:

"In the case of property destroyed or worn out by the enemy, the right of replacement by identical or comparable property is restricted to objects of a unique character such as works of art, et cetera (the question of gold and precious metals being left out of discussions)."

General Clay insisted that in the light of the new suggested paragraph 2, the words "claims for replacement" be substituted for "right of replacement" above.

Consideration of the question was deferred to Coordinating Committee's next meeting.[51]

Item 3. Coordinating Committee adopted plan for the immediate interim restitution of identifiable works of art and other cultural objects taken by the Germans from liberated territories. Plan confirms steps which have already been taken by the American authorities to return such objects.[52]

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MURPHY

740.00119 E.W./12–1345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 13, 1945—midnight.
[Received December 15—4:30 p. m.]

7160. From Angell No. 152. Rueff has orally accepted US and UK proposal of French quotas of 22 percent in plant and ships and 16 percent in other forms of reparation on basis set forth in paragraph 3 of my 130, Dec 8.[53] Basis set forth in paragraphs 5 to 7 of mytel 130, abandoned by mutual consent after expression of disapproval of Rueff.

At heads of delegation meeting today Rueff on behalf of three sponsoring powers introduced first draft of Final Act and proposed table of reparations share in categories A and B for countries at Conference. Prior to introduction of table of shares Rueff made prepared statement (1) mentioning Yalta criteria[54] for receipts of reparation; (2) outlining in general terms the measurable and im-

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[51] Discussion of restitution at the twenty-seventh meeting of the Coordinating Committee was brief and inconsequential, principally due to the fact that the French member still had not received instructions from his Government (740.00119 Control (Germany)/12–1845).

[52] For text of the document adopted, see vol. II, p. 955.

[53] See telegram 7075, December 8, 2 p. m., from Paris, p. 1448.

[54] See *Conferences at Malta and Yalta*, pp. 978, 982.

measurable factors which had been taken into consideration in arriving at proposed shares; (3) US surrender of large portion of share in industrial plants as contribution to reconstruction of Europe; (4) fact that shares for countries closer to Japan represented only German portion of their overall war effort.

Conference schedule is to read Final Act, complete discussion the week of points [*of weak points?*] still unsettled, discuss shares Monday,[55] prepare definitive version of Final Act Tuesday and sign Wednesday table of shares submitted to Conference as follows: (note fact that designations of A and B shares have been interchanged):

Country (Pays)	*Category A*	*Category B*
Albania	0.05	0.1
US of America	28.00	12.0
Australia	0.7	0.9
Belgium	2.7	3.7
Canada	3.5	4.7
Denmark	0.25	0.3
Egypt	0.05	0.1
France	16.0	22.0
United Kingdom	28.0	28.0
Greece	2.7	3.7
India	2.0	2.7
Luxembourg	0.15	0.2
Norway	1.3	1.8
New Zealand	0.4	0.5
Netherlands	3.9	5.3
Czechoslovakia	3.0	4.1
South Africa	0.7	0.9
Yugoslavia	6.6	9.0
Total	100.0	100.0

Draft of Final Act submitted included provisions set forth below, in addition to certain provisions covered by my previous telegrams:

"TABLE OF CONTENTS. CONFERENCE RECOMMENDATION.

Agreement on reparation from Germany, on the establishment of an inter-Allied reparation agency, and on the restitution of monetary gold.

Preamble

Part I. Reparation from Germany

1. Shares in reparation.
2. Settlement of wartime claims against Germany.
3. General principles for the allocation of plant and equipment.
4. General principles for the allocation of ships
5. German external assets
6. Captured supplies
7. Non-repatriable persons

Part II. Inter-Allied Reparation Agency

[55] December 17, 1945.

Part III. Restitution of monetary gold. Entry into force. Signatures, to cover colonies, et cetera.
Annexes
I. Interpretative recommendations
II. Unanimous resolutions by the Conference
1. On German external assets in the neutral countries.
2. On gold transfers to the neutral countries.
III. Resolutions by certain delegations
1. Resolution on the subject of restitution
1*a*. Further resolution on restitution.
2. Resolution on reparation from existing stocks and current production.
3. Resolution on the subject of the property in Germany of a United Nation or its nationals.
4. Resolution on captured war material.

Part I

1. Shares in reparation.

A. German reparation shall be divided into the following categories:

Category A, which shall include all forms of German reparation except those listed in Category B.

Category B, which shall include industrial and other capital equipment removed from Germany, and ships.

B. Each signatory Govt shall be entitled to the percentage share of the total value of Category A and the percentage share of the total value of Category B set out for that Govt in the attached table of shares.

C. Subject to the provisions of paragraph D, each signatory Govt shall be entitled to receive its share of ships determined in accordance with section 4 below, provided that its receipts of ships do not exceed in value its share in Category B as a whole; and each signatory Govt shall also be entitled to its Category A percentage share in German assets in countries which remained neutral in the war against Germany. The distribution among the signatory Govts of forms of German reparation other than ships and German assets in countries which remained neutral in the war against Germany shall be guided by the principles set forth in section 3 below.

D. If a signatory Govt receives more than its percentage share of certain types of assets in either Category A or Category B, its receipts of other types of assets in that category shall be reduced so as to ensure that it shall not receive more than its share in that category as a whole.

E. No signatory Govt shall receive more than its percentage share of either Category A or Category B as a whole by surrendering any part of its percentage share of the other category, except that with respect to German assets within its own jurisdiction, any signatory Govt shall be permitted to charge any excess of such assets over its

A category percentage share of total German assets in United Nations either to its receipts in Category A or to its receipts in Category B.

F. The Inter-Allied Reparation Agency, to be established in accordance with Part II of this agreement, shall charge the reparation account of each signatory Govt for the German assets within that Govt's jurisdiction over a period of five years. The charges at the date of the entry into force of this agreement shall be not less than 20% of the net value of such assets (as defined in section 5 below) as then estimated, at the beginning of the second year thereafter not less than 25% of the balance as then estimated, at the beginning of the third year not less than 33⅓% of the balance as then estimated, at the beginning of the fourth year not less than 50% of the balance as then estimated, at the beginning of the fifth year not less than 90% of the balance as then estimated, and at the end of the fifth year the entire remainder.

G. The following exceptions to paragraphs D and E above shall apply in the case of a signatory Govt whose share in Category B is less than its share in Category A:

(I) Receipts of ships by such Government shall not reduce its percentage share in other types of assets in Category B except to the extent that such receipts exceed the value obtained when that Govt's Category A percentage is applied to the total value of ships.

(II) Any excess of German assets within the jurisdiction of such Government over its Category A percentage share of German assets in the United Nations shall be charged first to the additional share in Category B to which that Govt would be entitled if its share in Category B were determined by applying its Category A percentage to the forms of German reparation in Category B.

H. If any signatory Govt renounces its share or part of its shares in German reparation as set out in the attached table of shares, or withdraws from the Inter-Allied Reparation Agency at a time when all or part of its shares in German reparation remain unsatisfied, the shares or part thereof thus renounced or remaining shall be distributed ratably among the other signatory Governments.

At second meeting today Canada surrendered ratable share received from United States renunciation of B quota and surrendered in addition same proportion of B quota as we surrendered. Canadian B quota of 4.7 in above table of shares thus reduced to 1.5 and placed at disposition of three inviting powers.

Only adverse reactions to shares received so far are from Egyptian and Danish delegates, whose complaints we are not disposed to view seriously, and from Belgian delegate. Means are being explored to give Belgian satisfaction. Will keep Dept advised. [Angell.]

CAFFERY

740.00119 EW/12–1345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 13, 1945—midnight.
[Received (December 15?)—12:40 a. m.]

7161. From Angell No. 148. Will require greater flexibility in negotiation of fund for non-repatriables than is clearly requested in mytel from Angell No. 147.[56] French, Czech and Yugoslav delegates may insist on inclusion of refugees from Fascist countries other than Germany. This would increase eligibles by 200,000 Spanish refugees in France according to our information. At same time it may be impossible to increase fund from $25,000,000 to $40,000,000 as suggested in mytel from Angell No. 147. What would be lowest sum acceptable assuming that Spanish refugees must be covered? We are not in position to judge how many Spanish refugees would, in fact, be deemed to require aid.

On further reflection, I consider acceptance of veto by interested governments of aid for nationals of formerly occupied countries a difficult matter. Department will be conscious of possibility that acceptance of such veto may prejudice US position with respect to UNRRA aid for displaced persons from eastern European countries. While acceptance of veto is desirable in narrow context of problem of aiding resettlement of non-repatriable victims, a decision on this point clearly involves wider aspects of US policy.

If veto by interested government with respect to aid for nationals of formerly occupied countries is unacceptable to Department, it may be possible to restrict scheme to German and Austrian victims both inside and outside Germany. Would such restriction be acceptable? What would be lowest sum acceptable in that event? What would be minimum sum if Spanish refugees are covered?

Saturday December 15 is likely to be last opportunity to secure conference action on this proposal. We are arranging teletype conversation with Washington for Friday evening December 14 Paris time. Urgently request Department's answer at that time to questions raised in mytel from Angell No. 147 and in the present telegram sent Department 7161 repeated London for Stevenson as from Angell 15 from Paris No. 864. [Angell.]

CAFFERY

[56] See telegram 7138, December 12, midnight, from Paris, p. 1458.

740.00119 EW/12–1445 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 14, 1945—noon.

5860. For Angell No. 99. Categories of beneficiaries in para 1 urtel 139, Dec 12 [57] satisfactory. If necessary you are authorized to proceed as proposed your para 2.

Cognizant of your difficulties re total to be set aside, so approve $25,000,000. Urge, however, that non-monetary gold be addition to this amount since really restitution item.

Further reference Deptel 84 for Angell Dec 10,[58] revised view here that Brit proposal to have Board of Trustees administering reparation for victims of Nazi persecution placed under UNO is inacceptable.

Subject to above recommendations urtel 147, Dec 12 [59] approved.

ACHESON

740.00119 EW/12–1245 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 14, 1945—5 p. m.

5867. For Angell No. 97. You are authorized to sign final act as drafted Embstel 7136, Dec 12, and revised as follows:

"The Conference on Reparation, which has met in Paris from blank to blank, recommends that the Governments represented at the Conference conclude the agreement on reparation from Germany, on the establishment of an inter-allied reparation agency, and on the restitution of monetary gold, which is set forth below, and that such agreement, drawn up as an instrument separate from this Final Act, be signed in Paris as soon as possible. The recommended agreement is as follows:

'The Governments of blank, in order to implement the protocol on German reparation between the Governments of the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics, and the United States of America, signed at Potsdam on August 1, 1945, in order to obtain an equitable division among themselves of the total assets available to them as reparation from Germany (hereinafter referred to as German reparation), and to settle an equitable procedure for the restitution of monetary gold, in order to establish an interallied reparation, have agreed as follows:

(Here will be incorporated the main body of the agreement, including the Articles constituting the IARA charter.)

Article blank. This Agreement, which shall be open for signature on behalf of any Government represented at the Conference on Reparation which was held in Paris from blank to blank, shall come into force as soon as it has been signed on behalf of Governments collectively entitled to not less than fifty percent of the aggregate of shares in category A (all forms of reparation other than plant removals and ships) of German reparation.

Article blank. The signature on behalf of each contracting Government shall,

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[57] See telegram 7122, December 12, 8 a. m., from Paris, p. 1454.

[58] See telegram 5760, December 10, 7 p. m., to Paris, p. 1451.

[59] See telegram 7138, December 12, midnight, from Paris, p. 1467.

for the purposes of the present agreement, be deemed to cover its colonies, overseas territories, and territories under its protection or sovereignty or mandate.

In witness whereof, the undersigned, duly authorized by their respective Governments, have signed the present agreement in the English and French languages, the two texts being equally authentic, in a single original, which shall be deposited in the archives of the Government of the French Republic, certified copies thereof being furnished by that Government to all the Governments concerned.

Done at Paris this blank day of blank, year.'

In witness whereof, the undersigned, duly authorized by their respective Governments, have signed the present Final Act of the Conference on Reparation in the English and French languages, the two texts being equally authentic, in a single original, which shall be deposited in the archives of the Government of the French Republic, certified copies thereof being furnished by that Government to all the Governments represented at that Conference.

Done at Paris this blank day of blank, 1945."

Ambassador's signature intergovernmental agreement will be subject of further instructions.

ACHESON

740.00119 EW/12–1445 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 14, 1945—8 p. m.

5874. For Angell No. 102. The content of following telegram in process of being cleared with WSA and Maritime Commission and no definitive action may be taken on subject until their clearance obtained by first of next week. Since they have had hand in drafting, likelihood is that Admiral Land [60] will clear telegram in present form.

"Prepared to put entire one-third American share German merchant fleet into IARA subject to following understanding:

"1. WSA cannot afford risk of failing to retain *Europa* through arbitration procedure in event of claims being advanced by other nations. Accordingly they consider informal agreement on this point with Brit, French, Dutch and Norwegians essential.

"2. In cases where the US Govt believes that American citizens may have a legal or equitable interest in a vessel WSA states it should be agreed that such vessel will be allocated to the US share and similar treatment accorded to other nations. Similar arrangement reached in Tripartite negotiations on merchant ship division.

"3. Allocation will be in accordance with relative gross global tonnage losses calculated either on gross tonnage or d.w.t. basis and not in accordance with losses by category. Assume Brit not requiring US commitment that losses in particular categories will be considered in IARA allocation. Losses should be calculated on ownership basis, not on flag basis, for an agreed period and with provision for reconciliation of data on losses. For purposes of division and calculating

[60] Emory S. Land, War Shipping Administrator.

losses, it appears necessary to have two groups of vessels; i.e. large and small and the dividing line should be at 1600 tons gross.

"4. Valuation of Tripartite Commission will be accepted with addition of 15 percent.

"5. All ships allocated by Tripartite Commission to UK and US will be put into IARA irrespective of fact whether or not they were captured or acquired through capitulation.

"6. Value of ships allocated will be charged against plant and equipment quota.

"Very tentative WSA calculations indicate UK and US shares of global ship losses 45.3 and 20.7 percent respectively on gross tonnage basis or 45.5 and 21.3 percent respectively on D.W.T. basis. WSA calculations not confined to ship losses arising out of European war. Believe agreed figures on ship losses should be worked out by subcommittee of IARA but WSA considers any attempt to attribute ship losses to European as distinct from Far Eastern war impossible and undesirable. However in this connection consideration might be given to terminating losses on VE-day for purposes of this division."

ACHESON

740.00119 EW/12–645 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 14, 1945—8 p. m.

5875. For Angell No. 86. Dept has heretofore interpreted Soviet gold renunciation at Potsdam [61] as covering all gold found by Allied forces in Greater Germany. Question whether Hungarian gold should be in pot has therefore been regarded one for settlement without reference to Soviet Govt. Upon reexamination of question (Reurtel 7026 Dec 6 from Angell No. 123) whether Soviet renunciation in fact covers gold found in Austria, Dept feels that Soviets are in position to advance strong argument re their continued interest in Hungarian gold. Context of statement re Soviet renunciation of claims to gold is reparations section of Potsdam Protocol throughout which term "Germany" can have relevance only to Germany of pre-1938 borders.

Dept feels it advisable therefore to avoid discussion at Paris whether Potsdam covers gold found in Austria and to adopt suggestion that Hungarian gold be reserved *in toto* for the present and that, if future developments permit, portion of Hungarian gold could later be distributed among pot participants. If participants desire, conference recommendation on monetary gold could include specific reservation by pot participants to share in any future distribution of Hungarian gold that may be made available for this purpose. Apart from question whether Soviets renounced claims to gold uncovered in Austria, Dept appreciates that Hungarian gold was removed to Austria by officials of former Hungarian Govt and of Hungarian Na-

[61] *Conference of Berlin (Potsdam)*, vol. II, p. 1487.

tional Bank and taken into custody by U.S. forces, not actually looted by Germany.

Since further debate on possible Soviet interest in gold found in Austria should be avoided, it would be preferable also to omit in conference recommendation textual reference to gold found in Austria. Dept appreciates such reference was inserted at its suggestion (Deptel 5534, Nov 27, for Angell, No. 54) made largely with an eye to inclusion of Hungarian gold and that you may find it difficult now to propose omission of this reference. However, deletion may be proposed on ground that such reference unnecessary if Hungarian gold not initially included in pot. Dept also aware that gold other than Hungarian was found in Austria by U.S. forces, although it has no info re value of such finds. However, Dept feels that no further differentiation should be made of gold now at Frankfort. Reservation of Hungarian gold may avoid discussion of this point.

Argument regarding identifiability Ital gold should be avoided since identifiability not relevant to gold pot operation and info available to Dept on gold shipped by Reichsbank to Merkers and transmitted to you by air pouch indicates that Italian gold may constitute largest portion of Merkers gold identifiable.

ACHESON

740.00119 EW/12–1445 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 14, 1945—8 p. m.

5876. For Angell No. 94.

1. Cite cooperative attitude of US and concessions made and express view that Dept strongly regrets lack of reciprocal cooperation of delegates' objecting to your proposal re share of non-repatriables (urtel From Angell 131 [62]). Voice view that Depts willingness to make concessions on other matters will be adversely affected by lack of other delegates' cooperation on this matter of major ethical and moral content requiring small cost.

2. Consider possible favorable effect on other delegates from resultant public opinion if US view is released to press without mentioning disagreement of other delegates.

3. Your para 2 is acceptable but lower US share in para 3 is not.

4. Foregoing prepared before our 99,[63] nevertheless applicable relative your 139 [64] and 147.[65]

ACHESON

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[62] See telegram 7084, December 9, 8 p. m., from Paris, p. 1451.
[63] See telegram 5860, December 14, noon, to Paris, p. 1468.
[64] See telegram 7122, December 12, 8 a. m., from Paris, p. 1454.
[65] See telegram 7138, December 12, midnight, from Paris, p. 1458.

740.00119 E.W./12–545 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 15, 1945—5 p. m.

5884. For Angell No. 75. Dept agrees addition section to statement set forth urtel 75,[66] as outlined urtel 118 (6996 of Dec 5) with following changes:

a) Phrase "those persons entitled to its protection" should be qualified by addition words "at the time the loss occurred". This qualification required to prevent apparent satisfaction claims of persons who have suffered losses as Germans and are now US citizens. It may be noted that reparation removal of property of persons recently become US citizens would be regarded as satisfied by Germany under this formula, despite fact no claim has been made in Annex A for such losses. This acceptable to Dept.

b) Alter phrases "against Germany, ACC and Fr, UK, US" to "against Germany, ACC and the powers occupying Germany" and "incidence of industrial removals policy in western zones of Germany" to delete words "western zones of". Potsdam protocol provides that reparation removals from western zones for certain countries are in satisfaction reparation claims against Germany, not simply against three western zones. Omission of USSR from occupying powers listed and eastern zone from relevant portion of Germany appears to leave open question of settlement of claims against USSR for removals of foreign property from eastern zone. If this is intended, Dept disapproves.

ACHESON

740.00119 EW/12–1345 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 15, 1945—7 p. m.

5885. For Angell 103. Reurtel 7161 of December 13 from Angell no. 148. Department does not agree inclusion victims of persecution other Fascist countries than Germany.

Department does not agree inclusion of veto power by formerly occupied countries to prevent aid to particular victims of Nazi persecution from formerly occupied countries. Veto power defeated in UNRRA.[67] Unwilling to have raised again.

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[66] See telegram 6756, November 23, 2 p. m., from Paris, p. 1406.

[67] For text of UNRRA resolution 71 concerning functions of the administration with respect to displaced persons, see George Woodbridge, *UNRRA: The History of the United Nations Relief and Rehabilitation Administration*, 3 vols. (New York, Columbia University Press, 1950), vol. II, p. 142; for discussion on the adoption of this resolution, see *ibid.*, pp. 486–487. For documentation pertaining to the United States attitude on UNRRA's handling of displaced persons, see *Foreign Relations*, 1945, vol. II, pp. 958–1022, *passim*.

Department insistent aid for victims of Nazi persecution be at least 25 million plus non-monetary gold (more if possible as by adding percentage of all assets in excess of claims received from United Nations not entitled to reparation) to be distributed true victims of Nazi persecution who are unwilling to remain or return to former domicile.

You are authorized to withdraw US proposal if suggestion is made by some other country that deadlock is unbreakable but should not take initiative in withdrawing.

ACHESON

[For documentation concerning discussion of reparations from Germany at the Conference of Foreign Ministers, held in Moscow, December 16–26, 1945, see volume II, pages 703 and 714.]

740.00119 E.W./12–1645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 16, 1945—4 p. m.
[Received December 16—3 : 38 p. m.]

7208. From Angell No. 156. Draft preamble transmitted mytel 142 [68] and approved in substantially same form by Deptel 97 to Angell,[69] unacceptable to certain governments here because it calls upon them to implement terms of an accord to which they were not parties. French have proposed following to meet this difficulty:

"The Government of blank, in order to obtain an equitable distribution among themselves of the total assets which, in accordance with the provisions agreed upon at Potsdam on August 1, 1945, between the Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland, and the Union of Soviet Socialist Republics, are declared to be available as reparation from Germany (hereinafter referred to as German reparation) in order to establish an inter-Allied reparation agency, and to settle an equitable procedure for the restitution of monetary gold, have agreed as follows:"

In view of urgency of agreeing definitely upon Final Act wording, I shall adhere to French text unless I receive objection from Dept by Tuesday morning Paris time. I strongly recommend that French text be approved by Department. [Angell.]

CAFFERY

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[68] See telegram 7136, December 12, 7 p. m., from Paris, p. 1455.
[69] See telegram 5867, December 14, 5 p. m., to Paris, p. 1468.

740.00119 E.W./12–1645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 16, 1945—7 p. m.
[Received December 17—9 : 05 a. m.]

7213. From Angell No. 157.

A. After receipt of urtels for Angell Nos. 94,[70] 99,[71] and 103,[72] and further discussion in five power sub-committee, I shall make following proposal to Conference:

"The Conference, therefore recommends that the Government of France, United Kingdom, United States of America, Czechoslovakia and Yugoslavia, in consultation with the Inter-Governmental Committee on Refugees should work out urgently a scheme on the following general lines:

"1. That a share of reparation consisting of all the non-monetary gold found in Germany and of $25,000,000 addition shall be allocated for the rehabilitation and resettlement of non-repatriable victims of German actions;

"2. That the share of $25,000,000 should be satisfied out of a portion of the proceeds of German assets in neutral countries which are available for reparation;

"3. That neutral governments shall be requested to make available for this purpose (in addition to the amount of $25,000,000) funds deposited in such neutral countries by victims of Nazi action who have since died and left no heirs;

"4. That the persons eligible for aid under the scheme should be restricted to true victims of Nazi persecution in the following classes:

(*a*) Refugees from Nazi Germany and Austria who require aid and who cannot be returned to their countries within a reasonable time because of prevailing conditions;

(*b*) German and Austrian nationals now resident in Germany and Austria who do not desire to remain in those countries and who will emigrate within a reasonable time;

(*c*) Nationals of countries formerly occupied by the Germans who cannot be repatriated or are not in a position to be repatriated within a reasonable time. In order to concentrate aid on the most needy and deserving refugees and to exclude persons whose loyalty to the United Nations was or is doubtful, aid shall be restricted to nationals of formerly occupied countries who were victims of Nazi concentration camps;

"5. That the sums made available under paragraphs 1 and 2 above shall be administered by the Inter-Governmental Committee on Refugees or by a United Nations agency to which appropriate functions of the Inter-Governmental Committee may in the future be transferred. The sums made available under paragraph 3 shall be administered for the general purposes of the present plan under a plan of administration to be formulated by the five governments named above."

[70] See telegram 5876, December 14, 8 p. m., to Paris, p. 1471.
[71] See telegram 5860, December 14, noon, to Paris, p. 1468.
[72] See telegram 5885, December 15, 7 p. m., to Paris, p. 1472.

There will follow further points as in draft quoted in mytel from Angell No. 147.[73] Specific provision will also be made that Inter-Governmental Committee be empowered to carry out the purposes of the fund through appropriate private and public field organizations.

B. I expect that Czechoslovak and Yugoslav Delegates will oppose scheme because of their opposition to paragraph 4 (*c*). Waley may also propose to restrict scheme to paragraph 4 (*a*). He insists he is under instructions from Bevin now in Moscow.[74] If Waley is adamant, may I accept restriction of eligibles to class 4 (*a*)? Only further choice would be to drop scheme.[75] [Angell.]

CAFFERY

740.00119 EW/12–1745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 17, 1945—noon.
[Received December 18—9:20 a. m.]

7214. From Angell No. 159. Reurtel for Angell No. 102, December 14.[76] Believe entirely out of question that Conference will accept principle of final paragraph urtel, that ship losses should not be confined to those arising out of European war. Basic principle underlying consideration of claims submissions by all govts is that losses arising out of Japanese war are not to be taken into account by Paris Conference in allocating reparation from Germany. Principle suggested by WSA would reopen entire question of greater share which Australia, New Zealand, India, United States and other countries should receive in German reparation by reason of great contribution to Japanese war. Nor is it clear to me why it is impossible to calculate losses attributable to European as distinct from Far Eastern war. Unless immediately instructed otherwise, feel compelled to proceed on basis losses in German war.

I am negotiating other conditions made by WSA. Will keep Dept advised.[77] [Angell.]

CAFFERY

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[73] See telegram 7138, December 12, midnight, from Paris, p. 1458.

[74] Foreign Minister Ernest Bevin was in Moscow to attend the Meeting of Foreign Ministers, December 16–26, 1945; for documentation, see vol. II, pp. 560 ff.

[75] The Department sent the following reply in telegram 5902, December 17, 7 p. m., to Paris: "Draft proposal Dec 16 approved (From Angell 157, Paris 7213). If Waley adamant exclusion 4 *c*, you may restrict to classes 4 *a* and 4 *b*. Restriction to class 4 *c* not approved." (740.00119 EW/12–1645)

[76] See telegram 5874, December 14, 8 p. m., p. 1469.

[77] The question of inclusion of shipping losses in the Far Eastern war as a basis for reparation from Germany was not settled at the Paris Conference. The United States position was opposed by the British, French, Yugoslav, Dutch, Greek, Belgian, and Norwegian delegates. Ultimately, the matter was left to the disposition of the Special IARA Merchant Shipping Committee established in part I, article 5 of the Final Act (printed in Department of State *Bulletin*, January 27, 1946, p. 117. (740.00119EW/2–1846)

740.00119 EW/12–1745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 17, 1945—1 p. m.
[Received December 22—7 a. m.]

7216. From Angell No. 161. French and Yugoslavian Delegations each submitting a memorandum to the Conference with proposals on treatment of United Nations' property interests in German industry. These proposals are in part similar to those of Belgian and Netherlands memorandum (mytel from Angell No. 102, December 1 [78]). After lengthy discussions of these three memoranda, agreement was reached by a number of interested Delegations (mytel No. 155, December 14 [79]). The following should be noted in reference to the agreed draft:

1. It was adhered to by all United Nations with substantial property interests in Germany other than the United States and United Kingdom. Both Waley and I took the position that the various questions involved must be considered on a quadripartite basis in ACR (Allied Commission on Reparations). (Mytel from Angell No. 112, December 6.[80])
2. It was recognized that plants in which United Nations have a property interest could be used for reparation purposes when necessary for reasons of security.
3. It was suggested that property in which a United Nation has a substantial interest (over 48%) should, insofar as possible, be excluded from removals.
4. If a plant in which a United Nation has a property interest is removed it was stated that equitable compensation should be granted to United Nation concerned as a charge on the German economy.

The provisions of this memorandum leave entirely unsolved the question as to whether a United Nation property interest in a plant removed from Germany shall be maintained, either through a failure to charge the amount of the property interest to the reparations account of the nation which receives the plant, if it is allocated to the nation which has the property interest, or through some form of compensation if the plant is allocated to another nation. Interpretations of this memorandum, particularly item 5, vary greatly.

Markedly dissimilar positions taken by the Yugoslavs and the Belgo-Dutch were in some manner compromised in this memorandum which was prepared in the Drafting Committee on which the United States and the United Kingdom, for obvious reasons, were not rep-

[78] See telegram 6930, December 1, from Paris, p. 1436.
[79] Reference is to telegram 7189, December 15, 9 a. m., from Paris, not printed. The draft resolution transmitted in this telegram is almost identical with resolution 3 in the annex to the Final Act.
[80] Not printed.

resented. This memorandum received very little discussion in meetings of the heads of delegations and Item 5 was not clarified. In conversation with members of the Belgian Delegation it appears that, in their understanding, a charge against the Belgian reparations share will not be made, if a plant in which Belgium has a substantial property interest is removed and allocated by IARA (Inter-Allied Reparation Agency) to Belgium. The meaning of the words "as a charge on the German economy" is obviously subject to widely different interpretations.

The question of a charge to reparation share must finally be resolved either by ACR or by IARA. Decision on this point has only been postponed. Nevertheless some progress was made through this memorandum which, in most respects, is not in conflict with the policy stated in Repmem 15.[81]

There will be no reference to this question in the final act proper. The agreed memorandum will be included in Annex III of the Final Act, and, like restitution, will be put in the form of a request to the United States and the United Kingdom to bring the views expressed to the attention of their appropriate authorities. [Angell.]

CAFFERY

740.00119 EW/12–845 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 17, 1945—7 p. m.

5900. For Angell No. 105. Approval by Dept urtels 152 [82] and 156 [83] with following provisos:

1. Para E—We would prefer writeoff limitation to first A category and then B, or less satisfactory proportionate reduction in A and B. Free choice of writeoffs seems undesirable to Dept but you are authorized to accept if necessary.

2. Para F—Since reparation account and delivery for industrial equipment 2 years or less and since your para E relates external assets in UN and industrial equipment shares it is essential that accounting for German assets in UN be accomplished *pari passu* with industrial equipment. That is, if result of para E, a Govt chooses to forego some of plant share, accounting for external assets must prevent excess deliveries of plant. Similarly if the adjustment is in remainder of category A, accounting must be made in time to adjust receipts of remainder.

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[81] Not printed.
[82] See telegram 7160, December 13, midnight, from Paris, p. 1463.
[83] See telegram 7208, December 16, 4 p. m., from Paris, p. 1473.

3. Dept considers important that provision be made for accounting to IARA and auditing under uniform procedures German assets in UN as mentioned urtel 130 (7075, Dec 8).

4. Re teletype conference Dec 14, para 8, suggest you consider applying uniform percentage (say 5%) writeoff to cover taxes, liens, unsecured claims, etc. We are concerned that writeoffs may be unreasonably excessive and administration difficult under any other proposal.

5. Dept assumes shares mentioned urtel 152 are after allowance for share of victims of Nazi persecution.

6. Deptel 5874 for Angell 102,[84] cleared by WSA and Maritime Commission.

7. Reurtel 156, Dec 16, French proposal on preamble approved though you might consider advisability of adding before word "agreed" the words "of this Protocol and the provisions" to ensure that reparation assets include Russian reciprocal deliveries, war booty and ships not specifically designated as reparation at Potsdam.

ACHESON

740.00119 EW/12–1845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 18, 1945—11 a. m.
[Received December 19—12 : 22 a. m.]

7225. From Angell Number 163. Following revised US text provisionally adopted by Conference subject to drafting changes and consideration of Czech proposal to add new provision (3) relating to United Nations held credits in form of currency and bonds issued by Germany and not reflected in occupation costs or other reparation claims.

Settlement of wartime claims against Germany.

(A). That, without prejudice to the determination at the proper time of the forms, duration or total amount of reparation to be made by Germany, and without prejudice to the right which each signatory government may have with respect to the final settlement of German reparations, the signatory governments agree as between each other that their respective shares of reparation, as determined by the present agreement, shall be regarded by each of them as covering all its claims and those of its nationals against the former German Govt and its agencies for all claims which are not otherwise specifically provided for, of a governmental or private nature against Germany arising out of the war, including cost of German occupation, credits acquired during occupation on clearing accounts and claims against the *Reichskreditkassen;* provided that the reparation settlement shall not be considered as affecting (1) the obligation of the appropriate authorities in Germany to secure at a future date the discharge of pecuniary claims

[84] Dated December 14, 8 p. m., p. 1469.

against Germany and German nationals arising out of contracts and other obligations entered into, and rights acquired, before the existence of a state of war between Germany and the government concerned or before the occupation of the country concerned by Germany, whichever was earlier, and (2) the claims of social insurance agencies of the signatory governments against the social insurance agencies of the former German Government.

I propose to make following statement to Conference concerning my understanding of this text.

"In order to avoid possible misunderstanding at a future time concerning the meaning of paragraph A of Section 2, on the settlement of wartime claims against Germany, I should like to state for the minutes my understanding as to its meaning, and I would appreciate being informed whether my colleagues confirm this understanding.

"The primary purpose of paragraph A, insofar as it relates to wartime claims, is to record the agreement between the signatory governments that all claims, of whatever nature, by a govt for reparation from Germany are, in effect, consolidated into a single claim which has been considered at this Conference, and furthermore that the German reparation which is made available to each govt in accordance with its agreed quota shall be the sole source of satisfaction of its consolidated reparation claim against Germany. If this were not the intention of paragraph A, a legion of reparation claims by individual govts would continue to exist and be presented for satisfaction outside the framework of the reparation program envisaged under the Potsdam Agreement. Under such circumstances, the reparation quotas we have been discussing would be meaningless because the quotas would have no relative significance whatever, and the work of the Paris Conference would be valueless.

"At the same time, certain of the govts not represented on the Allied Control Council have contended that, inasmuch as it is the Control Council, under the direction of the four occupying powers which in practice determines the forms, duration and total amount of German reparation, they are not prepared to renounce their reparation claims against Germany in advance of the actual receipt of their respective shares in the total amount of reparation to be made by Germany. To meet this contention, which I believe is a just one, paragraph A provides that the acceptance of the reparation quotas by the various govts represented at the Conference shall be without prejudice to the rights which the signatory govts may have with respect to the final settlement of German reparations.

"Under this paragraph, therefore, each signatory government is entitled to receive, in satisfaction of all its reparation claims against Germany, its quota, and only its quota, in the total of German reparation available for allocation among the signatory governments collectively. But the acceptance by a government of its quota does not prejudice the right it may have with respect to the final settlement of the reparation to be made available by Germany."

French, Belgian, Dutch, Egyptian and other delegates supported with exceptional vigor and heat independent text submitted to Conference by Yugo delegate which expressly reserved right of each gov-

ernment to present claim against future German Government for unsatisfied balance of its total reparation claim. This I stated was unacceptable. Above revised US text adopted only after strenuous debate. Yugo, Belgian and Dutch delegates declined to accept wording such as "without prejudice to right each government may have with respect to final determination (or settlement) of forms, duration, or total amount of German reparation." They insisted on right of participation along with ACC in determination of forms, duration or total amount of reparation or of political participation in final reparation settlement. Former regarded by me as unacceptable. Latter is implied in phrasing adopted.

Believe text acceptable on basis of principles set forth in above statement which I shall make to Conference. Acceptance of principle of single source of reparation very important and it is certain that, with possible exception of UK, delegates will not renounce rights with respect to final reparation settlement. [Angell.]

CAFFERY

740.00119 EW/12–2045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 20, 1945—2 p. m.
[Received December 21—10:16 a. m.]

1299. A Soviet representative on the Reparations Deliveries and Restitution Directorate at its meeting on 6 December, stated that the Soviet Delegation was interested to know what categories of goods the Allies will wish to receive as reciprocal deliveries from the USSR for the 15 percent of industrial plant and equipment made available to the USSR–Poland as reparation deliveries from the Western Zones. Although the US representative expressed the opinion that this question should be raised in the Economic Directorate, the matter is left open and further discussion is contemplated at future meetings of the R. D. and R. Directorate.

It has been noted from Agwar message No. W–77595, 22 [*20*] October that the United States expects to claim substantial portion of reciprocal deliveries to meet import requirements in Germany and Austria as well as the other supply commitments of the US, and it is assumed that this has been under discussion at the Paris Reparation Conference.

Some indication as to types of materials desired will be given in the R. D. and R. Directorate. Selections will be made from those listed in the Potsdam Protocol and food products will be emphasized. All discussion and presentations will assume as unquestioned that de-

liveries will come from outside the boundaries of Germany as administered by the Control Council. I should appreciate receiving urgently any specific recommendations which the Department may have as regards materials to be requested as reciprocal deliveries, and also any suggestions which Minister Angell may have as a result of the discussions at Paris. In recommending priority for reciprocal deliveries, it would be especially useful to know what proportion of the reciprocal deliveries is likely to be included in the US reparation share.

If any substantial proportion of reciprocal deliveries are in the form of raw materials which are used to produce commodities for consumption in all four zones in Germany, the question of allocation against reparation shares would appear to be a complex one. Question is raised whether or not it would be acceptable under US policy to have materials allotted against our reparation share which would be used in this manner without provision of some offset against other western occupying nations. To the extent that reciprocal deliveries are used in this manner, it also appears that the Soviets will benefit inasmuch as there seems to be no way of charging amount against her reparation account. If the materials were priced and charged as approved imports, this would seem to nullify their character as reciprocal deliveries and place them in the same category as imports provided by other occupying nations, i.e. wheat shipments now being made by the US. Inasmuch as IARA (Inter-American Reparations Agency) will allot reciprocal deliveries, I should like to know also to what extent it is considered desirable that it participate in the indication of priority materials and the arrangements for effecting deliveries, unless this point is covered in the IARA charter which has not yet been received here.

Sent to Department as 1299, repeated to Paris for Angell as 179.

MURPHY

740.00119 EW/12–2045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 20, 1945—4 p. m.
[Received December 21—2:43 p. m.]

1301. Further to my 1078 of November 23.[85] Restitution Missions from France and Belgium have now arrived at OMG (US zone) and are actively engaged in identification and removal of looted materials.

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[85] Not printed; in this telegram Mr. Murphy reported that only Poland had responded to the Department's circular note of September 20 by submitting a list of looted property which it desired restituted (740.00119 EW/11–2345).

More than 100 fine blooded race horses have been returned to France from Bavaria and some special machinery needed for processing rubber products has been returned to Belgium. Two thousand tons of various industrial and raw materials have been shipped from Bremen to the Netherlands and approximately 10,000 tons have been located and are awaiting transportation from that port.

Invitations to send Missions have been issued to Poland, Norway and Luxembourg since my previous telegram. The head of the Czech Restitution Mission is now en route from Praha to Frankfurt.

The procedures and general arrangements appear to be functioning smoothly and the Missions which have arrived have expressed their satisfaction as regards assistance which they are given. It is to be expected, however, that the transportation of materials will become increasingly difficult throughout the winter months, especially as regards Czech and Polish properties. Shortages of rolling stock and coal will make rail transport difficult except for the most urgently needed materials. Difficulties are already being encountered because of winter weather. Visits of Mission to identify and take charge of properties are hampered by snow on roads and premises on which property is located, especially plants which are not in operation and which contain looted machines and equipment.

With reference to my 1079 of November 23,[86] no replies have been received from our Missions located at Paris, Luxembourg and Athens nor have I received any lists of property for the three countries to which these Missions are accredited. (Lists have been received as indicated in my 1078.) Copenhagen and Moscow reported on 26 November that no lists of property had been submitted. Lists have been received from Brussels, Praha, Belgrade and Oslo. The Dept should note that once the Restitution Missions arrive at Frankfurt, subsequent lists are being submitted through these Missions directly from the govts concerned. Unless the Dept considers it desirable, I do not plan to make any representations as regards this procedure inasmuch as the handling of claims is facilitated thereby.[87] With reference to Luxembourg and France, no additional inquiries regarding lists are being made. As regards Greece, however, our 1079 has been repeated via the Dept in addition to regular servicing direct to Athens. If Dept has information on Greek lists, we would appreciate being advised. This telegram being repeated to Vienna for AusPolAd's[88] information. I suggest that similar communications between Vienna and the Dept be repeated here for my information.

[86] Not printed.

[87] The Department approved Mr. Murphy's suggestion in telegram 49, January 7, 1946, 8 p. m., to Berlin (740.00119 EW/12–2045).

[88] United States Political Adviser on Austrian Affairs, John G. Erhardt.

Sent to Dept as 1301; repeated to Vienna as 45 and to Paris for Angell as 180, to Warsaw as 117, to Praha as 80 and to Athens as 3.

MURPHY

740.00119 EW/12–2145 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 21, 1945—7 p. m.

5989. For Angell No. 106. Dept does not feel that changes proposed in ur letter of inst [89] indicate any change on its policy re plant removal. This connection, recently issued statement re implementation Potsdam formula [90] shd be significant. Dept recognizes there may be verbal difficulties re jurisdiction ACR and ACC but feels strongly such diffs as may appear on paper are in fact being reconciled even now, and will be reconciled entirely when you discuss with Gen. Clay. Essential fact is that members your staff—Abramovitz,[91] Ozer,[92] Dietrich,[93] *et al.*—will be utilized by OMGUS in course of preparation of removals plan. Feb 1946 deadline in particular makes clear such competent tech staff as you have will be relied on heavily, and there will be no substantive question of jurisdiction which will trouble you.

Re your specific questions Dept has not completely abandoned position re review ACC removal plan, but feels combined operations on this plan along lines above given will in substance take care of review questions, and if 4-power agreement is obtained in Control Council, 4-power ratification by govts rather than ACR will be sufficient. May be more important to provide for review by ACR of points on which ACC agreement cannot be reached. Policy guidance direct to OMGUS can, under present arrangements, go only through regular War Dept channels, but again necessity for utilizing all available and competent personnel and coordination of policy in Dept shd prevent any diffs. Is anticipated ur staff will have no diff in obtaining relevant info from OMGUS, and indications from that portion ur staff already in Berlin are that no problems this sort are likely to arise.

Evident that one of most important issues facing quadripartite Reparation Commission in Berlin is agreement on reparation from

[89] See telegram 5511, November 26, 8 p. m., to Paris, p. 1417.

[90] Statement by the Department of State on the Reparation Settlement and the Peacetime Economy of Germany, December 12, 1945; for text, see Department of State *Bulletin*, December 16, 1945, p. 960.

[91] Moses Abramovitz, Special Adviser to the United States representative, and Chief of the German Economic Section, United States Delegation, Allied Commission on Reparations.

[92] Sol Ozer, German Economic Section, United States Delegation, Allied Commission on Reparations.

[93] Ethel B. Dietrich, German Economic Section, United States Delegation, Allied Commission on Reparations.

current output and stocks for all four zones. Clear that implementation of first charge prin in Potsdam Protocol will be impossible unless USSR agrees to no reparation from current output and does not take out substantial quants of existing stocks under guise of war booty. Dept canvassing with OMGUS desirability of submitting these issues to quadripartite Rep Com. Subject ur approval Dept prepared to request USSR convene meeting of quadripartite Rep Com in Berlin early next year.

ACHESON

740.00119 EW/12–1445 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 21, 1945—7 p. m.

5991. For Angell #111. Questions re gold found in Austria in urtel 7162 Dec 14 (From Angel #150) [94] discussed in Deptel 5875 Dec 14 (For Angell #86). As indicated therein Dept averse to reserving other than Hungarian gold from pot and feels general discussion by Conference of Soviet interest in gold looted by Germany but fortuitously located in Austria should be avoided.

In practice, Hungarian gold may be distinguished from other gold since former not actually looted by Germans. Differentiation solely on this basis would probably be desirable to avoid analogous treatment of other gold merely because it was uncovered in Austria.

You may wish to examine this problem informally with Brit and French before definite position is taken in this matter. Urtels 7026 Dec 6 and 7162 Dec 14 give no indication of French attitude re Hungarian or other gold found in Austria. In view of French interest in pot Dept presumes French most concerned with maximizing amount of pot gold.

ACHESON

740.00119 Control (Germany)/12–2245 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extract]

BERLIN, December 22, 1945—3 p. m.
[Received December 22—7 a. m.]

1323. 1. The Coordinating Committee yesterday at its 28th meeting, US member presiding, initiated an important discussion regarding

[94] Not printed; in this telegram Mr. Angell transmitted the text of a note from Sir David Waley wherein the latter inquired concerning the truth of reports that the United States held a quantity of gold found in Austria apart from the Hungarian gold. He also wished to know whether such gold would be put into the gold pot, and, if so, whether it was clear that the Soviet Union had no claim to it (740.00119 EW/12–1445).

the level of German industry. Since no agreement was reached a special meeting will be called on December 29 to consider the question.

2. Paper which provoked discussion was a report from the Economics Directorate on the level of the German electric power industry. Since it was soon realized that no progress could be made without taking up the level of the German industry and in particular that of heavy industry, the Coordinating Committee immediately entered upon consideration of this subject. Discussion was lead by Sokolovsky and Clay, the latter insisting that an immediate decision was necessary in order to permit the establishment of a reparations program by the set date of February 1. The two points of view of the Russian and US Delegations were expressed essentially as follows:

Russian statement. Sokolovsky pointed out there was no disagreement on the German living standard as envisaged at Potsdam on German agriculture, light industry or method of calculating electric power. Main divergence was on the relation of the latter question to heavy industry, excepting mining. Russian standpoint was that heavy industry should be strictly limited to what is necessary for minimum living standard decided at Potsdam; quantities beyond these needs would constitute war potential. As regards exports for needed imports, these should be covered by the production of German light industry and mining. A capacity of 11,000,000 tons steel would be double of what is needed for peacetime economy and would consume a disproportionate amount of electric power. Soviet Delegation favored the export of German coal, potassium, and zinc, but not the export of German steel or machinery. The capacity suggested by the US would leave Germany with a production in excess of that of other European countries, such as Poland and France.

US statement. In an able presentation of the American case, General Clay pointed out that the German peacetime steel capacity was 25,000,000 tons and that the highest current proposal (British) would take away 15,000,000 tons. US suggested average was 7.8 million tons and with the resultant reduction of over 18,000,000 tons, the German steel industry could hardly be in a position to make war. The US position was based on the knowledge that the US Govt will not continue to finance German food imports much longer, and that for this purpose a German export level was essential. The Soviet view did not take account of the increased density of population in Germany nor of the intention in all events to control the types of steel produced, to limit the size of forges, plate rolling mills, and to prohibit certain kinds of alloy steel essential for war purposes. General Clay pointed to the relatively small divergence between the US and Soviet figures on allowable steel exports, represented respectively by 1,100,000 tons and 600,000 tons. With regard to Sokolovsky's claim

that German steel production would exceed the level of other European countries, General Clay emphasized that the delivery of steel mills on reparations account from Germany will increase production in other European countries.

An interchange then took place during which Sokolovsky maintained that Germany would still be capable of making war, to which General Clay replied that it could not be a very big war. With respect to controls, Sokolovsky pointed out the failure of these methods following Versailles, to which General Clay replied that Russian participation in such controls was then lacking. Sokolovsky then said he was willing to make a compromise along the following lines: The Economics Directorate would be instructed to work out a German level of industry taking into account the average level of production and consumption in central Europe. After an overall balance had been established, production of certain branches of German industry could be increased to cover exports. At the same time the capacity of all branches of heavy industry, excluding mining, should not exceed the average European level and should in no event be allowed to constitute a war potential. General Clay regarded this formula as an extension of the Potsdam principles which he could not discuss and he said he was primarily interested in figures.

British statement was limited to reference to their figure of 10.5 million tons and to the remark that their position had been fully explained in the Economics Directorate. French Delegation, whose figure of 7,000,000 tons was very close to US proposal of 7.8 million tons, stated it would like an opportunity to consider the question further before continuing the debate. (In informal conversation later, members of the French Delegation claimed the conclusions of the discussion reinforced the French position for the internationalization of the Ruhr and Rhineland heavy industry.)

General Clay stated the American Delegation would not accept responsibility for failing to reach fundamental decisions necessary to meet the deadline of February 1 for a reparations program, and at his suggestion a special meeting of the Coordinating Committee was called for December 29.[95]

. . . . . .

[MURPHY]

[95] Mr. Murphy summarized the content of this cable in his telegram 109 to Moscow, suggesting also that informal discussions of the level of industry question by the Foreign Ministers might be helpful in arriving at a compromise solution. He concluded by saying: "I am convinced that the United States and French position on steel tonnage is sound and also that the United States, French and British position on electric power is also justified, especially when one considers the question of payment for United States food imports into Germany and the other considerations with which you are familiar. I have urged that Allied decision and unity in this field are far more important than the figures themselves."

Mr. Murphy's telegram, however, arrived in Moscow after the departure of Secretary Byrnes' party, according to telegram 4309, December 28, 7 p. m., from Moscow. (740.00119 Control (Germany)/12-2845)

740.00119 EW/12–2345 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 23, 1945—noon.
[Received 4:53 p. m.]

7326. From Angell No. 173.

1. Waley, head of Brit Delegation to the Paris Conference on Reparation; Rueff, head of French Delegation; Boissevain, head of Netherlands Delegation; and Helgeby, head of Norwegian Delegation; have informed me verbally that their respective Govts would not oppose a request of the US Govt for the allocation to it of the ship *Europa* by the Inter-Allied Reparation Agency when the agency is established. The above delegates have also informed me that they are informing their respective Govts to the above effect.

2. The French delegate wished it to be made clear, however, that this understanding should not be interpreted to prejudice the right of the French Govt to raise with the US Govt at a later date independently of reparations problems the question of compensation for the *Normandie*. The raising of this question at a later date would not be regarded by the French Govt as affecting either the general reparation settlement or the informal understanding in (1) above.

3. The Netherlands delegate wishes me to state that his Govt hopes that in the actual procedures for allocation of ships to be worked out in the reparations agency account will be taken of the quality and character of shipping lost. His Govt attaches great importance to this criterion. [Angell.]

CAFFERY

740.00119 EW/12–2445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 24, 1945—2 p. m.
[Received December 24—1 p. m.]

7329. From Angell No. 175. Corrected text of Final Act Reparations Conference will be transmitted today.[96] Annex to Final Act includes 8 resolutions signed by some though not all of delegates present. The delegates of the Governments represented on the Control Council for Germany have undertaken to bring these resolutions to the notice of their respective Governments. Resolution 5 covers German assets in the Julian March and the Dodecanese. Resolution was proposed by Yugoslavia and endorsed by UK and Greece.

Yugoslav delegate extremely anxious to have US also endorse this resolution, for reasons of political prestige.

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[96] Text of the Final Act was transmitted to the Department in telegram 7349, December 26, from Paris, not printed.

In latter part of Conference, Yugoslav delegate worked on extremely amiable terms with us on most matters, was very conciliatory and helpful, and at critical point of final quota discussion made an important address to Conference which may well have prevented wrecking of Conference by Belgian delegate's disruptive speech (see mytel from Angell No. 177 [97]). I am therefore extremely anxious to assist Yugoslav delegate by endorsing a resolution which, on basis of limited facts available to me here, seems entirely reasonable. If Department will authorize endorsement, please notify me before January 1 to insure inclusion of US endorsement. Final Act and Annex are to be made public January 5. [Angell.]

CAFFERY

740.00119 EW/12-2445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 24, 1945—5 p. m.
[Received December 26—10 : 48 a. m.]

7336. Just before end Reparations Conference Egyptian delegate announced he could not sign Final Act of Conference because proposed Egyptian reparations quotas were ridiculously small and failed to recognize part played by Egypt in war.

Quotas proposed for Egypt although small are believed more than just in relation to war effort and war damage of other countries as judged by their submissions of statistical data and other available evidence. Egyptian claim based largely on subsidies to meet increased costs of living. No possibility exists for further increase in Egyptian quotas.

Believe Egypt has much to lose and nothing to gain by refusing participation in Final Act of first successful postwar United Nations conference. If opportunity offers you may wish to present informally to appropriate Egyptian officials considerations along above lines. Believe British Govt may take similar informal steps.

If possible Egyptian agreement to sign Conference Final Act should be notified before January 5 when text of Final Act will be released to press.

Sent Cairo as 33; repeated Dept 7336 (Angell No. 197).

CAFFERY

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[97] See telegram 7338, December 24, 6 p. m., from Paris, p. 1489.

740.00119 EW/12–2445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 24, 1945—5 p. m.
[Received December 28—4 : 48 p. m.]

7337. At last moment before end of Reparations Conference Greek delegate sent President of Conference letter saying he could not sign Final Act of Conference because proposed Greek reparation quotas were unjust, failed to recognize adequately Greek suffering from and contribution to war and were in general unacceptable. This action taken without warning was both discourteous and unwarranted by any information provided by Greeks themselves here in relation to data provided by other countries. Refusal to sign produced very bad impression on Conference since up to that point Greek delegate had given impression he would sign and since agreement of other countries except Egypt on quotas had been achieved after long and difficult discussions.

. . . No possibility exists for increasing quotas of Greece which had already been increased above original proposal. Quotas already more than just. Believe Greece has much to lose and nothing to gain by refusing participation in Final Act of first successful post-war United Nations conference. If opportunity offers you may wish to present informally considerations along above lines to appropriate Greek officials. Believe British Govt making similar informal steps.

If possible Greek agreement to sign Conference Final Act should be notified before Jan 5 when text of Final Act will be released to press.

Sent Athens 38; repeated Dept 7337 Angell 178.

CAFFERY

740.00119 EW/12–2445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 24, 1945—6 p. m.
[Received December 27—9 : 10 a. m.]

7338. From Angell No. 177. Negotiation on distribution of shares in last few days of Conference as follows:

Shares as proposed by US, UK and France presented to Conference on December 13 (my telegram from Angell No. 152 [98]) but discussion withheld until December 18 when all delegates other than those of the inviting governments, New Zealand, Canada and South Africa discussed their shares. Serious objections were stated by delegates of Belgium, Albania, Luxembourg and Egypt. Mild protests

[98] See telegram 7160, December 13, midnight, from Paris, p. 1463.

were made by delegates of Denmark, Greece, Netherlands, Yugoslavia and other countries. Gutt [99] spoke for Belgium and states that share did not adequately represent Belgium's contribution to the war effort and that it was politically unacceptable to Belgian Parliament as it was too low in relation to shares of Netherlands and France. He protested strongly against entire lack of information on the procedure used for the setting of shares; and demanded, as a minimum a one percent increase in B category. Albania, Egypt and Luxembourg delegates stated that their objections were based upon a lack of real appreciation of their war efforts and that their quotas were only symbolic. The meeting adjourned with a comment by Rueff that the remarks of the various delegates would be taken into consideration in the apportionment of the 3.2% Canadian renunciation.

At subsequent meeting on December 19 the adjusted shares were presented after distribution of Canadian renunciation and a renunciation of 0.8% by South Africa. The distribution was made largely on a proportionate basis. (This distribution not sent to the Department.) The Belgian share was increased only 0.4% in B category as a greater increase not considered justifiable. No changes were made in the A category. At this meeting Gutt was not only obdurate but most unreasonable. His tactics were greatly resented by many of the delegates present. His opposition to the contemplated share distribution, together with support by Albania, Egypt and Luxembourg threatened completely to disrupt the Conference. Most reasonable and effective comments by Yugoslav delegate, likewise by Netherlands delegate, avoided complete breakdown of Conference.

The meeting was adjourned temporarily and delegates of inviting powers and of Yugoslavia met privately with those of Belgium, Luxembourg, Albania, Egypt and Greece. Gutt still remained obdurate and finally US, UK and France each reduced its share in category B by 0.15% so that Belgian share could be increased in total by 0.50% of which 0.10% was released to Luxembourg as promised in Gutt's previous address to Conference. Additional 0.05% was released by US, UK, and France to make possible increase of Greek share in total by 0.25%. Some adjustment was likewise made in shares of other countries through voluntary reductions in order to provide small increases in shares of those countries which were most dissatisfied. Czechoslovakia and Yugoslavia both contributed to an increase in the Albanian share. Final shares indicated in my telegram from Angell 172, December 22.[1] [Angell.]

CAFFERY

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[99] Camille Gutt, Belgian Minister of Finance.

[1] The shares specified in this telegram, not printed, were identical with those incorporated in the Final Act.

740.00119 EW/12–2645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 26, 1945—7 p. m.
[Received December 27—6 : 24 a. m.]

7352. From Angell No. 184. Purpose of this telegram to explain final text on shipping adopted by Paris Conference, which will be cabled to you in Final Act in day or two. It was not possible in short time available to reach agreement on all points in urtel for Angell No. 102, Dec 14,[2] in part because of lack of instructions for other delegates. Our objective was therefore to settle in Final Act as many problems as could be agreed upon and not to prejudge settlement of other problems by special IARA Shipping Committee. Task made difficult by fact that certain WSA conditions urtel No. 102 would have required substantial revision of shipping provisions tentatively adopted 2 weeks before by Paris Conference subject to US reservation concerning priority in choice of ships held by it.

Was unable to obtain agreement to inclusion of following additional provisions in ship section of text finally adopted:

"(A) Any German merchant ship in which a signatory govt and its nationals have a substantial legal or equitable interest shall be allocated to such govt, if it so desires; (B) If the allocation between competing claimants is not determined by paragraph (A), account shall be taken of the quality and character of the tonnage lost and of the special needs of the various claimant countries."

Norwegian objected to paragraph (A) on ground that it would not favor Norway obtaining whaler it desires and that financial interest criterion should be subordinated to paragraph (B) criterion. British would accept paragraph (A) only on condition that they receive whaler units.

Norwegian firmly insisted on criteria in paragraph (B) which Conference had tentatively adopted subject to above noted US reservation. Believe paragraph (B) constitutes an equitable and desirable principle, and indicated personal willingness to support it if subordinate to paragraph (A) criterion. Since US could not accept this paragraph without paragraph (A), however, it was necessary to omit both paragraphs from Final Act and defer settlement of allocation criteria to meeting of IARA Shipping Committee. Norwegian delegate stated for record at final meeting heads of delegations that he would sign Final Act with expectation that IARA Shipping Committee would adopt paragraph (B) criterion of allocation. Urge Dept to work out with WSA acceptable IARA allocation principle which would give fullest possible effect to para (B) criterion consist-

[2] See telegram 5874, December 14, 8 p. m., to Paris, p. 1491.

ent with importance attached by Dept & WSA to criterion of legal or equitable interest.

In addition, IARA Shipping Committee will also be required to handle following problems on which agreement could not be reached in Paris Conference in time available:

1. Determination of losses on flag or ownership basis. British insist on flag basis, US and Norwegians insist on ownership basis. Norwegians question whether shareholding by nationals of one country in corporation whose ships fly flag of another country should somehow entitle former country to count losses of such ships in its own losses.

2. British, Norwegians, Dutch, Yugoslavs, Belgians and French objected strenuously to notion that shipping losses in Far Eastern war should be considered as basis for reparation from Germany and made statements for minutes of Paris Conference to this effect.

British willingness to accept paragraph 5 Deptel for Angell No. 102 only on condition that genuine prizes taken during war are excluded, as not being "allocated by Tripartite Commission" (my teletype conversation December 18 [3]), does not appear to be acceptable to WSA (Dept teletype conversation Dec 18 [3]). Consequently believe this question has not been definitely decided and must come before IARA Shipping Committee later.

Have already advised Dept concerning *Europa* (mytel from Angell No. 173 [4]). [Angell.]

CAFFERY

740.00119 EW/12–2845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 28, 1945—11 a. m.
[Received December 29—1:42 a. m.]

7382. From Angell No. 190.

1. Subject is German external assets located within United Nations represented at Paris Conference on Reparation. Following excerpts from article 8 [6] of Final Act are quoted for information:

[Here follow quoted paragraphs A, B, E, and F of article 6, which, however, were garbled in transmission.]

2. Thus, it will be seen that nothing done at Paris Conference (Copenhagen's 87, December 17 to Paris Nos. elsewhere unknown [5])

[3] No record of conversation found in Department files.

[4] See telegram 7326, December 23, noon, from Paris, p. 1487.

[5] Reference is to telegram 691, December 17, 2 p. m., from Copenhagen, not printed, wherein the United States Minister (Davis) reported an explanation given by the Danish Foreign Minister (Rasmussen) that the Danish Government had thus far failed to liquidate, sell, or otherwise eliminate enemy interests in business enterprises because it was felt that such action would be contrary to the wishes of IARA (800.515/12–1745).

affords Denmark excuse for nonaction. Wassard of Danish Foreign Office should be able to indicate to his Govt the great emphasis placed at Conference on importance of effective elimination of German interests within countries invited to Conference.

3. Suggestion in paragraph 2 London's telegram 12570, December 1 to Dept [6] 764 to Paris (first seen by Oliver December 19) would have been incompatible with sovereignty issue involved and attitude traditionally adhered to by US, UK and Canada, *inter alia*, re assets vested by respective APC's.[7] In obtaining inclusion of paragraph A of quotation in Final Act US delegation was forced to maneuver between (*a*) countries which did not wish to see any charge against reparation for German assets in their jurisdiction (Egypt, South Africa, Albania, Denmark); (*b*) those desiring the charge against reparation to be net of whatever liquidation under local law might consume (Netherlands, Belgium, France, Canada and India); (*c*) suspicions of Yugoslav delegate that all proposals made by anyone else reflected schemes to avoid charging any part of such assets against reparations; and (*d*) efforts of British APC (Gregory) to resist deduction of claims of bona fide unsecured creditors from value to be charged against reparation share. If US had not opposed Brit on (*d*) Canadian would have joined ranks of countries in (*a*) or (*b*) and others predisposed to those positions would have stood firm.

4. Overall effect of article 8 [*6*] re German assets in countries represented at Conference is to favor vesting, as distinguished from mere sequestration. Moreover, article 8 [*6*] establishes standards of conduct which should be useful points of reference for SAFEHAVEN operations as well as for IARA.

Sent to London as 17 from Angell and 895 from Paris repeated Copenhagen 60 from Paris to Oslo as 41 from Paris to Brussels as 128 from Paris to The Hague as 37 from Paris and to Dept as 190 from Angell and 7382 from Paris. [Angell.]

CAFFERY

[6] Text of paragraph under reference reads as follows: "Although recognizing that ultimately German assets will probably be turned over to liberated govts, Embassy recommends that Inter-Allied Reparations Agency in Paris consider desirability of holding in abeyance any such step until satisfactory SAFEHAVEN remedial action is taken in each country." (800.515/12–145)

[7] Alien Property Custodians.

740.00119 EW/12–2845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 28, 1945—2 p. m.
[Received December 29—3:30 p. m.]

7386. From Angell No. 192. Part III of Final Act, transmitted by No. 183, December 26 from Angell,[8] and minutes of Conference [9] meet, it is believed, points of Deptels Nos. 86 December 14 [10] and 111, December 21 for Angell.[11] US was successful in obtaining deletion of "or Austria" after "Germany" in paragraph A. "This arrangement" in paragraph C is designedly ambiguous in order to include countries other than those participating in this conference, should that be decided at some future time. Paragraph D means that shares which may or may not go to Italy and Austria will be determined when pot is divided.

By common agreement, Hungarian gold found in Austria will be governed, insofar as this Conference is concerned, by following statement in the minutes:

"The disposition of the gold surrendered by representatives of the Hungarian Govt and of the National Bank of Hungary to the United States Forces operating in the territory of Austria is entirely reserved from the application of the agreement on gold. Included in this reservation are all questions relating to the manner in which this gold may be distributed, what countries may share in any such distribution, and what rights, if any, may be conferred on Hungary to share in the pool under the provisions of paragraph D. If the gold covered by this statement for the minutes is not put into the pool, Hungary will not be entitled to count such gold as a part of its gold losses for the purposes of the agreement on gold."

The last sentence of above statement was inserted at dogged insistence of Czech delegate. Both he and Yugo delegate ruefully saw too late that anxiety of latter to protect possible Soviet interest had cost them a present receipt of Hungarian gold. In fact, some of Yugo's tractability during latter phases of Conference may be traceable to his realization that, despite his suspicions, my original proposal was actually of greater benefit to his country than what finally evolved from his objection.

Phrase "wrongful removal" in paragraphs A and C grew out of Czech desire for assurance that pot claim would include gold lost to Czechoslovakia after occupation by wrongful action more sophisticated than physical seizure. Context in gold agreement and historical fact

[8] Telegram 7349, December 26, from Paris, not printed; part III dealt with restitution of monetary gold.
[9] Not printed.
[10] See telegram 5875, December 14, 8 p. m., to Paris, p. 1470.
[11] See telegram 5991, December 21, 7 p. m., to Paris, p. 1494.

ensure that Austrian and Italian participation in pot will not be precluded by this phrase. Since Hungarian case is entirely reserved, it is understanding here that no objection could be made to bringing Hungarian gold into pot on ground that its removal to Germany was not wrongful. [Angell.]

CAFFERY

740.00119 EW/12-2845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 28, 1945—3 p. m.
[Received December 30—1 p. m.]

7387. From Angell No. 193. Although article III, part 1 of Final Act (transmitted by No. 183 from Angell [12]) bears little superficial resemblance to provision suggested by mytel 118, December 5 from Angell [13] and approved by Deptel No. 75, December 16 [*15*] for Angell,[14] it is a mutation thereof and fulfilled important function of forestalling official claims that otherwise might cloud title to property removed from Germany.

Waley initially objected to paragraph set out mytel 118 (as amended to include Dept's suggestions) and insisted that protection not extend beyond renouncing diplomatic support for claims of lien-holding nationals of nations represented at Conference. French were inclined in tripartite meetings to be alarmed by British intimations that removal would not eliminate private ownership claims of British nationals. Hence Rueff at first favored US proposal.

In 17 Power Committee of heads of delegations, US proposal ran into difficulty, because of resolution 3 in Annex of Final Act. Belgian delegate pointed out that it would be inconsistent with position taken in that resolution for countries joining in it to renounce their right to make diplomatic representations to occupying powers re treatment of assets of their nationals in Germany. France having participated in this resolution, French Delegation felt compelled to agree with Belgium, as did all other Governments enumerated in resolution 3.

In meantime US Delegation had realized that its earlier suggestion contained serious lacunae regarding claims against the receivers of property declared available for reparation by ACC and allocated by IARA. Accordingly, receiving governments and their nationals were included along with CC and occupying powers (including USSR) among beneficiaries of waiver. After it became clear that broader proposal would fail of adoption for reasons above given, American

[12] Telegram 7349, December 26, from Paris, not printed.
[13] See telegram 6996, December 5, midnight, from Paris, p. 1443.
[14] See telegram 5884, December 15, 5 p. m., to Paris, p. 1472.

Delegation encountered no opposition to retention of what is now substance of article III. It will be noted that CC and occupying powers are indirectly protected, inasmuch as article implies that signatory governments renounce protection on theory that removals action approved by CC is not wrongful.

All governments represented at Conference understand that article III applies only to official action generally subsumed under "protection of interests". The article does not purport to cut off whatever rights private persons may be able to assert judicially or administratively. Legal Division of OMGUS may wish to consider effectiveness of legal formalities within Germany prior to removal to bar successful assertions of private claims in jurisdiction to which property removed. Belgian delegate who is an authority on continental law, asserted informally that in most western European countries registered lienholders and proprietors of items of property removed from Germany can successfully pursue private remedies against receivers of property removed from Germany.

Sent to Department as 193 from Angell and 7387 from Paris, repeated to USPolAd as 41 from Angell and 276 from Paris. [Angell.]

CAFFERY

740.00119 EW/12–2845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, December 28, 1945—3 p. m.
[Received December 30—1 p. m.]

7389. Angell No. 194. Russian reciprocal deliveries considered as reparation inasmuch as Western Powers entitled to reparation secure such deliveries in lieu of plant and equipment. (From Angell No. 42.[15]) Reciprocal deliveries are included in category A of agreement proposed at Paris Conference, of which the US secures 28%. This does not necessarily mean that 28% of reciprocal deliveries will be received, since according to Final Act "if a signatory government receives more than its percentage share in certain types of assets in either category A or category B, its receipts of other types of assets in that category shall be reduced so as to insure that it shall receive not more than its share in that category as a whole". Nevertheless, it is probable that US will receive approximately 28% of reciprocal deliveries. Such receipts may be (1) exported to the US; (2) sold to other nations; or (3) used in the American zone of occupation. In

[15] Apparently this is an incorrect reference; for previous discussion of this subject, see telegram 6420, November 5, 8 p. m., from Paris, p. 1371, telegram 5246, November 9, 8 p. m., to Paris, p. 1378, and telegram 6722, November 20, 10 p. m., from Paris, p. 1401.

the latter event the materials should be priced and charged as approved imports just as any other product owned by the US or its nationals and imported into Germany under the first charge principle. (Urtel No. 1299, December 20, to Department, repeated to Paris for Angell as No. 179.)

Presumably much of the US portion of reciprocal deliveries will be used in the US zone in substitution for raw materials and foods which would otherwise be imported. Therefore, authorities in US zone are in the best position to determine the types of raw materials and foods which would be most useful. IARA will assemble information from all member nations on types of materials which they desire as reciprocal deliveries and will later arrange actual deliveries. This problem will be considered by Secretariat as soon as IARA is established by Assembly when it convenes. No discussions on types of materials desired as reciprocal deliveries were held during Reparations Conference.

It is assumed that the procedure will be as follows:

(1) IARA will indicate what types of materials and what quantities are desired by countries members of IARA;
(2) Agreement will be reached in ACC on what will be delivered by Russia;
(3) ACC will inform IARA of the types of products and amounts which have been made available;
(4) IARA will allocate the available products to the various claimant powers in accordance with their shares in category A;
(5) Each claimant nation will then indicate through IARA to ACC the procedure which should be followed for disposition of its share.

In this connection it should be recognized that the US, UK and France secure in the aggregate 72% of category A, and Canada, the Netherlands, Czechoslovakia and Yugoslavia an additional 17% of category A. Therefore, information on the products desired could be largely ascertained through inquiry of these countries. If immediate action is desired, suggest discussion and preliminary agreement among US, UK, France.

Sent Berlin 277, repeated to Department as 194 from Angell and 7389 from Paris.[16] [Angell.]

CAFFERY

[16] The Department gave the following reply in telegram 50, January 7, 1946, 8 p. m., to Berlin for Mr. Murphy, and for Mr. Angell who was then in Berlin: "Procedure and comment described in telegram from Angell No. 194 Dec. 28 repeated to Berlin as 277 approved by Dept. This answers urtel 1299 Dec. 20." (740.00119 EW/12-2045)

740.00119 EW/12–2945 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, December 29, 1945—3 p. m.
[Received December 29—12 : 10 p. m.]

4318. [To Berlin :] Reurtel 102, November 28, to Warsaw and 102, December 15 to Moscow.[17] Embassy has no information of efforts undertaken by Polish representatives for restitution of Polish property from Russian zone. Following comments may, however, be of interest :

1. We doubt that any serious search for or registration of Polish property has been carried out in Russian zone. If Russians have permitted Polish representatives to visit Russian zone and move items to Poland it is probable that this was done for political effect and that Russians having little feeling of responsibility for economic rehabilitation permitted Poles to take pretty much what they liked.

2. In considering number of items which could not be found we suppose Poles have taken into account factors of wartime destruction, scorched earth tactics and Russian removals.

3. We should be interested to know whether Poles regard as property subject to restitution items taken from former German territory now turned over to Poland. This might explain their high estimate of numbers of items believed to be in Russian zone. This estimate of 66,000 items in Russian zone seems to be very much out of line with your statement that no Polish property had been located in US zone. Items removed from German territory now allotted to Poland would, of course, be difficult of identification.

4. It is our impression that any Polish initiative taken with respect to such matters must be regarded as at least approved and probably engineered by Russians for Russian purposes. If Poles are pressing for despatch of Polish representatives to our zones this is very possibly being done primarily for Russian intelligence purposes. In any case we feel no request of this nature should be granted without adequate *quid pro quo*.

Sent to Berlin as 207, repeated Dept 4318.

KENNAN

[17] This message was repeated to the Department as telegram 1129, November 28, 9 p. m., from Berlin. It reported the arrival of two Polish officials to discuss restitution of Polish property found in the United States Zone. In the course of discussions, the Poles stated that restitution to Poland from the Soviet Zone was almost complete but that less than 10 percent had been recovered out of an estimate of 66,000 items. (740.00119 EW/11–2845)

740.00119 EW/12–2445 : Telegram

The Acting Secretary of State to the Ambassador in Greece (MacVeagh)

WASHINGTON, December 29, 1945—8 p. m.

1306. ReEmbtel 38 from Paris to Athens Dec 24, repeated to Dept as 7337. Please make representation to FonOff as suggested by Angell urging Greek Govt to sign final act Paris Conference on Reparation, if possible, before Jan 5. Dept making similar representation Greek Ambassador here.[18]

Sent to Athens as 1306, repeated to Paris as Depts 6085 for Angell No. 120.

ACHESON

740.00119 Control (Germany)/12–3145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 31, 1945—midnight.
[Received January 2, 1946—1 : 15 p. m.]

1363. See our telegram 1323, December 22, 3 p. m. Despite compromises by all members, the Coordinating Committee was unable, at its special meeting of December 31,[19] to reach final agreement on the level of German steel industry.

Sokolovsky pointed out that Russian figures were from League of Nations handbook of 1938 which gave the European population without Germany at 270 million, with European steel production outside of Germany (not including exports and imports) at 20.3 million tons, thus giving consumption of steel per capita at 75.2 kg. On the basis of German population of 62 million, this would indicate an annual level of German steel production at 4.66 million tons. General Templer[20] replacing Robertson (who was ill) stated that British Delegation strongly believed it was not economically sound to determine steel figure divorced from other industrial figures. Clay supported the British position in favor of an overall analysis and pointed out that if an industry by industry basis were used it might be necessary to build up certain industries in Germany which have been below level of rest of Europe. Sokolovsky stated that Soviet is pri-

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[18] Department's telegram 2381, December 29, 7 p. m., to Cairo, not printed, urged that similar representations be made to the Egyptian Government (740.00119 EW/12–2445).

[19] The meeting had been postponed from the original date set, December 29.

[20] Maj. Gen. Gerald W. Templer, Civil Administrator of the British Zone in Germany.

marily concerned with steel industry because of its relationship to war potential.

Clay pointed out that the Coordinating Committee previously agreed to a figure of the present population of Germany at 65 million. Sokolovsky agreed to use the 65 million figure, thus raising the Russian proposal to 4.9 million. French member pointed out that it has also been agreed that an additional 6½ million German refugees will return to Germany by the spring of 1946 and thus the population figure should be approximately 71 million. Sokolovsky refused to use that figure.

French member asked why Germany had not been included in calculating the overall European average. Aside from this point, he argued that needs for reconstruction would require European steel production well over 1938 levels increasing the average above 75.2 kg. Sokolovsky argued that 1938 European steel figures included non-German production for war and thus the 75.2 kg. average might be considered too high.

British member argued that steel production figures must be calculated taking into consideration not only war potential aspects but the additional Potsdam directive that Germany is to be allowed a level of industry to allow its existing without external assistance.

Clay proposed a compromise of 5.5 for internal German consumption subject to future agreement on exports. Assuming export figure of .7 the British agreed with Clay's proposal assuming a total annual production of 6.2 million. British asked an annual review of this figure and also that "productive capacity" of 9.0 million tons be allowed to remain. Clay and Koeltz both refused to accept the productive figure of 9.0 million tons but otherwise agreed with the British.

Clay argued that to obtain an agreed annual production there would have to be probably 20% additional capacity to allow for maintenance and repairs. This would be especially true as the newer and more efficient plants would be the first ones removed for reparations. The British favored a higher percentage, the French somewhat lower and the Russians reluctantly admitted a 10% figure might be appropriate. Clay asked that the matter of the figure be left to a quadripartite committee of experts.

British argued that 6.2 million annual production would not be sufficient to allow a balanced German economy and that British favored productive capacity of 9 million tons but would compromise to 8.

Sokolovsky agreed to minimum production of 5.0 plus agreed exports which left the Soviet figure 0.6 million tons below the 6.2 proposal.

At a further attempt at compromise Clay proposed annual production of 6.0 million with capacity of 7.2. After a recess the British

agreed to 6.0 annual production and reduced the British capacity figure to 7.5 with annual production to be reviewed each year by the Control Council "in light of existing export-import program and the approved needs of Germany" after French and American agreement, the Soviet refused to increase from its future of 5.6 plus 10% for additional capacity. Sokolovsky pointed out that while he considered 6.0 too high, he neither rejected nor accepted the figure but would have to have time for consideration. Clay pointed out that pending agreement on the steel figure and on the general level of industry, further progress on reparations would not be possible.

At the close of the meeting the British summarized their plan for Germany industry. The proposal provided for elimination of armament plants and aircraft manufacturing plants, elimination of entire German merchant marine and of certain industry with production and control of others. The British proposed:

(1). Reduction in value of industrial output by over one-third that of 1938.
(2). Reduction of output of metals and engineering by 60% of that of 1938.
(3). Reduction in private and consumer expenditures 30% of 1938 levels.
(4). Reduction in German diet by 20 to 25% of prewar.
(5). Reduction in expenditures on textiles, books and shoes by 35% of prewar level.
(6). Reduction in housing until by 1949 would be 30% below prewar.
(7). Reduction of trade to allow for 3 billion reichsmarks of imports (presumably based on the 1938 value of the reichsmark) and 3.2 billion exports allowing a surplus of .2 billion which would be used toward costs of occupation.
(8). Destruction or removal from each and of all capacities above minimum requirements. The above assumed no further territorial changes, and with an industry level related to agricultural level.

Clay stated that each country should submit its plan by January 10th and warned that the stumbling block might well continue to be steel with the American delegation reserving the right to revise its steel figures by that time.

Sokolovsky sarcastically referred to the British plan as safeguarding British interests through the elimination of aviation and shipbuilding and the maintenance of heavy industry which would allow Germany to fight on land but not on sea and in the air. Sokolovsky stated that a 20 to 35% curtailment of industry is not sufficient as German losses have amounted to this already, and therefore, in effect there would be no further curtailment.

General Clay deserves commendation for skillfully conducting the above compromise effort, which I believe will result in an agreement

on steel tonnage at next meeting of Coordinating Committee. Sokolovsky and Ivanoff [21] privately have assured Clay and me that the 6 million figure will be acceptable.

Sent to Dept as 1363 repeated to Moscow as 117.

MURPHY

740.00119 EW/1–446 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, January 4, 1946—7 p. m.

36. For Angell. Reurtel 175 Dec. 24.[22] While this Govt has no objection to the proposal that the final disposition of German assets in the disputed areas shall remain in suspense until the territorial questions have been settled, nevertheless it perceives no advantage in endorsing the resolution proposed by the Yugoslav delegate. Such endorsement might be interpreted as supporting Yugoslav claims to the Julian March before final decision on this point is reached at the Council of Foreign Ministers. Furthermore the recent instructions sent to the American Ambassador at Belgrade [23] with regard to the constitution of the new Yugos Govt would preclude endorsement of the resolution for "reasons of political prestige".

BYRNES

740.00119 EW/1–546 : Telegram

The Ambassador in Greece (MacVeagh) to the Secretary of State

ATHENS, January 5, 1946—1 p. m.
[Received 7:02 p. m.]

14. Mytel 5, January 2 [24] and urtel 1306, December 29. Note from MinFonAff [24] today states inner Cabinet has decided maintain refusal sign reparations settlement since by signing "Greece would appear to recognize an act which she nevertheless considers absolutely unjust." Note adds that Greek Delegation, whatever its weaknesses, had received most encouraging assurances from Allied Delegations that Greek allotment would take account not only of figures submitted but of Greece's finances and her disproportionately high losses. Note concludes with expression MinFonAff's hope "justice will be rendered, if only retroactively".

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[21] Nikolai Ivanovich Ivanov, Deputy Political Adviser to the Chief of the Soviet Military Administration in Germany (Sokolovsky).

[22] See telegram 7329, December 24, 2 p. m., from Paris, p. 1487.

[23] The instructions were sent to Ambassador Patterson on December 22; see Department of State *Bulletin*, December 23, 1945, p. 1020.

[24] Not printed.

Angell's telegram January 1 from Paris; [25] repeated to Dept as 1 and 200 received here January 3 after above decision taken but substance is being communicated forcibly to FonOff. Meanwhile I have let Sofianopoulos [26] read it in its entirety, and urged again most strongly that psychologically in Greece known interests in connection with her relationships with the other United Nations her signature is desirable no matter what reservations she may wish to make on the side. He said he understands final date of publication has been postponed till January 15 and stated he intends go further into the matter on his arrival in London.

Sent Dept as 14, repeated Paris as 1.

MACVEAGH

740.00119 EW/1–546 : Telegram

The Minister in Egypt (Tuck) to the Secretary of State

CAIRO, January 5, 1946—8 p. m.
[Received January 6—12:40 p. m.]

29. In accordance with instructions received in Dept's secret telegram 2381 of December 29, 7 p. m.[27] I made representation to the Foreign Office in the vein suggested by Paris Embassy's telegram 33 of December 24, 5 p. m. (to Dept 7336).

Today Prime Minister [28] informed me that the Egyptian Govt would sign the final act of the Paris Reparations Conference and that instructions to that effect had been sent to Egyptians in Paris.

Repeated to Paris as 1.

TUCK

740.00119 EW/1–1046 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, January 10, 1946—1 p. m.
[Received January 12—11:02 p. m.]

77. By telephone Paris Embassy has informed me that Dept does not understand paragraphs A and E of excerpt quoted in tel No. 190 from Angell, Dec 27 [*28*],[29] although "message does not appear to

[25] Not printed; in this telegram Mr. Angell argued that Greek claims were overestimated and that Greece had received fair treatment (740.00119 EW/1–146).

[26] Mr. Sofianopoulos was Chairman of the Greek Delegation to the first session of the United Nations General Assembly which opened in London on January 10, 1946.

[27] See footnote 18, p. 1499.

[28] Mahmud Fahmy el-Nokrashy.

[29] See telegram 7382, December 28, 11 a. m., from Paris, p. 1492.

be garbled". Wording as received by Dept should be checked against article VI of Final Act as transmitted by No. 183 from Angell.[30]

Paragraph A in No. 190 incorporates these ideas: Local choice of procedures, differentiation between effect of German nationality and enemy character (by definition) of owner, permanent elimination of German enemy ownership, such assets to be charged against reparation share and value charged to be a figure net of specified prior deductions. Basic idea of article VI paragraph A of Final Act was transmitted to Dept by No. 73, Nov 23, from Angell.[31] A companion tel, No. 72[32] raised with Dept at above early date problem of how net figure to be charged against reparation shares would be determined. From No. 73 [*72*] it will be seen that British originated suggestion that what should be deducted in determining net value of assets should be defined.

An enumeration of deductions was contained in Waley's first draft final act. Waley's suggested deductions, however, did not include claims of unsecured creditors; and it was on this point that Canadians, Indians and ourselves felt obliged to disagree with him for reasons explained in paragraph 3 of No. 190 from Angell. Dept having made no reply to problems raised by No. 72 of Nov 23, matter was raised again by paragraph 8 of Dec 14 teletype conference.[33] Dept conferees were against Dutch proposal that each country should charge against its share only whatever might be left after liquidation in accordance with its own law. Teletype reply from Dept added "write-offs of gross assets are desired but must be defined." Such definition is precisely what we had been attempting. Wording substantial[ly] as in final act had been transmitted by No. 72 [*73*] and again by Dec 14 teletype. Thus, No. 105 from Dept[34] introduced an entirely new concept, one completely unacceptable to countries listed in groups (*b*) and (*c*) of No. 190. Moreover, it was not clear to us that a 5% deduction would adequately cover us, considering our interest in a large share of German external assets in neutrals. Canadians balked completely, stating that 2% of gross was permitted Canadian custodian as expenses of administration alone and that difference between 2% and 5% would certainly not cover other legitimate deductions which should be made before charging value against reparation share. Problem created by this last minute suggestion of Dept was explained to Dept conferees in paragraph V of teletype of Dec. 18.[33] Final paragraph Dept conferees reply was taken as authority to disregard sug-

[30] Telegram 7349, December 26, from Paris, not printed.
[31] See telegram 6754, November 23, 1 p. m., from Paris, p. 1404.
[32] Telegram 6753, November 23, 1 p. m., from Paris, not printed.
[33] No record found in Department files.
[34] See telegram 5900, December 17, 7 p. m., to Paris, p. 1477.

gestion in 105 from Dept in view of difficulties regarding obtaining any agreement on point, other than one that would leave each country entirely free to fix the figure to be charged against its reparation share in any way it might see fit. Rather awkward wording of paragraph A results from sensitivity during final phases of conference of Egyptian and others, who felt that niceties required clause regarding charging assets against reparation shares to follow rather than to precede clause recognizing power of signatory governments to administer the assets. Meaning of paragraph A, however, is exactly that set out in Nos. 72 and 73 from Angell.

Paragraph E of Final Act spells out in sufficient detail to satisfy Yugoslav delegate a general exhortation to signatory countries to uncover cloaks and nullify cloaking transactions. We had so frequently led in rejecting or recasting Yugoslav proposals couched in English different from what we would have said, that we did not consider it wise to insist upon our federalese regarding German assets. Hence we permitted first sentence of paragraph E to include a phrase having same meaning as our term of article "cloaking". We rather hoped that inclusion of "cloaking" in second sentence would prevent Washington from misunderstanding.

Sent to Dept as 206 from Angell and 77 from USPolAd; repeated to Paris as 1 from Angell and 5 from USPolAd.

MURPHY

740.00119 EW/1–1246 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, January 12, 1946—2 p. m.
[Received 6:23 p. m.]

191. Re Athens' 14 to Dept, rptd Paris 1. Rueff has informed White that Greek Minister here called on behalf of his Govt to inquire whether in the event Greece failed to sign reparations agreement it would still be possible for Greek Govt to obtain its quotas of reparations. Rueff replied "absolutely not". The Greek Minister left Rueff with the impression that he was going to recommend to his Govt that agreement be signed.[35]

Sent Dept 191; rptd Athens 3 and Berlin for Angell 17.

CAFFERY

[For text of the agreement on reparation from Germany, establishment of an Inter-Allied Reparation Agency, and restitution of monetary gold, which entered into force January 24, 1946, see Department of State, Treaties and Other International Acts Series No. 1655, or 61

[35] The agreement was signed on behalf of the Greek Government.

Stat. (pt. 3) 3157. The texts of the unanimous resolutions by the Conference and the Annex are printed in Department of State *Bulletin*, January 27, 1946, pages 121–124.]

DISPOSITION OF THE GERMAN NAVY AND MERCHANT MARINE[37]

862.30/12–645

Report of the Tripartite Naval Commission to the Governments of the United States, United Kingdom, and the Soviet Union, Recommending the Allocation of the German Surface Navy and the German Submarine Fleet

BERLIN, 6 December, 1945.

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SECTION A. Report of proceedings of the Tripartite Naval Commission.
SECTION B. Recommendations of the Tripartite Naval Commission.
SECTION C. Recommendations of the Tripartite Naval Commission subject to reservation by the representatives of the United Kingdom.
SECTION D. Disagreement of the Tripartite Naval Commission.
SECTION E. Appendices.[38]

1. Recommendations of the Tripartite Naval Commission concerning allocation of specific ships and craft of the German surface navy and submarine fleet, with lists of these ships and craft.
2. Recommendations of the Tripartite Naval Commission concerning destruction and cannibalization of ships and craft in category "C", and of unallocated submarines, with lists of these ships and craft.
3. List of German naval ships and craft, not included in categories "A", "B", and "C", which have been sunk, destroyed, or scuttled since 1 September 1939, and list of German naval ships and craft not accounted for.
4. List of ships originally classed as part of the German navy and now determined to fall within the category of merchant ships.
5. List of warships and merchant vessels of allied registry requisitioned by the German Government.
6. Recommendations of the Tripartite Naval Commission concerning method of providing supplies and spare parts other than armament stores.
7. Recommendations of the Tripartite Naval Commission concerning method of supplying armament stores.
8. Recommendations of the Tripartite Naval Commission concerning method of supplying technical documents.
9. Recommendations of the Tripartite Naval Commission concerning allocation of German naval floating cranes and sheerlegs, naval barges and lighters, naval harbor servicing vessels, naval tugs of four hundred and fifty horsepower and under, subject to British reservation.
10. List of German floating docks and pontoons.

[37] For prior documentation on this subject, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, pages cited in indexes under Germany: German Navy and Merchant Marine, vol. I, p. 1067, and vol. II, p. 1616.

[38] None printed.

Section A. Report of Proceedings of the Tripartite Naval Commission

1. The Government of the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, agreed at the conference held at Berlin between 17 July and 2 August, 1945, to "constitute a Tripartite Naval Commission comprising two representatives for each Government, accompanied by the requisite staff, to submit agreed recommendations to the Three Governments for the allocation of specific German warships and to handle other detailed matters arising out of the agreement between the Three Governments regarding the German fleet." [39]

2. As authorized by the above agreement, a Tripartite Naval Commission comprising two representatives of each Government was established. The representatives were:

Admiral G. I. Levchenko	U.S.S.R.
Engineer Rear Admiral N. V. Alekseev	U.S.S.R.
Vice Admiral Sir Geoffrey J. A. Miles, K.C.B.	U.K.
Rear Admiral W. E. Parry, C.B.	U.K.
Vice Admiral R. L. Ghormley, U.S. Navy	U.S.A.
Commodore H. J. Ray, U.S. Navy	U.S.A.

3. The Tripartite Naval Commission met in the city of Berlin, at the Headquarters of the Allied Control Authority, between 14 August and 6 December, 1945.

4. The Tripartite Naval Commission established a Technical Subcommittee to prepare lists of German naval ships and craft subject to allocation. The members of the Technical Subcommittee were:

Engineer Rear Admiral N. V. Alekseev	U.S.S.R.
Engineer Captain First Rank V. I. Golovin	U.S.S.R.
Lieutenant Commander G. R. G. Watkins, D.S.O., D.S.C., R.N.	U.K.
Captain A. H. Graubart, U.S. Navy	U.S.A.
Lieutenant G. A. Ivers, U.S. Naval Reserve	U.S.A.

5. The Tripartite Naval Commission agreed that a combined inspection of German naval ships and craft should be made simultaneously by representatives of the Union of Soviet Socialist Republics, the United Kingdom, and the United States of America. The inspecting parties examined German naval ships and craft in Germany, Poland, Denmark, Norway, the United Kingdom, Canada, the United States of America, and the ports of Liepaja (Libau) and Königsberg.

6. The Triparite Naval Commission requested their respective Governments to arrange that German naval ships and craft in neutral ports should proceed to the nearest German ports for inspection.

[39] Quotation is from the Protocol of the Proceedings of the Berlin Conference, August 1, 1945; for text, see *Conference of Berlin (Potsdam)*, vol. II, pp. 1478, 1487.

7. The inspecting parties submitted to the Technical Subcommittee lists of German naval ships and craft, divided into three categories of operability:

Category "A": Naval ships and craft operable with no repairs.
Category "B": Naval ships and craft operable after repairs requiring up to six months.
Category "C": Naval ships and craft which were inoperable or those ships and craft whose construction or repair could not be completed within six months.

8. The Technical Subcommittee listed by types the German naval ships and craft in categories "A" and "B", and divided the ships and craft into three equally balanced groups. These recommended allocations were presented by the Technical Subcommittee to the Tripartite Naval Commission.

9. The Tripartite Naval Commission considered and accepted, subject to certain British reservations (stated in Section C), the recommendations of the Technical Subcommittee. Allocation of the three groups was made by the drawing of lots. Thereafter, bilateral exchanges of individual ships and craft were made as desired. (Appendix 1 [40])

10. Due to unforeseen and abnormal conditions such as reduction by seventy-five percent of fuel and power, working conditions in damaged buildings during winter months, minimum rations for labor, and scarcity of spare parts and material, the Triparite Naval Commission agreed to interpret the time limit established in the naval provisions of the report of the Berlin Conference for the completion or repair of German ships and craft specifically as it applied to twenty-four destroyers and, in general, to other ships and craft in category "B", to mean that within the said time limit those ships should be repaired sufficiently to steam, and that sufficient available spare parts and materials be placed on board to effect a complete refit after the ship reached a port of the nation to which it was allocated.

11. The Tripartite Naval Commission agreed that German ships and craft listed in category "C" and all unallocated submarines should be destroyed. Stores and spare parts not available elsewhere may be taken from ships and craft specified in paragraph 8 of Appendix 2 before their destruction, up to the allowance of the relevant German naval rate books. The Tripartite Naval Commission further agreed to request their Governments to arrange that German naval ships and craft in category "C" at present in the territorial waters of other

[40] Not printed.

countries be sunk or destroyed by the governments of the countries concerned. (Appendix 2 [41])

12. The Tripartite Naval Commission prepared a list of ships and craft which were originally classed by the Commission as components of the German navy and were later determined to fall within the category of merchant ships, and which were, therefore, not subject to allocation by the Commission. (Appendix 4 [41])

13. The Tripartite Naval Commission accepted a list, prepared by the British representatives, of warships and merchant vessels of allied registry under British cognizance which had been requisitioned by the German government and used for military purposes. The Commission agreed that these ships and craft should be returned to their nation of registry in the name of the Three Governments. The British representatives agreed to accept responsibility for the accuracy of the list based on the best evidence available, and for the execution of the transfers without prejudice to any subsequent legal proceedings which my [*may*] be raised. Should any of these ships and craft subsequently be determined to be of German registry they shall be subject to allocation by the senior naval officers in Germany representing each of the Three Government. (Appendix 5 [41])

14. The Tripartite Naval Commission was unable to establish exactly the location, condition, and ownership of various ships and craft which had appeared on lists of the German navy. The Commission agreed that the senior naval officers in Germany representing each of the Three Governments should be directed to continue until 15 February 1946 the search for these ships and craft, and to obtain further information about them. (Appendix 3 [41])

15. The Tripartite Naval Commission agreed that stores shall be supplied to German ships and craft recommended for allocation, and agreed upon the allocation of responsibility for this supply. Stores, in this connection, include armament stores, supplies and spare parts, and technical documents. (Appendices 6, 7, and 8) [42]

16. The Tripartite Naval Commission considered the disposal of German naval river craft. The Commission agreed that these craft do not come under the cognizance of the Tripartite Naval Commission.

SECTION B. RECOMMENDATIONS OF THE TRIPARTITE NAVAL COMMISSION

The Tripartite Naval Commission agrees and recommends that:

1. Specified ships and craft of the German surface navy and submarine fleet be allocated in accordance with Appendix 1.[43]

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[41] Not printed.
[42] None printed.
[43] Not printed, but for a summary list of the ships allocated, see the memorandum by the Chairman of the State-War-Navy Coordinating Committee (Dunn), January 2, 1946, p. 1519.

2. German naval ships and craft not allocated be destroyed in accordance with Appendix.[44]

3. Search for further information on the location, condition, and ownership of German naval ships and craft (enumerated in the second list of Appendix 3 [44]) should be continued until 15 February 1946, and that any such ships and craft discovered be allocated by the three senior naval officers in Germany representing each of the Three Governments in accordance with the naval provisions of the report of the Berlin Conference and the provisions of the report of the Tripartite Naval Commission.

4. Upon approval of the report of the Tripartite Naval Commission, but not later than 15 February 1946, the Three Governments request simultaneously that German naval ships and craft in category "C" at present in the territorial waters of other countries be sunk or destroyed by the governments of the countries concerned in accordance with appendix 2.

5. The list of warships and merchant vessels of allied registry which had been requisitioned by the German government and used for military purposes be accepted. The Commission further recommends that these ships and craft be returned to their nation of registry, in the name of the Three Governments, by the British Government, in accordance with Appendix 5.

6. German naval ships and craft recommended for allocation be provided with armament stores, supplies and spare parts, and technical documents in accordance with Appendices 6, 7, and 8.

7. German naval river craft be excluded from consideration by the Commission.

8. Each Government inform the other two Governments of the completion of transfer or destruction of ships and craft for which it is responsible, including the transfer of German naval ships and craft in categories "A" and "B", the destruction of German naval ships and craft in category "C" and of unallocated submarines, and the transfer of warships and merchant vessels of allied registry.

9. The Tripartite Naval Commission be dissolved on the date of approval of this report.

10. After the dissolution of the Tripartite Naval Commission, the senior naval officers in Germany representing each of the Three Governments be authorized to handle jointly any matters which may arise from the agreement between the Three Governments regarding the German fleet.

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[44] Not printed.

SECTION C. RECOMMENDATIONS OF THE TRIPARTITE NAVAL COMMISSION SUBJECT TO RESERVATION BY THE REPRESENTATIVES OF THE UNITED KINGDOM

1. The Tripartite Naval Commission recommends, subject to reservation by the representatives of the United Kingdom set forth in paragraph 2 below, the allocation of German naval floating cranes and sheerlegs, naval barges and lighters, naval harbor servicing vessels, and naval tugs of four hundred and fifty horsepower and under, as indicated in paragraph 4 below.

2. The representatives of the United Kingdom state that German naval floating cranes and sheerlegs, naval barges and lighters, and naval harbor servicing vessels do not form part of the German surface navy (see paragraph 1 of part A of the naval provisions of the report of the Berlin Conference [45]) but should be considered as part of the equipment of a naval shore establishment and, therefore, are not subject to allocation by the Tripartite Naval Commission. The British representatives further maintain that non-seagoing tugs are also part of the equipment of a naval shore establishment and are not, therefore, subject to allocation by the Commission. For the purposes of the Commission, the British representatives agree to tugs of over four hundred and fifty horsepower being considered as seagoing and, therefore, subject to allocation. The tugs *Kvasefjord*, *Sperling*, *Tromsdalen*, and *Bornhoved*, although under four hundred and fifty horsepower, are considered an exception to this principle and hence subject to allocation as seagoing.

3. The representatives of the Union of Soviet Socialist Republics and the United States of America disagree with the assertion of the representatives of the United Kingdom, and agree that these ships, craft, and equipment are a part of the German surface navy and, therefore, are subject to allocation by the Commission.

4. If the Three Governments agree that these vessels, craft, and equipment are subject to allocation, the allocation shown in Appendix 9 [46] is recommended by the Commission.

SECTION D. DISAGREEMENT OF THE TRIPARTITE NAVAL COMMISSION

1. The Tripartite Naval Commission disagrees on the subject of German naval floating docks.

2. The representatives of the United Kingdom refuse to consider the division of German naval floating docks for the following reasons:

a. Floating docks are not part of the German surface navy and should, therefore, not be divided by the Tripartite Naval Commission, but should be allocated elsewhere, probably by the Reparations Commission.

[45] *Conference of Berlin (Potsdam)*, vol. II, p. 1487.
[46] Not printed.

b. Floating docks are very valuable equipment and should not be divided by anybody by any arbitrary rule.

c. A sunken floating dock can usually be raised and with its long life of usefulness is potentially of much the same value as a similar one now afloat.

d. The floating docks in question vary in age and equipment, and the proposal to divide them on the basis of tonnage lift is unfair. They should be divided on a valuation basis after expert inspection. No inspection of any kind of German floating docks has so far been made by the tripartite naval inspecting parties with the exception of a partial inspection of some docks in Norway and Denmark.

3. The representatives of the Union of Soviet Socialist Republics and the United States of America disagree with the statement of the representatives of the United Kingdom, and agree that German naval floating docks are a part of the German surface navy and, therefore, are subject to allocation by the Commission. They maintain that no more detailed appraisal is required for the allocation of naval floating docks than was required for the components of the German surface navy recommended for allocation; they maintain that sunken naval floating docks are properly excluded from a proposed allocation because they cannot be repaired within the time limit imposed by the naval provisions of the report of the Berlin Conference; they further maintain that tonnage lifting capacity is a suitable basis for allocation.

4. The Tripartite Naval Commission, being unable to come to an agreement on the subject of German naval floating docks, refers this question to the Three Governments for decision. A complete list of German floating docks, showing whether they are considered naval or commercial, appears in Appendix 10.[47]

The foregoing document, and the appendices thereto, numbering in all 90 pages, is drawn up in the Russian and English languages. The text in each language is an original text and is of equal authenticity.

Senior Representative, Union of Soviet Socialist Republics	Senior Representative, United Kingdom of Great Britain and Northern Ireland	Senior Representative, United States of America
G. I. Levchenko *Admiral*	G. J. A. Miles *Vice Admiral*	R. L. Ghormley *Vice Admiral*
Representative, Union of Soviet Socialist Republics	Representative, United Kingdom of Great Britain and Northern Ireland	Representative, United States of America
N. V. Alekseev *Engineer Rear Admiral*	W. E. Parry *Rear Admiral*	H. J. Ray *Commodore*

[47] Not printed.

862.30/12–2045

Report of the Tripartite Merchant Marine Commission to the Governments of Soviet Russia, the United Kingdom, and the United States, Recommending the Allocation of Merchant Vessels of the German Merchant Marine

BERLIN, 7 December, 1945.

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SECTION A. Report of the Tripartite Merchant Marine Commission.
SECTION B. Recommendations of the Tripartite Merchant Marine Commission.
SECTION C. Appendices: [48]

1. Agreed Recommendations for the Division of German Merchant Vessels.
2. Lists of vessels comprising the German Merchant Fleet, which were known on the 1st December 1945, as under:—

List A–1	:	Passenger Vessels of 1600 GRT [49] and over
List A–2	:	Passenger Vessels under 1600 GRT
List B–1	:	Cargo Liners of 2300 DWT [50] and over
List B–2	:	Cargo Liners under 2300 DWT
List C–1	:	Tankers of 2300 DWT and over and Special Ships
List C–2	:	Tankers under 2300 DWT
List D–1	:	Cargo Vessels of 2300 DWT and over
List D–2	:	Cargo Vessels under 2300 DWT and over 300 DWT
List D–2*a*	:	Cargo Vessels under 300 DWT
List E	:	Uncompleted Vessels
List I	:	Miscellaneous Sea-Going Craft
List J	:	Additions and Deletions.

3. Exchange of letters between the Commission and the Allied Control Authority for Germany concerning the tonnage of Merchant Marine required for the needs of the German Peace Economy.
4. List of Ships reserved to satisfy the German Peace Economy.
5. List of Germant Merchant Vessels sunk during the War within 5 miles of the coast, and including the vessels sunk with Chemical Warfare Ammunition in accordance with the Order of the Allied Supreme Commander.
6. List of Merchant ships owned by Allied and Neutral Countries seized by the Germans.
7. Minutes of the plenary Meetings of the Tripartite Merchant Marine Commission.

SECTION A. REPORT OF THE TRIPARTITE MERCHANT MARINE COMMISSION

1. The Governments of the Union of Soviet Socialist Republics, the United Kingdom, and the United States of America, agreed at the Conference held at Berlin between the 17th July and 2nd August 1945 that "The German Merchant Marine, surrendered to the three Powers and wherever located shall be divided equally among the U.S.S.R.,

[48] None printed.
[49] Gross registered tonnage.
[50] Deadweight tonnage.

the U.K., and the U.S.A." [51] For this purpose the three Governments agreed to "Constitute a Tripartite Merchant Marine Commission comprising two representatives for each Government, accompanied by the requisite staff, to submit agreed recommendations to the three Governments for the allocation of specific German merchant marine ships and to handle other detailed matters arising out of the agreement between the three Governments regarding the German merchant ships."

2. As authorised by the above agreements, a Tripartite Merchant Marine Commission comprising two representatives of each Government was established. The representatives were:—

Admiral G. I. Levchenko	U.S.S.R.
Mr. A. A. Affanasiev, N.K.M.F.[52]	U.S.S.R.
Vice Admiral Sir Geoffrey J. A. Miles K.C.B.	U.K.
Sir Andrew Common M.W.T.[53]	U.K.
Vice Admiral R. L. Ghormley U.S.N.	U.S.A.
Mr. Thomas F. Dunn W.S.A.[54]	U.S.A.

3. The Commission met in the City of Berlin, at the Headquarters of the Allied Control Authority from 1st September to 7th December 1945.

4. A special committee was established for deciding all practical matters connected with the division of the German Merchant Marine and for preparing recommendations for the distribution of the vessels between the three Powers. In addition, a Technical sub-committee was formed to inventory the vessels comprising the German Merchant Marine and to compile the lists of these vessels, as well as a Sub-committee for their valuation according to the method adopted.

5. The representative of each of the three Governments assumed the responsibility for submitting lists of all German ships known to them and these lists were corrected by the Technical sub-committee as further information came to light. On the basis of these lists the Commission compiled the first basic lists of the German merchant ships available, divided in four categories viz: *a*–Passenger Liners, *b*–Cargo Liners, *c*–Tankers and Special ships, *d*–Dry Cargo vessels.

Each category of vessels was subdivided in two groups:

1. Large vessels—Passenger ships over 1600 GRT and Cargo ships over 2300 DWT
2. Small vessels—Passenger and cargo ships under above-mentioned tonnage.

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[51] See *Conference of Berlin (Potsdam)*, vol. II, p. 1488.
[52] Narkommorflot: Peoples Commissariat for Maritime Fleet.
[53] Ministry of War Transport.
[54] War Shipping Administration.

Vessels under 1600 GRT or 2300 DWT were listed separately as it was considered that the requirements of the Allied Control Council could be met out of this tonnage.

6. The basis adopted for division was a valuation of the tonnage at 1938 building prices.

The Committee worked out the values, taking into account type, size, speed, and age of the vessels also the type of machinery.

The method adopted was, of necessity, somewhat arbitrary, but it provided a practical means of assessing the relative values of the vessels to be distributed. Passenger vessels were valued separately. The values were assessed before it was known to which Power the vessel would be allocated.

7. On completion of the first Basic lists on September 18, 1945, inspection parties comprising representatives of the U.S.S.R., U.K., and the U.S.A., were sent to the ports in all zones of Germany, and to the United Kingdom, Denmark, Norway, Poland and Holland. Instructions were given to the representatives of the three Powers to inspect the German merchant vessels in the United States ports.

The inspection parties inspected the German merchant vessels which lay in the ports at the time of inspection. Some of the vessels mentioned in the first Basic list were not inspected as they were at sea. The inspection parties found a number of vessels not mentioned in the first Basic Lists.

Many vessels of small tonnage (Coastal ships) were not inspected as time did not allow of this.

According to the condition of the vessels, their machinery and cargo gear as recorded in the inspection reports, the values were adjusted and the final agreed lists were compiled.

8. The Commission discussed the question of the vessels, which according to the order of Allied Supreme Commander, were sunk with Chemical warfare ammunition. It was agreed that nine vessels, which were already sunk at the time of the discussion were to be excluded from the lists of the German merchant marine to be divided and to be included in the List of Sunken ships with a notation to this effect. It was agreed to leave the other six vessels the loading of which with Chemical warfare ammunition had begun, in the list of the German merchant marine to be divided and to include them in the share of the United Kingdom.

9. The Commission at its first meeting addressed a letter to the Allied Control Council for Germany asking for information about the tonnage necessary to the needs of the German Peace economy.

728-099—68——96

On November 21st, 1945, the reply of the Allied Control Council was received, requesting the reservation for the needs of the German peace economy of 175,000 tons carrying capacity of the German merchant marine (see appendix 3 [56]).

In order to meet this request, the Commission reserved 200,000 tons DWT, i.t. 175,000 tons carrying capacity (see appendix 4 [56]); the Commission then worked out its recommendations for the division of the German merchant marine between the three Powers (see appendix 1 [56]).

10. The Commission discussed the following questions, arising out of the decision of the Berlin conference regarding the German merchant marine:

a. Sunken vessels.
b. Merchant vessels that were owned by the Allies and Neutrals and seized by the Germans.
c. Repair and re-conversion of the vessels to be divided.
d. Supply of the ships to be divided, with spare parts, stores, fuel and food.
e. Provision of the vessels to be divided with the necessary shipping and technical documents.
f. Delivery of vessels divided between the three Powers.
g. German merchant ships under construction in Sweden.
h. German merchant ships which may be found in the future.
i. German Sea Fishing Fleet.
j. German port facilities and dredging fleet.
k. Inland Water Transport.
l. Compensation for use of vessels prior to delivery.

SECTION B. RECOMMENDATION OF THE TRIPARTITE MERCHANT MARINE COMMISSION FOR THE DIVISION OF THE GERMAN MERCHANT MARINE

The Tripartite Merchant Marine Commission agrees and recommends to the three Governments that:—

1. The German merchant marine surrendered to the three Powers be divided equally among the U.S.S.R., the U.K., and the U.S.A., according to the attached list (see appendix 1 [56]).

2. In conformity with the decision of the Allied Control Council (see appendix 3 [56]) 175,000 tons carrying capacity, i.e., 200,000 DWT, of the German merchant marine be reserved for German peace economy in accordance with the attached list (see appendix 4 [56]).

3. All the German Merchant vessels sunk within five miles of the coast of Germany (see appendix 5 [56]) be destroyed before the end of 1946.

[56] Not printed.

Each of the three Powers, represented on the Commission, shall report to the others when this has been done.

In the case of the few vessels mentioned in appendix 5, sunk in the coastal zones of countries other than Germany, a formal request for their destruction shall be sent to the Sovereign Powers concerned.

4. Vessels not of German nationality (see appendix 6 [57]) be placed in the custody of the Allied Control Council for Germany, pending return to their owners on proof of title.

5. The Commission discussed the question of the German merchant vessels that were in construction in the Swedish shipyards at the time of capitulation of Germany.

As the information about this question is insufficient, the matter be taken up through the normal diplomatic channels.

6. As regards German merchant ships which are subject to the Berlin Agreement and which may subsequently be found when the agreement about the division of the German merchant marine is in force, independently of the flag under which these ships may be, the three Governments take in such cases all appropriate measures through the normal diplomatic channels to secure an immediate delivery of these ships to the Allied Control Council for Germany, and the principles of the agreement for the division of the German merchant marine be applied to these ships.

7. The repair of damage caused by War or Marine Risks during use, running repairs effected for the benefit of the user, and running repairs effected while in use before delivery, be for the account of the user and not be charged to the recipient power.

Special fittings, as in the case of troopers, be for the account of the user. Passenger accommodations fitted for troop carrying have to be re-converted to their previous state at the expense of the country which made the fitting.

Capital restoration repairs and repairs to damage caused by war or marine casualties suffered by vessels prior to the Surrender of Germany, also improvements to crew accommodation be paid for by the Government to which the vessel is allocated to the Government in whose country or zone the repair has been or will be effected. Where repairs have been or will be effected in Germany the cost be borne by Germany and charged against the Reparations' account of the recipient power.

The custodian power shall facilitate the repair of a vessel in Germany allocated to the other powers to the extent of making her sea-

[57] Not printed.

worthy to sail or be towed before German repair facilities are radically reduced in accordance with the Allied Policy agreed at Berlin.

In the U.K. repair facilities will also be granted but no special priority can be given.

8. All spare parts, stores, furniture and equipment on board be handed over at the time of transfer to the recipient power and anything removed from the vessel by the custodian power or its agents be returned.

9. All available documents on board or in the possession of the custodian power or its agents be handed over at the time of delivery. Plans known to be available in the builders yards be handed over also.

10. On transfer the custodian power shall certify to the recipient power the authority under which delivery is made.

11. The physical delivery of the vessels be started immediately on ratification of the report and recommendations of the Commission, and it is hoped that delivery can be begun by 20th December 1945. Between the signing of the report and ratification information on locations of ships to be transferred be supplied to the recipient powers and vessels be concentrated in nominated agreed ports. Representatives of each of the three Powers in the ports of delivery be instructed to give every possible assistance to the recipient power.

Every effort be made to complete the delivery of the ships by the 20th January 1946.

All other matters relative to the delivery of German merchant vessels lying in ports of Powers represented on the Commission or of zones occupied by them be dealt with bi-laterally between the Sovereign Nations concerned, in other ports they be arranged direct between the recipient power and the country concerned.

12. If any German vessels, allocated under the division lists to one of the three Powers be lost or damaged before the physical delivery to the said Power, while in service by another Power, this last Power is under the obligation to give to the Power to which the vessel was to be delivered a vessel of similar type from its own list or to repair the damaged vessel at its expense.

13. As the Commission failed to reach agreement on the disposal of the German fishing fleet, dredger fleet, port facilities, Inland water transport and compensation for use of vessels prior to delivery, it was agreed to recommend to the three Governments to decide these questions separately without connecting them with the division of the German merchant marine.

14. The Tripartite Merchant Marine Commission be dissolved on the date of the ratification of this report and recommendations.

After the dissolution of the Tripartite Merchant Marine Commission, the Senior Naval Officers in Germany, representing each of the three Powers, assisted by the Representatives of Narkommorflot, the British Ministry of War Transport, and the U.S. War Shipping Administration, where necessary, be authorised to handle any questions which may subsequently arise out of the agreement between the three Governments regarding the German merchant marine.

15. The foregoing document is drawn up in the Russian and English languages. The text in each language is an original text and is of equal authenticity.[58]

Senior Representative Union of Soviet Socialist Republics	Senior Representative United Kingdom	Senior Representative United States of America
G. I. LEVCHENKO *Admiral*	GEOFFREY J. A. MILES *Vice Admiral K.C.B.*	R. L. GHORMLEY *Vice Admiral U.S.N.*
Representative, Union of Soviet Socialist Republics	Representative, United Kingdom	Representative, United States of America
A. A. AFFANASIEV *N.K.M.F.*	ANDREW COMMON *M.W.T.*	THOMAS F. DUNN *W.S.A.*

SWNCC File: 208 Series

Memorandum by the Chairman of the State-War-Navy Coordinating Committee (Dunn) to the Secretary of the Navy (Forrestal)

[WASHINGTON,] 2 January 1946.

Subject: Division of German Naval Vessels.
Reference: *a.* SWNCC 208/10.[59]

The State-War-Navy Coordinating Committee has approved, on behalf of the United States Government, the division of German naval

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[58] Although the photostated copy in Department files bears no signatures, the attached minutes of the Ninth Meeting of the Tripartite Merchant Marine Commission, December 7, indicate that the report was approved and signed at that time.

[59] Not printed.

vessels as outlined in reference *a*. The division of these vessels is as follows:

(*a*) *Type*	*U.K.*	*U.S.*	*U.S.S.R.*
Cruisers	—	1	1
Destroyers and Torpedo Boats	13	7	10
U-Boats	10	10	10
'M' Class Minesweepers	44	44	44
Sperrbrechers [60]	4	8	4
Large Torpedo Recovery Vessels and Escort Ships	5	6	6
Anti-Aircraft Ships	2	3	3
R-Boats [61]	45	48	51
E-Boats [62]	29	30	30
K.F.K.'s [63]	147	148	148
Trawlers	36	40	42
Landing Craft	66	102	135
Naval Seagoing Tugs	16	26	37
Depot Ships	6	3	5
Depot Ships (in the M/S Organization)	9	8	16
Tankers	1	3	7
Aircraft Crane Ships	6	6	6
Netlayers	4	3	3
Catapult Ships	2	1	1
Torpedo Transporters & Experimental Ships	6	5	6
Hydrographic Vessels	4	2	1
Miscellaneous Vessels	9	5	7
Despatch Boats & Launches	75	73	73
Training Ships	—	2	2
Hulks	3	2	4
R.A. Boats [64]	1	2	1
Naval Harbour Tugs	15	19	17
Barges and Lighters	35	39	36
Harbour Servicing Vessels—			
Water Boats	7	7	7
Torpedo Transporters	3	2	3
Harbour Tankers	6	6	6
Dredgers	6	6	6
Accommodation Craft, Kitchen Craft	4	2	3
Diving Craft	2	2	2
Miscellaneous Craft	9	8	9
Barges and Lighters, Etc	4	5	4
Floating Cranes and Sheerlegs	8	5	7

It is requested that the United States Member of the Tripartite Naval Commission notify the United Kingdom and the Union of Soviet Socialist Republics Member of the Commission of the ap-

[60] Converted merchant vessels, 2,000 to 10,000 tons, equipped for all types of minesweeping, including exploding mines at sea.
[61] Motor Minesweepers.
[62] Motor Torpedo Boats.
[63] Small fishing vessels appropriated for use by the German Navy.
[64] Motor minesweepers of non-German origin.

proval by the United States Government of the division of German vessels set forth above.

For the State-War-Navy Coordinating Committee:

JAMES CLEMENT DUNN

[Final approval by the three Governments of the reports of the Tripartite Naval and Merchant Marine Commissions was not forthcoming during 1945. Subsequently, certain changes were made in them to meet reservations by the signatory powers, as well as to cover omissions from and additions to the original lists of ships. The general plan followed, however, for the disposition of German vessels was that delineated in the first reports of the two Tripartite Commissions.

For public statements relating to progress on the disposal programs for the Navy and Merchant Marine, respectively, see Department of State *Bulletin*, February 3, 1946, page 173, and March 17, 1946, page 445.]

INTEREST OF THE UNITED STATES IN ESTABLISHMENT OF EXPORT-IMPORT MACHINERY FOR GERMANY AND IN GERMAN COAL PRODUCTION AND DISTRIBUTION

862.50/8–1845 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)[65]

WASHINGTON, August 18, 1945—2 p. m.

298. Subject is procedure for procurement and financing of German imports from U.S. proposed by General Hilldring [66] with concurrence of Generals Somervell [67] and Clay [68] (urtel unnumbered Aug. 10 [69]).

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[65] This message was repeated to London as telegram 7103 for William L. Clayton, Assistant Secretary of State for Economic Affairs, and Emilio G. Collado, Director of the Office of Financial and Development Policy, with the following addition: "Dept understands informally from CAD [Civil Affairs Division, War Department] that Hilldring in discussions of his proposal in London has encountered firm opposition not only from British War Office but also from 'Treasury and State Dept officials there'. Should we interpret this to mean that while favoring Clay's having 'a considerable measure of control over supplies imported from the U.S.' (urtel 8296 Aug. 16) you are now resisting Hilldring's specific proposal [?]" (862.50/8–1845) For text of telegram 8296, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 829. Mr. Clayton was in London as head of the United States Delegation to the Third Session of the Council of the United Nations Relief and Rehabilitation Administration as well as to hold discussions with British officials on commercial and financial policy.

[66] Maj. Gen. John H. Hilldring, Adjutant General, War Department.

[67] Lt. Gen. Brehon B. Somervell, Commanding General, Army Service Forces.

[68] Lt. Gen. Lucius D. Clay, United States Deputy Military Governor for Germany; Commanding General, United States Group, Control Council for Germany; United States representative on the Coordinating Committee.

[69] Not printed.

This proposal was resisted by Dept officers in discussions with War Dept in Washington at end of July but Dept was subsequently requested by Clayton not to continue opposition if proposal was adopted by War Dept. Subject is still under discussion in War Dept and between Hilldring and Clayton in London.

Dept officers were not impressed by Hilldring argument that unless all supplies for any zone in Germany allocated for procurement in U.S. were purchased by War Dept and consigned to Commanding General USFET,[70] U.S. would be unable to secure reimbursement for cost of imports into its zone from proceeds of exports from other zones, notably the British. British have accepted throughout inter-governmental discussions the principle that proceeds of exports from all zones should be pooled to pay for German imports, and this principle is incorporated in paragraph III 19 of the Berlin protocol.[71]

Furthermore Dept officers believed that the fundamental reason for Hilldring's proposal was that Clay desired to have an additional bargaining weapon vis-à-vis the other zone commanders in negotiations for the exchange of interzonal surpluses (e.g. coal from the Ruhr). They felt that Clay would in any case have large and sufficient bargaining power in that he, through his representation in CRAB,[72] would be screening and passing judgment upon all import requirements of the other zones whether procured in U.S. or elsewhere. Issued was therefore simply one of how much power to vest in a U.S. field representative.

Foregoing is for your background information.

BYRNES

862.50/8–2045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 20, 1945—9 p. m.
[Received August 20—6:10 p. m.]

330. For Collado from Despres.[73] Regarding question raised in your letter of August 7,[74] I am informed that British are unwilling

[70] Commanding General, United States Forces, European Theater, General of the Army Dwight D. Eisenhower. General Eisenhower was also United States Military Governor for Germany, and United States representative on the Allied Control Council for Germany.

[71] Reference is to the Report on the Tripartite Conference of Berlin; for text of paragraph III 19, see *Conference of Berlin (Potsdam)*, vol. II, p. 1505.

[72] Combined Resources Allocation Board, an Anglo-American interim body established pending the setting up of the quadripartite machinery of the Allied Control Authority in Germany to deal with questions of military and civilian needs, production quotas, and export-import requirements.

[73] Emile Despres, Adviser on German Economic Affairs in the office of Assistant Secretary of State Clayton.

[74] Not printed.

to become dependent on Clay for supplies from US required in British zone. If programming and billing of imports is to be handled zonally, British position is that they will undertake procurement and initial financing of all imports needed for their zone.

General view here is that initial negotiations in Control Council are proceeding most satisfactorily, and that prospect is favorable for quadripartite agreement on many aspects of control of Germany. However, I believe that question whether Germany will actually be treated as an economic unit will be resolved only gradually, and that final outcome will be rather mixed. Although there will be no tight frontier between Eastern and Western Germany, economic inter connections during occupation probably will be considerably less pervasive than can be established among Western Zones. For example, it is unlikely that quadripartite arrangements for programming and financing of imports for all of Germany can be quickly negotiated. It now seems unwise to avoid combined arrangements among Western Zones. Lack of coal and industrial raw material in U.S. Zone makes it impracticable for US to maintain indefinitely our position that strictly zonal approach is only admissible alternative to quadripartite program.

Sent to London as 48, repeated to Department for Thorp [75] as 330. [Despres.]

MURPHY

660F.6231/8–2145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 21, 1945—6 p. m.
[Received August 21—1 : 45 p. m.]

335. Our Missions at Praha and Stockholm are raising the urgent issue of limited trade transactions with Germany. The question of trade relations with Austria and Switzerland has also arisen. Undoubtedly questions concerning trade and barter will continue to arise during the period in which the Control Council is considering the creation of a quadripartite Export-Import Control agency. Small transactions of this nature have undoubtedly been consummated in the past by local Army commanders without reference to this or other headquarters. Such transactions have largely been in the nature of barter deals but have allowed vitally needed goods to move across frontiers.

United States Group Control Council is presently drafting plans for a quadripartite Export-Import Control agency as well as the

[75] Deputy to Assistant Secretary of State Clayton.

formation of a German foreign trade administration. In this connection United States Group Control Council desires immediate consideration of relations with Austria and various European neutrals. General Draper's [76] office may raise this question with the Joint Chiefs of Staff.

I would appreciate an early expression of the Department's views concerning trade policy during the present interim period especially in relation to Sweden and Switzerland.

Repeated to London for Clayton as 51. Sent to Dept as 335.

MURPHY

[On August 22, 23, and 24 discussions were held in Washington between various American officials and French President Charles de Gaulle and Foreign Minister Georges Bidault. The talks covered many topics including the German coal situation; for texts of memoranda on these conversations, see volume IV, pages 707 ff.]

660F.6231/8–2145 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, August 23, 1945—7 p. m.

333. Dept would appreciate your views as to post Potsdam status of CRAB and its various subcommittees. Is there any evident inclination to de-emphasize the role of these bodies in favor of anticipated quadripartite organization or do they remain fully operative? In particular, are the proposed foreign trade transactions (urtel 335, Aug 21) to be engaged in under the authority and supervision of CRAB or are these transactions envisaged as barter deals between the US zone and the countries concerned requiring policy determination only on the US side?

BYRNES

840.6362/8–2545 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 25, 1945—3 p. m.

7288. Brit Emb here has communicated to Dept telegram from Marshal Montgomery to War Office [77] on subject of German coal

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[76] Brig. Gen. William H. Draper, Chief of the Economic Division, United States Group, Control Council.

[77] A copy of the telegram was transmitted to the Department under cover of an *aide-mémoire* from the British Embassy dated August 24, 1945; neither printed. Field Marshal Sir Bernard Montgomery was Commander in Chief, British Forces of Occupation in Germany; Military Governor, British zone in Germany; and British representative, Allied Control Council for Germany.

directive,[78] asking for authority (1) to place an "adequate" interpretation on the extent of civil and military coal requirements necessary to ensure the safety, security, health, maintenance and operation of the occupying forces, and (2) in particular, to regard coal for military requirements, certain transportation requirements, necessary public utilities, production and processing of food, production of building materials for essential shelter, production of medical and sanitary supplies and similar fundamental requirements, as a first charge on the production of German mines.

In supporting this request, Montgomery expresses doubt that it is practicable to keep industry in Germany suspended over a long period and a belief that the carrying out of the present directive would result in wide-spread unemployment which he implies should be avoided.

Montgomery also suggests the appointment either by the Brit Govt, in consultation with American and French Govts, or by ECO[79] of a commission, including leading coal producers and transportation authorities, who would be instructed to examine the entire coal position in Germany with the Combined Coal Committee of CRAB.

Covering note by Brit Emb reports that preliminary opinion in London favors granting zone commanders latitude in application of coal directive which Montgomery desires.

Dept understands Brit ministers are considering Montgomery's message August 27, and accordingly suggest that you communicate to FonOff US views as given below, as promptly as possible.

While it may not be possible to achieve the goal of 25 million tons set in directive, this Govt continues opposed to making any amendment either by formal action or interpretation in the directive which clearly established principle that greatest amount of coal possible be made available for export and that use of coal in Germany should be minimum necessary to protect occupying forces and redeployed Allied forces. There will be distress and unemployment in many parts of Europe under best of circumstances and purpose of directive was to put Allied countries in a position substantially superior to that of Germans. In paragraph 6 of coal directive, British, French and American Govts all specifically recognized that "the carrying out of the above policies with respect to German coal may cause unemployment, unrest, and dissatisfaction among Germans of a magnitude

[78] For text of the directive sent to the United States Military Governor, General of the Army Dwight D. Eisenhower, on July 26, see *Conference of Berlin (Potsdam)*, vol. II, p. 1028; a similar directive was sent to Field Marshal Montgomery, see *ibid.*, p. 1033; French President Charles de Gaulle had also agreed to send a directive to the Commander in Chief of the French Forces in Germany, Gen. Marie-Pierre Koenig.

[79] European Coal Organization; for documentation on interest of the United States in the formation of a European Economic Committee and a European Coal Organization, see vol. II, pp. 1411 ff.

which may necessitate firm and rigorous action" and promised that "any action required to control this situation will be fully supported".

The interpretation which Montgomery suggests and which was specifically discussed and rejected prior to issuance of directive might, in effect, place Germany in a favorable position relative to liberated areas, particularly in so far as it contemplates using coal in Germany for purpose of avoiding unemployment in that country.

This Govt, however, is entirely willing to supply experts to assist Marshal Montgomery in achieving the necessary volume of coal production in Germany. This Govt is also disposed to favor participation in appointment of commission of experts which would examine on the spot ways and means of raising coal output in Germany provided an effort is made to select not only experts on coal production and transportation but also experts on other factors such as labor, housing, etc, affecting coal production. This Govt does not consider appointment of such a commission by ECO advisable.

BYRNES

662.0031/8–3045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 30, 1945—8 p. m.
[Received August 30—3 : 15 p. m.]

403. Reurtel 333, August 23, 7 p. m. CRAB and its various subcommittees have ceased to operate on theory that the various functions should be transferred to quadripartite organizations yet to be formed. At present, matters involving the three Western Zones are being handled on an *ad hoc* personal basis between the Military Govt officers concerned. There is no operating procedure for consultations and meetings. Thus our telegram 335 [80] did not envisage use of CRAB facilities.

However, formation of quadripartite organizations and principles of "agreed imports" is currently being delayed by Soviet insistence upon prior clarification of reparations problems.

Sir Percy Mills [81] of the British element has already indicated, in the Economic Directorate of the Control Council, that the British, in the absence of quadripartite action, favor a tripartite approach to a variety of problems including exports and imports. This would seem to imply a willingness to allow exports from the British zone to be utilized to cover part, at least, of the trade deficit which appeared

[80] Dated August 21, p. 1523.
[81] Head of the Economic Division, British Element of the Control Council, and British representative on the Economic Directorate of the Control Council.

likely from the American zone. Inasmuch as imports from neutrals and from United Nations, as well, appear to be prohibited under the terms of the Potsdam Agreement, until they become "agreed imports" through appropriate action by the Control Council, we are in the process of attempting to obtain a clarification of British views and of reactions within US Group CC (Control Council) and will cable further.

In the meantime it would seem desirable that Joint Chiefs of Staff 1067 article 41 (C) [82] be amended to avoid the US prohibition on exports to others than United Nations.

MURPHY

660F.6231/9–1045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 10, 1945—9 p. m.
[Received September 10—5 : 20 p. m.]

487. The Economic Directorate last week approved a compromise interim export-import plan, the essentials of which are as follows:

Pending the formulation of the export-import plan which is to be approved by the Control Council in accordance with paragraph 2 (reference should be to paragraph 1 of a paper of 6 September [83] referring to paragraphs 14, 15, and 19 of the Berlin Declaration which was used as a basis for discussion at the Directorate meeting), the proceeds from exports should be credited to a special account of the Control Council and shall be used for payment of imports of each respective zone.

Payment for imports into one zone for the account of exports from another may be made only by decision of the Control Council, or as may be agreed between any zone commanders.

In the preparation of an export-import plan, the exports and imports of each zone made before the time of completion thereof will be taken into consideration.

The export-import plan shall be submitted for consideration before 31 October 1945. If the plan is not approved by that date then interim arrangements shall be reviewed.

Provisional prices of exports of goods, raw materials and merchandise shall be fixed by the commander of each zone pending conditions

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[82] Reference is to the directive issued by the Joint Chiefs of Staff to General of the Army Dwight D. Eisenhower, Commander in Chief of the United States Forces of Occupation, regarding the Military Government of Germany. The first version of this document, dated September 22, 1944, is printed in *Foreign Relations*, The Conferences at Malta and Yalta, 1945, p. 143. Subsequent revisions leading to the issuance of the directive in May 1945 are covered in documentation on "Participation of the United States in the work of the European Advisory Commission," part III, *ante*, pp. 369–533, *passim*. For the April 26 version of the directive (IPCOG 1), see p. 484; for text as released to the press October 17, see Department of State *Bulletin*, October 21, 1945, p. 596.

[83] Not printed.

of final settlement. Payment should be made at the rate of not less than 80 percent of provisional prices.

Provisional prices to be fixed by the zone commanders should be applied in the first place to all deliveries from 1 August 1945 and should be submitted forthwith to the Coordinating Committee. End of plan.[84]

Opinion here is that it will be difficult to treat Germany as an economic unit and to conduct foreign trade on a quadripartite basis under the above plan. Unless the Dept advises to the contrary, it would appear advisable for US, Britain, and the French, if possible, to establish provisional agencies to facilitate inter-zonal and foreign trade pending the formulation of a final export-import plan on a quadripartite basis. This is desirable because of the urgency [*urgent*] necessity of getting exports started. It should be made clear to the Russians that the inter-zonal agencies for Western Germany are for the interim period only and will be discontinued once an agreed trade mechanism has been established. It is believed that the provisional agencies for the Western Zones can be set up within the framework of the interim quadripartite plan outlined above.

Would appreciate an early expression of the Depts views with reference to the last paragraph of my 335 of 21 August, as well as views concerning interim trade with Austria. Fred Winant[85] plans to leave for Salzburg and Vienna September 16 to discuss export-import trade with Austria.

MURPHY

840.6362/9–1545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 15, 1945—11 a. m.
[Received 1:30 p. m.]

530. The American representative on Coal Subcommittee advises that the Russian representative indicated informally at the meeting on 10th of September (although minutes thereof make no reference to the matter) that he would put forward in the near future a Soviet request for allocation of hard coal for month of November. He indicated total November requirements for hard coal Soviet Zone November would amount to 550,000 tons. Current production in the Soviet [Zone] is about 100,000 tons.

The Soviet representative pointed out that the bulk of hard coal production in Eastern Germany (Silesia) is now in Polish territory

[84] For approval of the plan by the Control Council, see telegram 569, September 20, 10 p. m., from Berlin, p. 836.

[85] Director of the Trade and Commerce Division, United States Group, Control Council.

and not currently available to meet the Soviet Zone requirements. Our information is that hard coal production in the Soviet Zone has recovered to a level not much out of line with production in Western Zones. This is the first indication of Soviet intention to request allocation of a major commodity from current production in Western Zones and may therefore set a pattern for similar requests for other commodities.

Sent to Dept as 530, repeated to London as 76.

MURPHY

660F.6231/9–1045 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, September 18, 1945—8 p. m.

494. Reurtel 487, Sept 10. Please advise Dept whether interim export-import plan is now in operation and if so at what prices coal is being exported and in what currencies exports are paid for. Also whether agreement has thus far been reached for transfer of receipts for exports from other zones to pay for imports into American Zone. Will holding of receipts for exports in Control Council account necessitate quadripartite agreement for their release to meet cost of imports?

Dept is now preparing views with respect to long term export-import policy to succeed interim plan.

ACHESON

660F.6231/9–2345 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 23, 1945—3 p. m.
[Received 5 : 19 p. m.]

593. Reurtel 494, Sept 18, 8 p. m. Under current operation of export-import plan prices for exports have not been submitted by zone commanders. Coal, for example, is being exported against quantitative receipts. American officials assume that French and British agree to proposal that transfer of receipts for exports from other zones can be made available for imports in American zone. However in view of early stage of operation of export-import plan, such matters have not yet been handled. U.S. trade and commerce officials do not believe that quadripartite agreement, on specific items, will have to be obtained—during the interim period—for use of receipts for exports to meet cost of imports. They assume that agreement to establish an

interim plan satisfies, in principle, the need for quadripartite agreement on imports into Germany.

MURPHY

840.6362/9–1545 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 4, 1945—6 p. m.

606. Reurtel 530 Sept 15. Dept opposes any allocation of coal from Western Germany to meet requirements of Soviet Zone. Any such allocation would be at the expense of exports of coal from Western Germany, since coal requirements for Western Zones have already been placed at a minimum figure. This Govt attaches the utmost importance to coal exports from Germany to meet critical needs of Allied countries and is now shipping coal across the Atlantic to help meet European needs. Demands on US would be increased by any allocation of German coal to Soviet Zone. We consider that deficits in Soviet Zones should be met directly from Silesia, not indirectly from Pennsylvania. Polish Govt has informed us that Silesian coal is immediately available, substantially in excess of Poland's present export commitments, provided transportation by rail, rather than through Baltic ports, is arranged. Allocation of Western German coal to USSR Zone is inadmissible until there is complete agreement for pooling resources of all zones and a fully developed quadripartite import, export program. Moreover, such a quadripartite program would surely include provision for import of Silesian coal into Germany. USSR has so far adhered to strictly zonal approach on supply matters, even insisting on this approach with respect to apportionment of supply responsibility for Greater Berlin.

Repeated to London.

ACHESON

USPolAd Files 863.6 Coal Mining : Telegram

The United States Deputy Military Governor for Germany (Clay) to the War Department [86]

BERLIN, October 10, 1945—6 p. m.

CC–17419. Murphy has received cable from State Department [87] objecting any allocation of coal from West Germany to meet requirements of Soviet Zone since any allocation would reduce coal exports from West Germany and increase the demands on the US. Cable

[86] This cable was directed to the Civil Affairs Division of the War Department for the attention of the Chief of Staff, General of the Army George C. Marshall.

[87] Telegram 606, October 4, 6 p. m., to Berlin, *supra*.

states that the State Department is informed that Silesian coal is available subject to transportation. We have taken the position that Quadripartite Government requires Quadripartite action on allocations. Under existing machinery allocations of coal to US and other zones requires Quadripartite approval including Russian member Coal Committee. Actual allocation made to Soviet Zone for November was 100,000 tons of coke and 50,000 tons of hard coal against allocation of 200,000 tons of soft coal briquettes from Soviet to Western Zones. Most of latter is allocated to US Zone. If we tried to make exception to Quadripartite procedures in case of coal it would obviously invite counter-exceptions and make progress in Quadripartite negotiations more difficult and perhaps impossible. Question of Silesian coal has been raised several times in Economic Directorate by US member. Russian member is investigating with expressed intention of importing Silesian coal to Soviet Zone if available and transportation permits. He indicates that up to this time he has not been informed that Silesian coal is actually available for this purpose. This matter will be pressed, as we fully recognize the advantages of using Silesian coal in Eastern Germany from both transportation and coal export point of view.

CLAY

660F.6231/10–1145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 11, 1945—9 p. m.
[Received October 11—8:20 p. m.]

753. There is given below the text of a preliminary draft of the United States proposal regarding establishment of Allied Export-Import Authority for Germany. These tentative proposals were drawn up in the office of Fred Winant and after having been informally shown to Economics, Political and Finance Divisions are being turned over to the Russian representative. If the Department wishes to cable comments or criticisms of the proposals, there will be sufficient time as the matter will have to be submitted to the Economic Directorate even if it should obtain immediate clearance by the Export-Import Sub-Committee.

Paragraph 3 *d* refers to funds which have been derived under the existing agreement (see our telegram 487, September 10, 9 p. m. and 593, September 23, 3 p. m.). This paragraph is not designed to allow zonal commanders to determine trade patterns nor to avoid quadripartite agreement on imports.

728–099—68——97

"1. Establishment of Allied Export-Import Authority for Germany.

There is hereby established an Allied Export-Import Authority for Germany which shall be an agency of the Allied Control Authority. The Allied Export-Import Authority for Germany will consist of a board of directors and an executive officer. The board of directors will be composed of the members of the Export-Import Sub-Committee or persons designated by such members; the executive officer will be chosen by and operate under the direction of the board of directors; assistant executive officers will be appointed by the zone commanders in each zone. The salary of the executive officer and the assistant executive officers will be fixed by the board of directors and will be paid out of the proceeds of German exports.

2. Functions of Allied Export-Import Authority for Germany.

The functions of the Allied Export-Import Authority for Germany are:

a. To authorize and if necessary to arrange for the sale of exports, including the collection, storage, transportation and delivery of goods, and the receipt of payment therefor.

b. To authorize and if necessary to arrange for the purchase of approved imports, including the transportation and delivery of goods, and payment therefor.

c. In consultation with other interested agencies of the Allied Control Authority, to formulate from time to time and to submit export-import programs for approval by the Control Council or its authorized agency. The first tentative program is set forth in paragraph 4 and 5 below, covering the period from 1 November 1945 to 30 June 1946. The preliminary data on which this program is based will be reviewed in the light of the latest available information, and a revised program submitted by 15 December, 1945, to cover the period from 1 January 1946 to 30 June 1946. Thereafter programs will be reviewed quarterly and submitted semi-annually or more frequently as directed by the Control Council.

d. To collect and analyze data necessary for the preparation of export-import programs; to maintain records of import and export transactions; to prepare and submit such reports as may from time to time be required by the Allied Control Authority.

e. To exercise such other functions as may be delegated to it in order to insure the proper financing and implementation of approved export-import programs.

f. To organize its operations and employ such personnel in addition to the executive officer as may be necessary to the discharge of the foregoing functions.

3. Statement of policy.

It is agreed:

a. That in order to provide funds for approved imports, payment will be made at the rate of not less than 80 percent of the established price of all exports from current production and stock, beginning 1 August 1945.

b. That such payment will be made to approved banks for the account of the Allied Export-Import Authority for Germany in

United States dollars or any other currency acceptable to the Control Council or its authorized agency, at prices fixed on the basis of policies established by the Control Council or its authorized agency.

c. That any funds credited to the special account of the Control Council set up in paragraph 4, CONL/P(45)32, approved by the Control Council on 20 September 1945,[88] will be transferred to the account of the Allied Export-Import Authority for Germany. Payments made from this special account and obligations incurred by the special account will be taken into consideration in such transfer.

d. That the funds derived from such payments and transfers will be used by the Allied Export-Import Authority for Germany to discharge obligations arising out of import programs which have been approved by the Control Council or the zonal commanders, as authorized in paragraph 4, CONL/P(45) 32, approved by the Control Council, 20 September 1945.

e. That on matters pertaining to financing the Allied Export-Import Authority for Germany will operate under policies established by the Finance Directorate.

f. That as soon as practicable a central German administrative department will be set up in the field of foreign trade. At that time the functions of the Allied Export-Import Authority, set forth in paragraph 2 above, will be transferred to the extent deemed advisable, to the German department and thereafter the Allied Export-Import Authority will control and supervise the operations of such department."

MURPHY

862.6362/10–1445 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 14, 1945—11 a. m.
[Received October 14—8:40 a. m.]

781. The memorandum quoted below was submitted on September 27 by the United States representative to the Directorate of Economics for consideration.

"Representatives of the Polish Provisional Government have informed the OMGUS [89] that they can make available for export from Upper Silesia hard coal in amounts increasing from 400,000 tons per month to possibly 1,500,000 tons per month during the remainder of 1945.

In view of the critical shortage of coal, it is recommended that practicability of utilizing this coal for military and essential civilian

[88] CONL/P (45)32 is summarized in telegram 487, September 10, 9 p. m., from Berlin, p. 1527; for Control Council approval, see telegram 569, September 20, 10 p. m., from Berlin, p. 836.

[89] The United States Group, Control Council, had been succeeded on October 1 by the Office of Military Government of the United States for Germany (OMGUS).

use in Germany be referred to the coal sub-committee of the fuel committee for investigation and report as a matter of urgency.

Since the Eastern Zone of Germany is understood to be short of hard coal, it is suggested that special consideration be given, in view of the proximity of Silesian coal and the consequent saving in transportation, to the purchase and importation of Polish coal by the USSR for use in the Eastern Zone as a charge against exports in accordance with the principles laid down in paragraph 19 of the report of the Berlin Conference.

It is also recommended that the Transport Directorate be requested to cooperate with the coal sub-committee on the investigation of this matter, with respect to its transportation aspects."

The Economic Directorate has had two meetings since this memorandum was presented. (Note my 692, October 5.[90]) The Soviet representative who at first indicated lack of knowledge on the question advised the Directorate at its meeting on October 12 that the matter was being actively discussed with the Poles and implied that Soviet-Polish bargaining was going on. In the meantime the Soviet representative has not agreed to the American proposal that the quadripartite coal sub-committee, in conjunction with Transport Directorate, investigate and report on this matter.

The American representative on the coal sub-committee believes that no action can be taken by that sub-committee prior to the issuance of instructions from the Economic Directorate. This is due to the fact that the terms of reference of the coal sub-committee refer to production and distribution of German coal. This has been interpreted in a narrow sense with the result that coal outside the present German borders has not been considered by that sub-committee. This position also reflects a certain reluctance within OMGUS to take action on matters involving external relations. So long as the Soviet representative delays the order proposed to the coal sub-committee, it is probable that there will be no progress made toward obtaining this coal within the Control Council.

As related to this subject, the United States proposal concerning the establishment of an Allied export-import authority has now been informally distributed to the other representatives on the export-import sub-committee and whereas the representatives of the other three nations indicated agreement in principle, it is too early to determine what their official reactions will be (see our telegram 753, October 11, 9 p. m.). Accordingly, no export-import mechanism has yet been established to facilitate the Silesian coal transaction.

MURPHY

[90] Not printed.

662.0031/10–2245 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 22, 1945—4 p. m.

701. Urtels 335, Aug. 21 and 403, Aug. 30. For your information Depts views on resumption of trade relations between Germany and neutral countries are governed by following considerations.

1. Neutrals should not receive preference over or indeed share equally with liberated areas in allocation of German exports in short supply.
2. German exports to neutrals should be paid for in free foreign exchange or in goods constituting essential German imports as defined by JCS 1067,[90a] and specifically not in Reichsmark balances accumulated by such countries.
3. Such exports should in no circumstances be handled in neutral countries by German firms or individuals, including particularly those on Proclaimed List.[91]
4. No irrevocable commitments should be made for future deliveries of such exports in view of possibility that they may prove useful bargaining weapon in negotiations to recover German assets in neutral countries.

Dept would be willing to modify Para 41*c* of JCS 1067 only if foregoing limitations were retained. Dept also believes that in view of the policy considerations involved no substantial trade relations with neutrals should be authorized by any zone commander unilaterally but that agreement on any proposed trade arrangements with neutrals should be sought on a quadripartite or at least a tripartite basis, even if such arrangements involve exports from and imports into only a single zone.

You are requested to ascertain present state of plans for trade with neutrals and to report your views as to whether modification of Para 41*c* in manner outlined above would be desirable at this stage.

Respecting trade with Austria (urtel 487, Sept 10) Dept sees no objection to interim trade arrangements between control authorities of

[90a] See footnote 82, p. 1527.

[91] The original proclamation of "The Proclaimed List of Certain Blocked Nationals" was made by President Franklin D. Roosevelt on July 17, 1941; for text, see Department of State *Bulletin*, July 19, 1941, p. 41. The Proclaimed List was designed to control rigidly the export of specified articles to those persons named on the list, in the interest of maintaining the security of the United States. The list was to be published in the *Federal Register* with additions and deletions, as circumstances required. For documentation, see *Foreign Relations*, 1941, vol. VI, pp. 268 ff. Further documentation on application of the Proclaimed List in the Western Hemisphere is contained in bilateral compilations concerned with Axis influence in certain of the American Republics. For documentation on Anglo-American cooperation on policies and problems concerning the Proclaimed and Statutory Lists in the Eastern Hemisphere, see *Foreign Relations*, 1944, vol. II, pp. 154 ff., and *ibid.*, 1945, vol. II, pp. 827 ff.

Germany and those of Austria, or between control authorities of Germany and Italy. Such arrangements if confined to goods considered approved essential imports for countries involved would reduce Allied supply commitments to these countries.

BYRNES

862.6362/10–2345 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extract]

BERLIN, October 23, 1945—2 p. m.
[Received October 23—11 : 38 a. m.]

833. Personal for Clayton.[92] In our 788 of Oct 16, replying Dept's 640 of Oct 10, 1 p. m.,[93] we outlined the situation regarding coal exports from Germany. On my return to Berlin I would like to add one thought for your consideration. On the American side we have been pushing for compliance with the presidential directive with all the authority we could muster. That authority, however, is limited by virtue of the fact that the physical control of the bulk of German coal as well as industrial equipment is in the hands of others. Some of us here wonder whether it is fully comprehended by the Dept that when the decisions were made at Yalta and by the Govts, determining the zones of occupation,[94] that power to implement American wishes in respect of coal production and export as well as removal of industrial equipment on reparations account passed from direct American control. With the Silesian coal beds going to the Soviet Union and Poland, the Ruhr deposits to the UK, and the Saar deposits to France, the Americans were left locally without a single blue chip. We have in our American Zone, as you know, less than 2 per cent of German coal. Also the amount of industrial equipment is not large in comparison with other zones. Yet much of the American approach to this subject, both on the governmental level and in the press would lead to the impression that the determination of these questions rests exclusively in the power of the American representatives. As you know, General Eisenhower and General Clay can and do present our views as forcibly as may be desirable but the physical control of these properties rests with somebody else.

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MURPHY

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[92] Assistant Secretary of State William L. Clayton.
[93] Neither printed.
[94] For references to documentation on this subject, see *Conferences at Malta and Yalta*, entries in Index under Germany: Occupation zones, p. 1005.

840.6362/10–3145 : Telegram

Mr. Loyd V. Steere, Counselor of Mission in the Office of the United States Political Adviser for Germany, to the Secretary of State

BERLIN, October 31, 1945—10 p. m.
[Received November 2—8 : 42 a. m.]

904. After a 9-hour session on October 30, the Fuel Subcommittee has reached an impasse on December coal allocations and has referred the entire matter to the Economic Directorate.

The Soviet representative has asked for an increase of Ruhr hard coal and coke from the November allocation of 150,000 tons to 350,000 tons. The Soviet does not contemplate any increase of its November allocation of 200,000 tons brown coal briquetts to the American Zone in Germany and the American-French Zones Austria.

The American representative pointed out that, based upon calories (BTUs [95]) the Soviet Zone would have a consumption of coal for all purposes over twice that of the American Zone and 25 percent over the British Zone despite the greater population and industry in the British Zone.

The bottleneck on coal distribution remains transport and not production. A 6-million ton stock pile exists in the Ruhr. Accordingly, even if production could be increased, it would not serve to satisfy the Soviet needs. The Soviet reaction is that the increase should be obtained from coal that would otherwise be exported to the Western European nations. The Soviet representative argued that the "economic unit" formula requires that needs for all zones be satisfied prior to export.[96]

The French position was to request an increase of exports from one to one and one-half million tons and to repeat—in terms of economic unit formula—that France does not feel bound by the Potsdam Declaration.[97]

Inform Ambassador Murphy.[97a]

Sent Department as 904, repeated London as 133.

STEERE

[95] British thermal units.

[96] The Department's reply, contained in telegram 806, November 5, 8 p. m., to Berlin, reads in part as follows: "In principle Department approves free interzonal movement of goods in accordance with spirit of provisions Berlin Protocol. In practice, Department does not approve shipment to Russian Zone of commodities in short supply like coal unless Russians likewise permit free movement of commodities out of their zone." (861.6362/10–3145)

[97] See paragraph 14 of section II of the Protocol of the Proceedings of the Berlin Conference, *Conference of Berlin (Potsdam)*, vol. II, p. 1484.

[97a] Mr. Murphy was temporarily in Washington at this time.

862.6362/10–2345 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, November 2, 1945—8 p. m.

794. From Clayton. Reurtel 833, Oct 23. I appreciate that lack of physical control over German coal resources makes it difficult for us to exert direct and effective influence on production and distribution of coal. However, fact that coal is of key importance to economy of Germany and liberated areas makes output and allocation matter of legitimate concern to all occupying powers. In this connection we must continue to stress that:

(1) US, UK and France jointly issued coal directive, thus evidencing their common interest in problem;
(2) Ruhr coal must be treated as a national rather than a zonal resource in the context of provision of Berlin Protocol calling for treatment of Germany as economic unit;
(3) Coal is now and will continue for some time to be almost only German export, proceeds of which are earmarked for payment of imports into Germany to which US has made and is making large contribution;
(4) US has substantial interest in volume of German coal exports to Western Europe owing to our own exports of coal to this area and our desire to speed economic recovery in Western Europe;
(5) US as well as all other occupying powers have full right to participate in allocation of coal in Germany because of determining effects of such allocations on German standard of living and reactivation of German industry.

We agree, of course, that the administration of production in the Ruhr is and must remain primarily a British responsibility. We intend to offer, however, as much assistance as possible, although fully aware of the limitations under which that assistance must operate. We are proposing, as you know, to have appointed in each zone coal commissioners who together would constitute a tripartite coal commission for Western Germany.

With respect to transport of coal from the Ruhr, I hope that the most vigorous possible efforts will be made over the coming months to solve the difficulties which appear to limit the shipment of coal from the Ruhr. In this connection, I would appreciate knowing whether all possible effort is being made to mobilize railway cars immobilized on lines as result of destruction of track and bridges; also whether possible to assist British in clearing waterways with loan of US Army equipment. Please note also ECITO [98] recommendations repeated to

[98] European Central Inland Transport Organization; for documentation on United States participation in this Organization, see vol. II, pp. 1389 ff.

you as London's 620, Oct. 10.[99] I hope you can supply more detailed analysis of the coal transport position with an evaluation of the relative importance of the various limiting factors in producing the present bottleneck.

Dept stressing once more to French importance of expeditious return of coal wagons to Ruhr, and Dept also pointing out that their unwillingness to approve central transport organization for Germany is obstacle to effective mobilization of transport for movement of coal. AmEmb, Paris has advised Dept, however, that French were until recently sending more wagons to Ruhr than they were receiving, and ECITO also reports wagons being returned more promptly from outside Germany than from Germany.

Sent to Berlin, repeated to London and Paris.[1] [Clayton.]

BYRNES

662.0031 : Circular telegram

The Secretary of State to Certain Diplomatic Representatives[2]

WASHINGTON, November 8, 1945.

Below is a text of a note which has been delivered to the missions in Washington of the following countries: Norway, Denmark, Netherlands, Belgium, Luxembourg, Greece, Czechoslovakia, Yugoslavia and Turkey. London and Paris will please notify the respective Foreign Offices.

"The Secretary of State presents his compliments to the Honorable the Ambassador of (name of country) and has the honor to make the following communication on the subject of exports from the United States zone of occupation in Germany.

It was decided at the Potsdam Conference that, in order to prevent Germany from becoming a financial liability to the countries providing her essential imports, means had to be found to provide funds to pay for such minimum imports as were agreed by the responsible occupying authorities to be necessary to the German economy.

Paragraph 19 of Part III of the Protocol of the Conference, therefore, contains the following provision:

'Payment of reparations should leave enough resources to enable the German people to subsist without external assistance. In working out the economic balance of Germany, the necessary means must be provided to pay for imports

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[99] No message corresponding to this number has been found in Department files.

[1] As Department's 9666 and 5132, respectively: No. 5132 to Paris contained the following addition: "Please take up with FonOff questions mentioned last paragraph above cable and stress that assent to central transport organization need in no sense prejudice French position on Ruhr-Rhineland issue." For documentation relating to United States interest in French proposals on the Ruhr, Rhineland, and Saar, see pp. 861 ff.

[2] Sent to the diplomatic representatives in Oslo, Copenhagen, The Hague, Brussels, Luxembourg, Athens, Prague, Belgrade, Ankara, Bern, Stockholm, London, Paris, Rome, and to Berlin and Vienna for the United States Political Advisers in Germany and Austria, respectively.

approved by the Control Council in Germany. The proceeds of exports from current production and stocks shall be available in the first place for payment for such imports.'

In implementation of this provision, the Control Council in Germany reached an agreement on September 20, 1945, that the Occupying Powers should require payment for exports from Germany at the rate of not less than 80% of the price set on such exports by each Zone Commander.[3]

In accordance with the above-mentioned decision reached at Potsdam and the implementing agreement made in the Control Council, it will, therefore, be necessary to require payment for all exports from the United States zone of occupation other than exports of capital equipment made available as reparations and looted property subject to restitution. Payment will be received on behalf of the Control Council and will be in United States dollars for the time being, although in special cases it may later prove possible to arrange for payment in some other currency acceptable to the Control Council. Payment will normally be required in full and, in any event, at a rate not less than 80% of the established price, on the understanding that if payment is not required in full it will be without prejudice to any future requests for further settlement, and that such arrangements will be kept under constant review and altered as conditions require or permit. Provisional prices will be fixed by the Commander-in-Chief of the United States zone and bills will be presented to the government of the country receiving the goods on the basis of delivery at the German frontier or under such arrangements, in special cases, as may be convenient. Prompt payment will be required in accordance with normal commercial practice. The requirement for payment will be applied to all exports subsequent to August 1, 1945."

BYRNES

862.6362/11–845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 8, 1945—1 p. m.
[Received 4:20 p. m.]

6481. For Clayton.

Yesterday evening final paragraph of Dept's 5132 of November 2 (sent to Berlin as 794 and repeated to London as 9666) was discussed with Alphand.[4] On first point Alphand confirmed Embassy's understanding that difficulty does not lie in French failure expeditiously to return empties to Ruhr. On second point Alphand took note of our desire to implement central transport organization for Germany but indicated clearly that this was not a point on which they were now prepared to give way.

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[3] See telegram 487, September 10, 9 p. m., from Berlin, p. 1527.

[4] Hervé Alphand, Director General of Economic, Financial, and Technical Affairs, French Ministry for Foreign Affairs.

Alphand countered with information that at Frankfurt meeting late last week General Bedell Smith proposed to Monet appointment of three-man coal expert committee [5] one each from US, UK and France, which would in effect have complete responsibility for coal production and transportation within three Western Zones, each, however, reporting individually to his zone commander and through him to his Govt. Bedell Smith is stated further to have informed Monnet that if the French agreed, General Eisenhower would recommend urgently to the President that two other govts be invited to join in creating the committee. French are apparently enthusiastic and M. Bidault has strongly recommended to de Gaulle acceptance of proposal. Alphand views this as first forward step with respect to German coal since Truman directive and further that coordination of coal transport in three Western Zones envisaged in committee proposal removes necessity consideration for coal purposes at this time of central transport organization in Berlin.[6]

Alphand also expressed regret that Angell [7] lacked Washington instructions to discuss with Foreign Office economic aspects of French position of Ruhr, Rhineland.

Sent to Dept as 6481; repeated to Berlin as No. 192 and London as 796.

CAFFERY

840.6362/11–845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 8, 1945—6 p. m.
[Received 11 p. m.]

11749. US Salco 50.

1. Ronald,[8] FonOff, under date of November 2 has written as follows to Blaisdell [9] concerning subject of reference:

"I am very sorry for the delay in replying to your letter of August 28 containing the views of the US Govt on Field Marshal Mont-

[5] Lt. Gen. Walter Bedell Smith, Chief of Staff, United States Forces, European Theater. Subsequently, in telegram 1082, November 23, 5 p. m., from Berlin, Mr. Murphy informed the Department that the proposal, here attributed to General Smith, was actually made by Assistant Secretary of War John J. McCloy. General Smith had merely informed M. Monnet of the nature of the proposal. (862.6362/11–2345)

[6] Telegram 6516, November 9, 9 p. m., from Paris, stated: "Alphand informed Embassy yesterday proposal concerning coal committee for Germany reported in Embassy's 6481 of November 8 has been approved by French Government." (862.6362/11–945)

[7] James W. Angell, United States Representative, Allied Commission on Reparations; for documentation relating to German reparations, see pp. 1169 ff.

[8] Nigel B. Ronald, Acting Assistant Under Secretary of State, British Foreign Office.

[9] Thomas C. Blaisdell, Chief of the United States Mission for Economic Affairs, London.

gomery's telegram about the directive on German coal. (Re Department's 7288, 25 August.) The question has required very careful consideration and I am now able to give you the views of His Majesty's Government.

2. "There is no intention on the part of His Majesty's Government or Field Marshal Montgomery to depart from the principle that so long as there is a serious shortage of coal in Europe the needs of the civil populations of the liberated countries must have preference over the needs of the civil population of Germany. On this point there does not seem to be any difference between the British views and those of the US Government.

3. "Nor does it seem that there is any difference between us (although you do not specifically mention the point in your letter) on the necessity of providing some coal for local use in Germany, to meet which the words 'civil and blank' were (at our suggestion and with your agreement) inserted in the last sentence of paragraph 2 of the directive so that it read 'blank subordinate only to the civil and military requirements necessary to ensure the safety, security, health maintenance and operation of the Allied forces blank'. The difficulty arose in deciding what are the minimum civil requirements necessary for this purpose. Since you wrote I have learned that the Combined Coal Committee has been dissolved and that a coal subcommittee has been set up under the Economic Directorate of the Allied Control Authority, among the duties of which will be the allocation of German coal for internal use and for export. You will also be aware that the Coordinating Committee of the Allied Control Authority in Berlin have instructed the Economic Directorate to study the directive on coal production and distribution addressed to Field Marshal Montgomery and to submit a report to the committee at the earliest possible moment.

4. "Meanwhile we are informing Field Marshal Montgomery that in the practical application of the directive he is entitled to exercise the powers of discretion normally enjoyed by a Commander in Chief in the field provided always that the needs of the civil population in the liberated territories concerned have preference over the needs of the civil population of Germany and that the general standard of coal consumption in Germany remains below that in those liberated territories.

5. "We note that the US Government welcome the proposal for a commission to be appointed to study on the spot various matters concerned with the production of coal in the Ruhr. His Majesty's Government are in agreement and also share the view expressed in your letter that the appointment of such a commission by ECO is inadvisable.

His Majesty's Government are instructing the Commander in Chief of the British zone to set up a commission with broad terms of reference embracing the points you mentioned. He is also being instructed to consult with the Commanders of the American and French zones about the arrangements for the Commission, with particular reference to the appointment by those commanders of American and French representatives as members of the Commission.

His Majesty's Government propose that the Commission should report in the first place to Field Marshal Montgomery and that

copies of this report should be sent simultaneously to the US and French zone Commanders. They suggest that the question of reference to the Allied Control Council should be left open for further discussion.

6. "In taking this course His Majesty's Government are determined that no practical measures should be neglected that may enable the Commander in Chief of the British zone to increase the production of coal and exports to liberated countries. We hope therefore that the US authorities will cooperate in the arrangements we propose to this end."

Following comment on Ronald's letter to Blaisdell is offered:

a. Reply indicates that pending comment by Economic Directorate of the Allied Control Authority on Prime Minister's coal directive (and presumably the parallel directives issued by the heads of the US and French Governments) the directive is suspended by British Government insofar as it requires a specific export target. It will be recalled that Montgomery's reply to directive questioned ability to meet export target of 10,000,000 tons by end of year and additional 15,000,000 tons by 30th April. The new instructions to Montgomery described in letter to Blaisdell have neither affirmed original target nor indicated desirability of any alternative target. Only criterion now affirmed for determining export volume is that general standard of coal consumption in Germany shall be below that of liberated countries. Responsibility for determining whether or not this test which is subject to wider latitude of interpretation has been met is apparently delegated to Montgomery. Inferential negation of specific export target would render meaningless the parallel directive from President to Commanding General US Zone, since coal exports must come chiefly from British zone.

b. It should be noted that total German coal exports to France, Belgium, Holland, Luxembourg, Denmark and Norway 4 months July–October amount to approximately 2,000,000 tons. It is indicated that German allocation for December delivery to these countries will be less than 900,000 instead of 1,200,000 as earlier projected by former Combined Coal Committee of CRAB.

c. It does not seem to us that suggested commission, as UK now proposes to constitute it, would serve any significant purpose. Initial Montgomery suggestion was the British Government name a commission outside of BAOR [*Board?*] to examine production possibilities. US welcomed this in principle but proposed that commission should be jointly named by UK, US and French Governments, that it have broad terms of reference with respect to production and transport of coal in 3 western zones of occupation and that because of urgency of problem the commission should report directly to the 3 zone commanders. A commission named by Montgomery, even though

including US and French nominees, and reporting to Montgomery on British zone only would constitute little more than an internal review of matters that are presumably already under frequent review by approximately the same personnel. Commission of this character would indicate that Ruhr supply was mainly a UK interest rather than a matter of urgent concern to all occupying powers as emphasized in Department's 9666 of November 2.[10]

d. It is suggested that a high level overall survey of problems concerning production and transport of German coal is no less urgent than it was last August and that this approach should again be urged upon the British. In the 9 weeks, however, since US proposal was made to UK significant new developments have occurred which should now be taken into account. Allocation of German coal is now a quadripartite responsibility and Soviet has bid for Ruhr coal for its zone of occupation. Under these circumstances it would seem appropriate that despite current deadlock in Berlin on coal allocation, German coal supply position in all important aspects should be jointly explored by representatives of 4 controlling powers and that their terms of reference should embrace all 4 zones. It is suggested that an approach of this character might help overcome some of the difficulties that have resulted in current impasse. In considering all aspects of German supply position the proposed 4 party inquiry should fully examine possibility of importing Silesian coal for those areas of Germany for which it is the nearest source of supply. In the light of its findings and within the framework of the principles set forth in the directives issued by the heads of the US, UK and French Governments, the proposed commission should recommend a new export target.

e. Presumably the proposed civilian coal adviser to the Commanding General US zone (see Department's 9390 dated October 24[11]) would be the appropriate US member of the proposed commission.

f. It would be desirable if the proposed inquiry could be initiated at the highest level and it is to be hoped, therefore, that the matter might be included in the forthcoming talks between the President and the Prime Minister.[12] In the meanwhile, it is suggested, if you concur in these recommendations, that nomination of US representative to commission to be named by Montgomery be declined for reasons stated above and that explanation of our position be given to UK in Washington and here.

Sent to Department as 11749 repeated to Murphy Berlin as 271.

WINANT

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[10] The Inter-Allied governing body for Greater Berlin. For documentation on

[11] Not printed; it transmitted the information that the appointment of a civilian coal adviser was under consideration (862.6362/10–1545).

[12] For documentation on these talks, mainly dealing with atomic energy, see vol. II, pp. 1 ff.

840.6362/11–1645 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, November 16, 1945—4 p. m.

10028. To Blaisdell.

1. French Government through its representatives in Washington has expressed serious concern regarding recommendations of American, British and Soviet representatives on Quadripartite Coal Subcommittee in Berlin on Oct. 28 to reduce Dec allocation of coal for liberated Europe from previously set figure of 1,200,000 tons to 900,000–1,000,000 tons. (See Berlin cable CM–In13103, October 28—theater CC 18205—and War Dept. cable to Berlin CM–Out 82168 of Nov. 8, 1945.[13])

2. Concern of French regarding this matter, expressed in note of November 9 [14] presented to Dept. by French Embassy and in discussions between Dept. and French representatives on November 13, comprised following points:

a. Fear that recommendation of Oct. 28, which was to come up for decision on Nov. 10, constituted a departure from policy laid down by President Truman in directive of last July, whereby all necessary steps were to be taken to maximize production of German coal and its transport to Western Europe. French representatives referred in this connection to possibility that authorities in Berlin in making recommendation may have made too liberal allowance for minimum winter requirements necessary for safety of troops (see para 7 of 18205).

b. Proposed change in allocation would mean serious deficit in coal which French had hoped would be available to them, and this would affect seriously their industrial program.

c. Expectation that proposed change in allocation would result in more coal being made available to Germans than to peoples of liberated Europe. French representatives cited in this connection certain figures telephoned to them from Paris which purported to show that as result of change average amount of coal per head in month of Dec. would be higher in Soviet and British zones than in U.S. and French zones and also higher than average in France. It was stated that neither French Government nor French public opinion would be able to understand such a state of affairs.

3. French representatives requested Dept. to send instructions to American representatives in Berlin reaffirming that policy of this government with respect to allocation of German coal remained same as in the July directive of President Truman, and suggesting that decisions to be taken in Nov 10 meeting be changed accordingly.

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[13] Neither printed.
[14] Not printed.

4. In discussions with French representatives, Dept. took following position:

a. There had been no change in policy laid down in the directive. Reference was made to discussions during General Clay's recent visit to Washington to confirm fact that there had been no change in policy laid down in directive of July, and that American representatives were fully aware of this fact.

b. Recommendation made by Amer, British and Soviet representatives on Oct. 28. had been motivated not by change in policy or shortage in actual or anticipated production of coal but by expected transport bottlenecks which would prevent deliveries of German coal to liberated Europe in excess of 900,000 to 1,000,000 tons. Reference was made in this connection to terms of cable of Oct. 28 and to situation which had arisen with respect to allocations and liftings in month of September. It was further stated that Dept. believed that recommended allocation for month of Dec. would not preclude larger amounts being delivered to liberated Europe if transport facilities should permit greater movement of coal.

5. In view of reasons of preceding paragraph Dept. told French representatives that it was not necessary to send instructions to Berlin along lines suggested by them. Instead Department proposed to: (*a*) instruct American member of ECITO to urge that ECITO take all practical steps with view to reducing present transport impediments to greater movement of coal out of Germany into liberated Europe (*b*) advise American representatives in Berlin of concern of French Government regarding allocation for December.

6. In connection with first proposal (para 5 (*a*) Dept. suggests that:

a. Amelioration of transport facilities for movement of coal out of Germany into Western Europe be made special item of agenda of projected meeting of ECITO in Brussels towards end of November, and

b. in view of late date of this meeting, ORMOA [15] be asked to investigate forthwith for purpose of presenting concrete suggestions to ECITO meeting in Brussels.

7. This cable repeated to Paris for Merchant [16] and to Berlin for Murphy and copy being transmitted to War Dept. for information of Clay.

BYRNES

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[15] Office for Relations with Military and Occupation Authorities. This body was part of ECITO and was located in Brussels.

[16] Livingston T. Merchant, Economic Counselor, U.S. Embassy.

662.0031/11–1745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, November 17, 1945—3 p. m.
[Received November 18—3 : 07 p. m.]

1044. RefDepts 701, October 22, 4 p. m. concerning possible modification of paragraph 41 *c* of JCS 1067 to allow resumption of trade between Germany and neutral countries.

The Trade and Commerce Branch, Economic Division, OMGUS, would be glad to have approval to deal with neutrals consistent with four conditions suggested by the Dept. However, [it] is believed by the Trade and Commerce Branch that quadripartite or tripartite machinery is not currently organized and operating in a manner to allow it to clear proposed agreements by a zone commander with a neutral country. It is suggested as an alternative that details of such transactions be supplied to the other powers on the Trade and Commerce Committee of the Allied Control Authority without, however, asking for approval prior to the making of the trade arrangement. In view of the probable limited nature of trade with neutrals and in view of the restriction as set forth in the fourth consideration of the Dept, these agreements with neutral countries would not include any substantial sales or long term commitments. On this basis we agree with the position taken by the Trade and Commerce Branch and believe there should be immediate modification of paragraph 41 *c*.

Repeated to Stockholm as 30 and Bern as 46.

MURPHY

Department of the Army Files : Telegram

The Joint Chiefs of Staff to the United States Military Governor for Germany (McNarney) [16a]

WASHINGTON, 24 November 1945.

War 85123. Wark 82652 [17] refers.

1. Quadripartite arrangements governing exports from and imports into Germany in accordance with agreements reached at Potsdam should be agreed upon and put into effect at the earliest possible date.

[16a] The Joint Chiefs of Staff dispatched this telegram after receiving notice of Department of State approval, supplied by H. Freeman Matthews, Director, Office of European Affairs.

[17] Not printed.

2. Pending quadripartite agreement with respect to the arrangements governing German imports and exports, you will:

a. Make available to each of the other Zone Commanders in Germany information with respect to indigenous resources available in your respective Zones of Occupation, import requirements and actual imports into such zones, export from such zones, and such other information as may be pertinent in order that common standards of living throughout Germany may be obtained, equitable distribution of essential commodities among the Zones of Occupation may result, and imports necessary to carry out the aims of occupation may be minimized, requesting, but not requiring, that the other Zone Commander reciprocate with similar information.

b. Enter into arrangements with the U.K. Zone Commander, and, if possible, the French Zone Commander, and also, if possible, the Soviet Zone Commander, to the following effect:

1. Each Zone Commander shall determine the import requirements for his own zone on the basis of full utilization of indigenous resources, including maximum authorized production, and maximum possible interzonal exchange of surpluses.

2. All Zone Commanders participating in the arrangements shall establish machinery for joint screening and approval of zonal import requirements in order to insure that such requirements are calculated on as nearly a uniform basis as possible and that aggregate requirements approximate the net deficit of all zones involved.

3. After screening and approval, each Zone Commander shall submit to his Government the zonal import requirements agreed upon, together with available information concerning requirements for zones the commanders of which have not participated in the screening and approval arrangements, in order that his Government may be advised simultaneously of the aggregate imports for Germany as a whole and the zonal division thereof.

4. Exports from the respective zones out of current production or stocks, excluding interzonal transactions, shall be paid for in full by the recipients and the proceeds pooled to defray the costs of imports into Germany. Until termination of the present interim payment arrangements agreed within the Control Council on a quadripartite basis, Zone Commanders may, however, postpone immediate payment of a percentage, not exceeding 20% of the purchase price.

5. Exports from the respective zones, excluding interzonal transactions, will be made only to those recipients who are paying in accordance with (4) above for all exports from current production and stocks from any zone in Germany.

6. Prices for such exports from Germany shall be fixed on an individual commodity basis by agreement among the Zone Commanders in Germany participating in the arrangements.

7. All proceeds from exports shall be pooled and prorated among the occupying powers whose Zone Commanders participate in these arrangements in Germany in proportion to their contribution to the financing of German imports. The contribution of the occupying powers to the financing of German imports shall

include not only their respective contribution to current imports approved in accordance with these arrangements, but also their respective outlay (and that of Canada) on imports provided to meet needs in Germany prior to the consummation of such arrangements. Pending agreements between the Zone Commanders participating in these arrangements as to the basis for recognizing contribution to past imports in the distribution of export proceeds, such proceeds shall as an interim measure be used in the first instance to defray the contribution of the occupying powers to current imports provided under such arrangements.

8. In order to facilitate this pooling and distribution of export proceeds, such proceeds shall so far as possible be collected in currencies required for the purposes of such distribution. In particular, sufficient US dollars or other freely convertible currencies shall be collected to meet the pro rata share of occupying powers whose outlay for imports has been made in free currencies. In special cases, however, justified by exceptional supply, transportation or other considerations, any Zone Commander may permit exports from his zone against payment in goods, the importation of which is to meet requirements approved under these arrangements, or in non-convertible currencies with which such goods may be currently acquired, reporting any such action to the other Zone Commanders participating in these arrangements. It is the intention that such transactions should not be entered into in cases where the importing country is able to pay in convertible currencies.

9. The above outlined arrangements shall continue in effect until the cost to the occupying powers whose Zone Commanders participate in the arrangements of imports into Germany shall have been fully met out of the proceeds of German exports; but this is to be without prejudice to quadripartite arrangements and adjustments which may subsequently be made.

3. Identical instructions are being transmitted to the UK Zone Commander in Germany.

840.6362/11–2745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, November 27, 1945—6 p. m.
[Received November 28—10 : 50 a. m.]

1110. Reference Dept's cable 903, Nov 19, 6 p. m.[18] concerning possible increase of coal exports to Western European countries.

The Control Council has advised not only the French but all recipient countries of Western Europe that exports could be increased from Dec allocations of 900,000 tons to 1.2 million tons, if additional wagons and locomotives can be made available. Control Council

[18] Not printed.

makes blanket allocations to Western Europe and follows ECO (European Coal Organization) allocations as between various countries concerned. Accordingly the offer was not limited to France.

This appears to be a matter for ECO consideration and the Dept's cable and this cable are being repeated to London.

Sent Dept as 1110, repeated to London as 155.

MURPHY

660F.6231/10–1145 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, November 29, 1945—8 p. m.

971. Dept anxious to ascertain exact status of discussions regarding establishment and functions of Allied Export-Import Authority and formulation of export-import program referred to in urtel 753, Oct 11. Information also required on steps taken in each zone to implement ACC decision of Sept 20 to require payment for exports from current production and stocks, in particular on prices being charged for exports, amount and foreign exchange composition of payments, if any, collected up to present for exports from each zone, extent of cooperation by French and Russians in implementing scheme and difficulties experienced in carrying out decision.

Dept has given some thought to export policies and procedures and urges you discuss following proposals with General Clay for purpose of transmitting comments to Dept:

1. In order to stimulate economic recovery outside Germany, in particular in liberated areas and ultimately to increase exports from Germany to a level sufficient for payment of approved essential imports occupying authorities should (*a*) take active steps to uncover particularly in plants which are or may be declared available for reparation or are likely to remain idle or almost wholly idle for some time, stocks of raw materials, semi-finished and finished goods (excluding industrial equipment made available on reparation account) which are not required in near future for minimum needs in Germany, (*b*) investigate possibility, taking into account requirements for labor, transport, coal and power involved, of producing and making available for export substantial quantities of potash, salt, timber and any other products of extractive industries which may be obtained in Germany and are required for economic recovery abroad, (*c*) investigate possibility of reviving selected industries and crafts such as textiles, leather goods, ceramics and toys which in view of demand abroad and required input of raw materials and power might be expected to produce substantial exports, and (*d*) submit recommendations on (*b*) and (*c*) above to govts of occupying powers.

2. Export authorities in Germany should transmit any information on export availabilities to governments of occupying powers (e.g.,

through USPolAd [19] to Dept), to military missions of non-occupying powers in Germany, and, through such channels as are available to occupying powers, to AC,[20] Austria and such other govts as the export authorities agree should be notified. Governments of occupying powers should be permitted to transmit this information at their individual discretion to any other governments which may be interested in such exports. Same channels should be used for transmitting to export authorities in Germany inquiries from abroad, regarding availability of different types of goods for export. In declaring goods available for export, export authorities in Germany should supply full information on grade, quality, price and conditions of purchase of such goods and make possible, where necessary, inspection of the goods by interested governments or importers accredited by them.

3. Export authorities in Germany should decide, after consultation with the governments of the occupying powers, whether goods declared available for export should be subject to allocation among claimant countries, in view of the importance of the product to the economies of such countries and prevailing conditions of supply and demand. Whenever it is decided to allocate any particular commodity or product, the export authorities should seek guidance on allocation from a committee consisting of representatives of the staff of the political advisers to the occupying authorities and of the military missions of European United Nations in Germany (i.e. Norway, Denmark, Netherlands, Belgium, Luxembourg, Poland, Czechoslovakia, Yugo, and Greece). The representatives of the occupying powers on this committee should represent or arrange for the representation of the interests of Austria and UNRRA,[21] and they should also be free to advance claims to allocation on behalf of any other countries which, according to list above, are not represented on the committee. It should be noted that this arrangement is in substitution for recommendations from EECE [22] because above committee would be more representative. Present ECO [23] function respecting allocation of coal from Germany should, however, be left undisturbed.

4. Goods available for export not subject to allocation should be either offered at specific prices and other conditions of purchase or sold at bids which in opinion of export authorities in Germany would provide highest return in terms of approved essential imports into Germany.

5. Exports to neutrals should be on terms set forth in Depts 701, Oct 22, with modification suggested urtel 1044, Nov 17, to apply until agreement reached on Allied Export-Import Authority and quadripartite export program, and with further modifications designed to make the conditions of payment conform to those outlined in para. 6 below. Dept prepared to seek modification of JCS 1067 in this sense.

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[19] United States Political Adviser for Germany, Robert Murphy.

[20] Allied Commission.

[21] United Nations Relief and Rehabilitation Administration; for documentation on United States participation in the work of UNRRA, see vol. II, pp. 958 ff.

[22] Emergency Economic Committee for Europe. For documentation on interest of the United States in the establisment of a European Economic Committee and a European Coal Organization, see vol. II, pp. 958 ff.

[23] European Coal Organization.

6. Interim arrangement for payment of German exports approved by ACC Sept 20 should be replaced by agreement requiring full payment of all exports from stocks and current production in currencies which can be used to pay for current approved imports into Germany and to reimburse occupying powers (and Canada) for their past outlay on such imports, with proviso that in special cases justified by exceptional supply, transportation or other considerations and by inability of importing country to pay in convertible foreign exchange, payment might be accepted in goods constituting approved imports into Germany or in inconvertible currencies which can be used for purchase of such imports. Such arrangement would necessitate agreement ensuring that there would be no substantial exports of stocks under guise of war booty and that there would be no reparation from current output at least until after prior charge on export proceeds such as payment of approved imports and externally incurred occupation costs were met. On latter point agreement would presumably have to be reached in quadripartite Reparation Commission.[24] Meanwhile Dept wishes to ascertain whether in fact Soviet Union is now obtaining stocks of goods and current output from its zone and whether these are regarded as war booty, reparation, or commercial imports from Germany.

7. Until it becomes possible to establish an exchange rate between the Reichsmark and foreign currencies and admit private importers into Germany, trade transactions between Germany and foreign countries should be handled by official agencies both in Germany and in importing country. Dept is discussing with US Commercial Company arrangements whereby USCC would (*a*) receive, record and transmit to export authorities in Germany inquiries from US and countries without own channels of communication with Germany regarding availability for export from Germany of various types of products, (*b*) advise US representative on advisory allocation committee suggested in para 3 as to US claims to any German export product which is subject allocation, and (*c*) arrange for purchase of any German exports on behalf of US and any countries not represented in Germany for which we may wish to make arrangements.

Dept would appreciate prompt comment on these proposals so that appropriate instructions on export policies might be despatched through War Dept. Such instructions would call for provisional application of policies in US zone pending negotiation of agreement on such or similar policies in ACC in connection with export-import program for Germany as whole.

BYRNES

[24] Allied Commission on Reparations; for documentation on this Commission and its role in negotiations on German reparations, see pp. 1169 ff.

660F.6231/12–745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 7, 1945—7 p. m.
[Received December 7—6:43 p. m.]

1195. Reference Department's cable 971, November 29, 1945, 8 p. m., concerning export-import policy for Germany. Proposals for the establishment of an Allied export-import authority became stalled in the Trade and Commerce Committee and in the Economic Directorate and have now been referred to the Coordinating Committee, where it is hoped at least some discussion can take place. In the meantime, OMGUS Trade and Commerce officials are attempting to work out a system with the British which will allow exports from one zone to be used in a common pool to pay for certain imports into either zone. At the same time, however, American officials are exerting every effort to obtain the establishment of an Allied export-import authority. To date we know of no instances where exports from any of the zones have been paid off in US dollars.

In paragraph 6 the Department refers to exports of stocks under guise of war booty as well as exports for reparations from current output. The Soviets have removed considerable amount of stocks as war booty and according to unofficial but reliable information continue to receive current production of goods such as textiles, presumably as reparations. To our knowledge there is no such thing as commercial German exports to the Soviet. Accordingly, we urge that the Reparations Commission consider as a matter of urgency the establishment of specific arrangements which would require payments for exports on a genuine quadripartite basis.

Information contained in the Department's cable has been available to officials in OMGUS and their reactions will be cabled as soon as available.

MURPHY

840.6362/12–1145 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, December 11, 1945—8 p. m.

2503. In July this year the President, Prime Minister, and de Gaulle issued directives to respective zone commanders in Germany emphasizing the necessity of export of coal from Germany to liberated areas.

Although some progress has been made production-wise, transportation difficulties and lack of coordinated action among zones have

caused deliveries to liberated areas to fall far below expectations. During this time there has been much discussion concerning appointment of special civilian coal advisers who could form a coal commission representing all zones thereby securing proper coordination and integration of operations.

To date, most of these discussions have taken place among the three western powers. We believe, however, that any action in this direction should include the Eastern Zone of Germany as well.

We have now reached agreement with military authorities here that Civilian Coal Adviser shall be appointed in U.S. Zone responsible directly to Deputy Commander for all coal production and movement problems to maximize exports of coal from Germany.

Directive is now being cleared and upon approval President will request Joint Chiefs of Staff to issue it. At same time Secretary of State will issue invitation to governments of USSR, United Kingdom and France to take similar action and issue comparable directive to their zone commanders. Directive provides for coal adviser to work with similar officials in other three zones on all problems concerning production, movement, and export of coal. Also provides for free access of movement of zone advisers in U.S. zone and it is expected that directive issued by other three governments will include similar courtesy.

We anticipate final approval of directive within next week at which time formal invitation will be directed to other governments as mentioned above.

BYRNES

862.6362/12–2745 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)[25]

WASHINGTON, December 27, 1945.

6047. 1. The President has asked the Joint Chiefs of Staff to issue the following directive to the Commander of the U.S. Zone in Germany.[26]

"In order to assist in obtaining the maximum production and export of coal from Germany an outstanding United States coal production expert will be designated by the Secretary of War to act as adviser, to the Deputy Military Governor, Office of Military Government (US) Germany.

It is desired that such expert report and be responsible directly to the Deputy Military Governor; that he be authorized, subject to the Deputy Military Governor's control, to take directly such steps as

[25] This message was repeated, *mutatis mutandis*, in telegram 2641 to Moscow and telegram 11096 to London.

[26] Gen. Joseph T. McNarney.

may be required in the U.S. Zone to accomplish the maximum production and export of coal from Germany and to disregard the normal channels or echelons of command in the U.S. zone when necessary to the attainment of that objective; and that you make available adequate facilities for the performance of his mission, including such special assistants as may be required. Procedure to be used by such expert for dealing with military, governmental or civilian agencies outside the U.S. Zone shall be as prescribed by you.

The governments of the United Kingdom, France and U.S.S.R. will be invited to designate civilian coal production experts with similar relation in responsibility and authority within the military government organizations in Germany of the United Kingdom, French and U.S.S.R. Governments. It is desired that the four coal production experts coordinate the efforts of the four zone commanders in Germany to produce, distribute and export coal. To that end, you will cooperate with all such coal production experts by permitting them free access to all areas in your zone and by affording full facilities to them for the purpose of increasing coal production and improving its distribution.

In the event important conflicts arise between demands for production, distribution and export of coal and other demands of your military government responsibilities or your responsibilities for the redeployment of troops, you will submit such conflicting demands through established channels for the decision of your government.

The Governments of the United Kingdom, France and USSR will be advised of the appointment of a U.S. coal expert and of the issuance of this directive and it will be suggested that similar directives be issued by these governments to their commanders in Germany in connection with their appointments of civilian coal production experts."

2. You are requested to prepare and deliver a note to the French Government embodying the substance of following:

Since the issuance in August 1945 of the coal directive by the heads of the governments of the United Kingdom, France, and the U.S. to their respective zone commanders, the U.S. Government has become convinced that further steps must be taken to insure that all possible progress is made toward the attainment of the objective of maximizing exports of German coal to liberated areas.

Although the coal directive previously referred to concerned only the operations in the three western zones, it is the view of the U.S. Government that the problem of export of coal is of direct concern to all four of the occupying powers.

Each zone commander, therefore, must be familiar with and interested in all the problems concerning the production and movement of coal in all the zones in Germany.

The U.S. Government views this problem as having such great importance that it has determined to appoint an outstanding civilian adviser immediately to assume the responsibilities, under the direct authority and supervision of the Deputy Zone Commander in the U.S. Zone of Germany, for all problems relating to coal production, move-

ment, and export in Germany with which the U.S. Zone Commander is concerned, both in the U.S. Zone and elsewhere. Accordingly, a directive has been issued by the Joint Chiefs of Staff to the U.S. Zone Commander in Germany which outlines the duties and responsibilities of this civilian coal expert. A copy of the directive is attached. It will be noted that this directive contemplates that comparable appointments will be made by the governments of the other occupying powers.

Accordingly, the U.S. Government suggests that the Government of France make a similar appointment and issue a comparable directive to the Zone Commander of the French Zone in Germany. It is hoped that powers and facilities for the coal advisers from other zones similar to those contained in the U.S. Directive can be provided. This suggestion is also being made to the governments of USSR and U.K.

The early appointment of coal advisers for all the zones, with authority and responsibilities comparable to those of the adviser being appointed in the U.S. Zone, would provide an Advisory Commission capable of assisting all the zone commanders in solving the difficult problems of production and movement of coal in all of the zones of Germany.

3. Department feels the urgency of the problem warrants your personal delivery of this note to the Head of the Foreign Office and suggests that you advise him of the emphasis which this Government is placing on this suggested course of action. Obviously, the coal adviser in the U.S. Zone cannot operate effectively unless similar appointments are promptly made in the British, French, and Russian zones. Department feels that the coal production and movement problem in Germany is one of mutual interest and responsibility to all zone commanders and this plan for achieving the proper coordination reiterates our determination to treat Germany as an economic unit.

ACHESON

660F.6231/12–745 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, December 28, 1945—8 p. m.

1152. Recommendation urtel 1195, Dec 7 being considered in connection with meeting quadripartite Reparation Commission to take place after current Paris conference.[27]

[27] Reference is to the conference held in Paris, November 9–December 21, 1945, concerning disposition of German reparations, which established the Inter-Allied Reparation Agency (IARA) ; see pp. 1357 ff., *passim*. At this time, the Final Act had been agreed upon, but had not yet received sufficient signatures to bring it into effect.

Disturbed at apparent failure of occupying authorities to implement first charge principle. Request more detailed reply to questions in para 1 of Deptel 971, Nov 29. Are not British and French collecting for coal exports or are they simply presenting bills which are unpaid by recipient countries? Can you supply any statistics at all on exports from each of three western zones since Aug 1? Your recommendation on measures to implement first charge principle requested.

Hope OMGUS views on Deptel 971 available soon.

ACHESON

660F.6231/12–3045 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 28, 1945—9 p. m.
[Received December 30—2 : 12 p. m.]

1348. Reference Department's 971, November 29, 8 p. m. General Clay's comments are as follows:

"Relative to the paraphrased cable from the State Department concerning the export-import program for Germany, my views are:

"Paragraph 1. Concur.

"Paragraph 2. Concur.

"Paragraph 3. This office does not believe that paragraph 3 is feasible or that the proposed procedure would develop a satisfactory export program. The Allied Control Council or, in the absence of quadripartite agreement, the Zone Commander, must be free to sell goods to those countries which are able to pay for the goods in an approved currency. Moreover, the delays involved in an allocation procedure would interfere seriously with efforts to reach agreement and to conclude same. It is also believed that normal business machinery should be utilized at the earliest possible date and artificial governmental machinery will never provide a satisfactory means for the development of an export-import program. Moreover, freedom to sell for the highest price possible is essential and is not in keeping with the allocation procedure.

"Paragraph 4. Suggest the word 'prices' be substituted for 'bids'.

"Paragraph 5. Concur, except that the limitations appear unnecessary.

"Paragraph 6. While this office would be inclined to concur in principle, it must be pointed out that acceptance of a barter program by the United States would be to the decided disadvantage of the US

Zone. The US Zone has little to export in comparison with other zones. Manifestly, its share of revenue from export in other zones would be greatly reduced if those zones could dispose of substantial quantities through barter to meet their own particular needs. For example, if the English could barter coal for essential commodities for the British Zone, the revenue available from sale of coal to be made available to other zones would be substantially decreased.

"Paragraph 7. It is difficult to comment on this paragraph as to the question of the utilization of private importers as compared to government agencies is one which must be resolved in Washington, and apparently is involved in the provisions of the 'Trading with the Enemy Act'.[28] It is the view of this office that private importing and exporting companies should be permitted to conduct business operations in Germany at the earliest possible date. Such companies would have great flexibility in buying in Germany in an approved currency but could not provide approved currency but could provide commodities in kind. These business enterprises would obviate the necessity for barter.

"In general, it is the view of this office that arrangements must be made at the earliest practicable date for direct negotiations for both exports and imports between approved German agencies and foreign business enterprises under the supervision of Military Government. It would not appear possible for Military Government to provide either the quality or quantity of personnel necessary to the transaction of a large export import program. The establishment of an elaborate allocation machine separate from Military Government with the United States Commercial Company as an advisor to the allocation machine, might well develop into such conflict of opinions that it would nullify a healthy export import program which will stand on its own feet to provide Germany with a minimum economy. If this is our objective, we should plan to use normal methods at the earliest possible date and to permit direct negotiations between the Allied Control Council and/or the Zone Commander and prospective buyers in the interim. Manifestly, some government agency in each country concerned will have to be utilized for the completion of the individual transactions."

MURPHY

[28] October 6, 1917; 40 Stat. 411, as amended December 18, 1941; 55 Stat. 839.

DISCUSSIONS RELATING TO DECARTELIZATION, DECONCENTRATION, AND HANDLING OF THE GERMAN PUBLIC DEBT

800.602/8–2845 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, September 11, 1945—6 p. m.

444. Urtel 387, Aug. 28.[29] The Dept. concurs with the objectives and administrative framework advanced in U.S. group CC [30] proposed law on cartels and combines.

If your negotiations with British, Russians and French would not be unduly delayed or compromised Dept. suggests that Art. 5.*a.* be rewritten as follows. "Excessive concentration of economic power, whether in the form of a cartel, syndicate, trust, monopoly, combine, concern, corporation, partnership or otherwise, foreign or domestic is hereby declared contrary to the policy of the Allied occupation powers." The Control Council would implement this policy by passing specific decrees disestablishing specific combines.

Dept. believes action should follow immediately on prohibiting cartel and cartel-like organizations in Germany and German participation in international cartels. After illegality of these organizations is affirmed a policing operation will be required. Combine policy however will require highly skilled affirmative remedy.

Dept. interprets Art. 37 of JCS 1067 [31] and present draft law to mean that immediate steps should be taken by the Control Council, or by commission proposed by draft law, to prepare detailed plans for the dissolution of the more important German combines. Dept. desires that as a matter of rule it be given opportunity to review and comment upon these plans while they are in process of formulation and negotiation. Dept. will provide a list of combines which might serve as basis for early detailed study.

You are requested to inform the Dept. of the personnel requirements in this operation both for the U.S. group CC and your own staff.

In near future Dept. will forward tentative suggestions prepared by Cartel Committee for techniques of disestablishing German combines.

ACHESON

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[29] Not printed; it transmitted the text of a United States draft law which had been considered by the Coordinating Committee, composed of the deputies of the four Military Governors who sat on the Allied Control Council for Germany. The draft law called for dissolution of German domestic cartels and combines as well as prohibition of German participation in international cartels. This policy would be carried out principally through the establishment of a quadripartite Commission for Economic Decentralization (800.602/8–2845).

[30] Reference is to the Allied Control Council for Germany.

[31] See footnote 82, p. 1527.

862.51/9–2545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 25, 1945—4 p. m.
[Received September 25—1 : 37 p. m.]

612. For Matthews.[32] At the last meeting of the Finance Directorate, September 21, the Russian member, Maletin, made some interesting observations regarding the German national debt. He remarked that 90 per cent of the 400 billion Mark national debt is the result of war; that Germans have used loans as source of financing the war. Therefore decision as to payments must be of a political character. To decide to make payments on it, he believes, will assume payment for war losses to the German people. Such treatment would also serve to support German faith in Nazi government which borrowed the funds. In Maletin's opinion the Allied Control Council should not take on the responsibility of debt at the expense of reparations. There would be no physical possibility of payment without resort to loans. He suggested that the 1933–34 German payments amounted to 8 billion interest and 7 billion amortization, or a total of 15 billion. The 1944–1945 total was 13 billion, artificially lowered by reformation of debt and postponement of payment. If the responsibility for the old debt would be accepted the total amount required for annual payments would exceed 15 billion. Could this be done, he asks, without prejudice to reparations? In principle, the Russian representative maintained, there is no obligation to reorganize. To do so would be to contradict the Berlin Conference agreement requiring the Germans to bear responsibility of participating in the war.[33]

The French representative proposed to divide the problem into two parts, i.e., the old debt and the new debt; then study the effect of payment of all, part, or none of the old debt. He would also authorize issue of relatively short term new debt at Laender or large city level for the necessary rebuilding of utilities, investing new deposits, reducing cash in circulation. According to information in French Zone, situation favorable to issue loans against fresh money.

MURPHY

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[32] H. Freeman Matthews, Director of the Office of European Affairs.

[33] See section IV of the Report on the Tripartite Conference of Berlin, *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol II, p. 1505.

862.51/9–2745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 27, 1945—8 p. m.
[Received 8 : 10 p. m.]

637. In view of the over-all political implications involved, the following submitted for the Department's information and comment.

Private banks are operating in the Western Zones of Germany on a fairly unrestricted basis in terms of both old and new accounts. In the Soviet Zone private banks have not reopened and reports indicate that some sort of a state, or at least municipal, banking system is emerging. In Berlin, private banks have not reopened even for new accounts. A municipal bank, or *Stadtkontor*, has been established with 21 branches throughout the city.

Allied military authorities have deposited 100 million Marks in the Berlin *Stadtkontor*. The bank now makes only loans of a purely commercial character (no industrial loans) all of which are first approved by the Finance Division of the Berlin Kommandatura.[34] There are insufficient funds to satisfy extensive borrowing needs of enterprises located in Berlin but of national character.

The continued operation of private banks in the western zones with closed head-offices in Berlin and with no Reichsbank or central clearing system is an anomalous situation. The Soviet view is that all German banks are insolvent because of their huge holdings of the Reich debt. (For the official Soviet view as to the value of such debt, see our telegram 612, September 25, 4 p. m.) The American Military Government detachment in Berlin, apparently reflecting Kommandatura views, feels that the problem of opening Berlin banks is outside their scope and is a matter for Control Council action.

It is generally believed that reopening of headquarters of private banks will require (1) some compromise on the amount of devaluation of the Reich debt. There has been no explicit devaluation in the Western Zones although the ultimate need for such action is generally realized. (2) A central clearing system and (3) a central currency issue. These matters are under consideration, but little positive progress has yet been made in the Finance Directorate of the Control Council.

Private German bankers in Berlin believe that the Soviet intends to establish a system of municipal, industrial and provincial or Agrarian banks in the Soviet Zone, including Berlin. These insti-

[34] The Inter-Allied governing body for Greater Berlin. For documentation on preliminary meetings of the Allied Kommandatura, see *Conference of Berlin (Potsdam)*, vol. I, pp. 630–634, 638–639, and 755–756; for further documentation on the Kommandatura, see pp. 1033 ff.

tutions would monopolize all financial transactions and through control of credit could run the entire economy—within the area concerned—without the need for formal nationalization. If such development should occur, the question arises as to whether a compromise central banking system could be established which would allow the continuation of private banking in the Western Zones.

There are already indications that some bankers in the Western Zones are attempting to establish a makeshift central system in the West. For example, the Dresdner Bank is attempting to establish a central office to cover the Western Zones with Departments modelled after the Departments of the former Central Bank in Berlin.[35]

MURPHY

740.00119 Control (Germany)/10–1745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 17, 1945—5 p. m.
[Received 9:50 p. m.]

145. The approved minutes of the meeting on October 6 of the Coordinating Committee of the Allied Control Authority[36] read in part as follows:

"Quadripartite control of factories and property of the I. G. Farben industries.

The Committee considered CORC/P (45) 97.[37]

Discussion centered on the question of whether I. G. Farben plants and assets should be confiscated. General Clay[38] stated that in the eyes of the world this particular concern stood as a symbol of German war might and that special and immediate measures should be taken not merely to establish quadrapartite 'control' of I. G. Farben plants and assets but to achieve outright confiscation.

The US, Soviet[39] and French[40] members accepted outright confiscation in principle. General Whiteley[41] (British) while not dis-

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[35] In telegram 855, November 13, 8 p. m., to Berlin, the Department stated that the United States policy on the German public debt was still that expressed in paragraph 47 of JCS 1067, but also asked for recommendations and a report on the effect of accepting the Soviet proposal for repudiating the debt (862.51/9–2745). Paragraph 47 read as follows: "Resumption of partial or complete service on the internal public debt at the earliest feasible date is deemed desirable. The Control Council should decide the time and manner of such resumption."

[36] The minutes of the twelfth meeting were transmitted to the Department with despatch 1098, October 15, from Berlin, not printed.

[37] Not printed.

[38] Lt. Gen. Lucius D. Clay, U.S. Deputy Military Governor for Germany; U.S. representative on the Coordinating Committee; and Director of the Office of Military Government of the United States for Germany (OMGUS).

[39] Army Gen. Vassily Danilovich Sokolovsky.

[40] Lt. Gen. Louis Koeltz.

[41] Maj. Gen. John F. M. Whiteley was sitting as British representative in place of Lt. Gen. Sir Brian H. Robertson.

agreeing in principle, asked further time to study the matter. The meeting agreed to defer action on CORC/P (45) 97 until their next meeting."

The Department is aware of the numerous recent proposals for quadripartite (and unilateral) action in regard to seizure or confiscation of property in Germany ranging from *Wehrmacht* lands and war plants for reparation, through property of Nazi organizations and of war criminals, to large farms, and to other private property, where in some cases many stockholders are involved. The Department's views regarding the policy it believes should govern such measures, having in mind the various categories of owners and types of property involved, as well as the various kinds of action proposed ranging from simple requisition to confiscation presumably without compensation, would be appreciated.

Department will have noted that Soviet and French representatives have consistently favored more drastic forms of action; whereas the British have been reluctant, and even unwilling, to depart from traditional conceptions of private property. American officials on the other hand are torn at times between the above views and the Department's guidance would be helpful.

MURPHY

800.602/10–1845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extract]

BERLIN, October 18, 1945—3 p. m.
[Received 6:15 p. m.]

802. The fourteenth meeting of the Coordinating Committee took place on October 16 with the French member presiding.

The Committee first considered the proposed law prohibiting cartels and excessive concentration of economic power in Germany, the full text of which was contained in my 735, October 10, 1 p. m.[42] The suggestion of the American member to withhold final approval of the law pending its consideration by the State Department was denied on the grounds that the law had been unanimously approved in the Economic Directorate and that it was believed to be thoroughly in accord with Washington policy.

In the discussion, however, in spite of the law's having been approved by the Russian member of the Economic Directorate, General Sokolovsky criticized it and suggested it be amended to include specific

[42] Not printed.

criteria for designation industrial concerns subject to the law. He thought that any firm whose output exceeded a definite fixed percentage share of the total German production of any commodity or whose annual turnover of employed exceeded some definite figure should come under the operation of the law. The British member felt that the setting of such specific criteria would be difficult. General Clay agreed with the Russian criticism and proposed that firms whose production accounted for 10% of total German production of any commodity, or whose annual turnover exceeded 25,000,000 RM or which employed over 3,000 employees be subject to the operation of the law.

It was finally decided to return the law to the Directorates for further study and the inclusion of as precise criteria as could be agreed upon. If these could not be speedily agreed upon, then a legal text of the present draft was to be prepared to be followed by more specific administrative regulations.

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MURPHY

862.50/10–1245 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 22, 1945—6 p. m.

702. Urtel 763 Oct 12.[44] Dept believes permission to establish horizontal industrial or trade associations premature and will result in modified form concentration industrial power even in contemplated advisory capacity. Suggest that advice needed by Regional Economic Offices be obtained if necessary only from individual Germans or from temporary *ad hoc* committees called in on specific problems. Such committees should not have opportunity to agree in advance on answers to problems submitted. Formation of associations will cut off Economic Offices from dissident advice as membership will in effect become compulsory by pressure of groups. Prohibited functions stated your paragraph 5 [45] could be exercised by associations through such advice.

Recommendations above subject to reconsideration in future when development German economy may show usefulness such associations.

BYRNES

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[44] Not printed; it transmitted the text of a directive, dated October 8, issued by USFET, permitting the establishment of horizontal associations of independent firms in the same field of industry or trade; no vertical associations were to be permitted (862.50/10–1245).

[45] This paragraph stated that the associations would "not be permitted to exercise any authority or control over, or to participate in, distribution, sales, marketing, prices, allocation of materials or orders for production quotas, except in an advisory capacity." (862.50/10–1245)

800.602/10–2645 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, October 26, 1945—10 a. m.
[Received October 26—6:30 a. m.]

844. Reference teletype conference of October 24 concerning proposed law on decentralization of German economic power and urtel 708, October 22, 9 a. m.[46] Legal Directorate meeting in which proposed suggestions will be discussed has been postponed until Saturday.

It is essential that I be immediately informed on whether it is the Dept's determined policy that article I of the proposed law—as quoted in our telegram 735, October 10, 1 p. m.[47]—should be changed in terms of the suggestions from Washington in the Teletype Conference to the effect that "any one of the following factors should constitute an excessive concentration of economic power" (and thus are forbidden and must be eliminated).

A. The engaging, directly or indirectly, by any business unit in enterprises or activities of a dissimilar character or covering distinct stages of production.

B. The owning or controlling by any enterprise or activity of more than. . . .[48] percent of the total productive capacity in any single line of commerce.

C. The employment by any enterprise or activity of . . . . . or more employees in any single line of commerce.

D. The production by any enterprise or activity of a commodity exceeding an annual turnover of . . . . . RM (Reichsmarks).

General Clay has already suggested that A above should be considered not as mandatory, but instead only as a factor to be considered. The Dept will realize, of course, that if the American representatives are forced to insist upon B, C and D above as mandatory provisions, it may well jeopardize early agreement for any decentralization law because of British opposition.

If B, C and D above are to be mandatory, it is essential that the Dept give at least its advice as to the figures to fill in the blank spaces.

MURPHY

[46] Record of teletype conference not printed; telegram 708 registered the Department's opposition to a portion of the draft law contained in telegram 735, October 10, 1 p. m. (not printed), which would have permitted participation by German individuals in international cartels (800.602/10–1045). As indicated in telegram 802, October 18, 3 p. m., from Berlin, p. 1563, this draft law had been returned to the Directorates for further study and emendation.

[47] Not printed.

[48] Omissions in this telegram indicated in the original.

740.00119 Control (Germany)/10–2845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, October 28, 1945—1 p. m.
[Received October 29—10:55 a. m.]

869. The sixteenth meeting of the Coordinating Committee took place on Oct 26 with the French member presiding.

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As to the law vesting and marshalling German external assets which had been held up in the past by British objections, the British still objected to the clauses: (1) covering property of German nationals residing outside Germany; (2) covering property of German businesses or corporations; (3) giving the proposed External Property Commission the right to add to the categories of persons affected; (4) covering property transferred to nominees or trustees. The British member made it clear that he did not object to the purpose of these clauses but merely feared that they would be ineffective legally. The other three members shared the British misgivings but felt the matter sufficiently important to warrant the effort. As a result of the attitude of the others, the British member agreed to the full text of the law. General Clay stated that he felt the British willingness to comply with the opinions of the other members was a hopeful sign for the success of four-part govt in Germany.[49]

MURPHY

800.602/10–2645 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, October 30, 1945—noon.

764. Urtel 844 Oct 26. Following is Dept's reconsidered position which you are requested to negotiate.

Standards to be suggested for Article I your draft shall apply only to organizations which have assets in excess of 10,000,000 RM, based on 1938 RM valuation.

Dept believes it essential that definite standards be set up to determine what constitutes an "excessive concentration of economic power", since it would be just as difficult to negotiate such standards in subsequent administrative rulings and decrees as in present draft law.

[49] For approval of the law on vesting and marshalling by the Allied Control Council, see telegram 896, October 31, 6 p. m., from Berlin, p. 848; for prior consideration by the Control Council, see pp. 832–842, *passim;* for application of this law outside Germany, see vol. II, pp. 852 ff.

Dept believes it is essential that substance of A. and B. of Dept's version of Article I be considered as the factors constituting an "excessive concentration of economic power".

Dept suggests that A. should read as follows:

"A. Engaging directly or indirectly by any business unit in enterprises or activities of a dissimilar character or in distinctly different lines of commerce."

It should be noted that this statement omits reference to "distinct stages of production" as mentioned in A. of urtel 844.

Dept suggests that B. should read as follows:

"B. The owning or controlling by any enterprise of more than 25% of the total productive capacity in any single line of commerce." Dept suggests 25% as provisional, and expects that OMGUS, which has more facilities for on the spot investigations exercise its own discretion in this matter.

Dept now believes that C. and D. of Dept's version of Article I should not be included in present draft law unless opposite govts insist.

Dept believes that spirit of Article V [50] in your draft will require change in view of suggested mandatory provisions in our Article I.

BYRNES

800.602/11–245 : Telegram

Mr. Loyd V. Steere, Counselor of Mission, Office of the United States Political Adviser for Germany, to the Secretary of State [51]

BERLIN, November 2, 1945—midnight.
[Received November 3—1:20 p. m.]

924. Office of Military Govt for Germany US from Office of Political Adviser at request of Echols [52] and Fahy.[53] Before receipt of Dept's cable 764, Oct 30, re proposed law on decentralization of German economic power Quadripartite Legal Directorate agreed 30 Oct on draft law generally conformable to State Dept teletype conversation Oct 24 [54] and based on text prepared by US Legal Division. Text of law ap-

[50] As transmitted in telegram 735, October 10, 1 p. m., from Berlin, article V of the draft had indicated that size alone was not necessarily proof of excessive concentration (800.602/10–1045).

[51] Mr. Murphy and General Clay were in Washington November 1–9 for discussions with the State and War Departments on matters relating to military government and Control Council policy in Germany. No record of these discussions has been found in Department files.

[52] Maj. Gen. Oliver P. Echols, U.S. Assistant Deputy Military Governor for Germany.

[53] Charles Fahy, Legal Adviser and Director of the Legal Division, OMGUS.

[54] Record of conversation not printed.

proved by Legal Directorate 30 Oct cabled AGWar [55] for Clay 31 Oct and now repeated to you as follows:

"Control Council law No. blank entitled Prohibition of Excessive Concentration of German Economic Power. In accordance with paragraph 12 of the Potsdam decisions,[56] and for the purpose of preventing Germany from endangering the safety of her neighbours or again constituting a threat to them or to international peace, and in order to destroy Germany's economic potential to wage war, and in order to facilitate Germany's reconstruction on a peaceful and democratic basis, it is essential that German economy should be decentralized by the elimination of all excessive concentration of economic power as exemplified, in particular, by cartels, syndicates, trust combines and other types of monopolistic or restrictive arrangements which could be used by Germany as instruments of political or economic aggression.

Participation by Germany in international cartels and similar arrangements is forbidden.

The Control Council therefore enacts as follows:

ARTICLE I

a. Excessive concentrations of German economic power, whether within or without Germany and whatever their form or character, are prohibited and must be eliminated.

b. Unless expressly exempted by the Economic Directorate of the Allied Control authority, the following shall be deemed excessive concentrations of economic power within the meaning of this law:

1. Every enterprise controlling, directly or indirectly, more than blank percent of the total German production or other economic activity in the industry or field to which it belongs;
2. Every enterprise controlling, directly or indirectly, a volume of business (as expressed in annual turnover) of more than blank million Reichsmark;
3. Every enterprise employing, directly or indirectly, more than blank persons.

c. It shall be the duty of the Economic Directorate to determine by general or special order whether other enterprises or activities, not enumerated in paragraph *b* above, constitute excessive concentrations of economic power within the meaning of this law. In making such determinations the Economic Directorate shall give due consideration to the following factors:

1. The percentage of total German production or other economic activity which the enterprise or activity controls in the industry or field to which it belongs.
2. The volume of business it controls, directly or indirectly, as expressed in annual turnover.
3. The number of persons employed by it, directly or indirectly.

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[55] Adjutant General War Department, Maj. Gen. John H. Hilldring.

[56] Reference is to paragraph 12 of the political and economic principles to govern the treatment of Germany in the initial control period; see *Conference of Berlin (Potsdam)*, vol. II, pp. 1483 and 1504.

4. The character of its production and the nature of its activities.

5. The nature and extent of its participation in any contract, agreement, combination, practice or other arrangement or relationship of a restrictive or monopolistic character, e.g., such as tend to create special privileges in the purchase or sale of materials, restrictions upon production, distribution or prices, allocation of territories, or the exclusive exchange of patents or technical information.

6. Any other factors bearing on the war potential resulting from the concentration of economic power.

7. Any grouping of enterprises or activities of dissimilar character or covering distinct stages of production.

d. The Economic Directorate may exempt in whole or in part, and on such terms and conditions as it may deem appropriate, any arrangement, act or thing prohibited by this article, if it finds that such exemption is consistent with the declared purposes of this law and is also required to further some other declared objective of the occupying powers.

ARTICLE II

Participation, directly or indirectly, by any German person, in any cartel, combination, enterprise, activity or relationship in restraint of international trade or commerce is hereby declared illegal and prohibited. This provision shall not be construed, however, to prohibit ordinary agency agreements and simple transactions of purchase and sale.

ARTICLE III

The Economic Directorate is authorized to take such action in regard to the elimination of enterprises or activities forbidden by this law as it finds necessary and consistent with the principles and purposes set forth in preamble including the elimination, the redistribution or removal of property, investments and other assets and the cancellation of obligations of cartels, syndicates, trusts, combines and other organizations of a monopolistic and restrictive character, or any suitable action.

ARTICLE IV

The Economic Directorate is empowered to require German persons, or any defined categories thereof, to file information regarding their business activities, relationships, or properties, domestic or foreign; and it may examine the records, papers and activities of all such persons.

ARTICLE V

The Economic Directorate is empowered to make such surveys and investigations as it deems appropriate for the fulfillment of this law.

ARTICLE VI

The elimination of excessive concentrations of German economic power as provided herein shall be completed by 31 Dec. 1946.

ARTICLE VII

Any person violating this law, or any order, decree, regulation, or directive issued pursuant hereto shall upon conviction be fined not more than Reichsmarks 100,000 or imprisoned not more than 10 years or both.

ARTICLE VIII

As used in this law:

a. The term 'persons' shall include any natural or legal person, or body of persons, public corporation or governmental agency; and

b. The terms 'enterprise', 'activity', and 'relationship' shall include every kind of economic, business or financial instrumentality and activity, whether in the form of a cartel, trust, combine, stock company, concern, aggregate of firms or bodies, or otherwise, and whether related by agreement, combinations, association, or understanding.

ARTICLE IX

The Economic Directorate is empowered to delegate to such subcommittees or other agencies as it may create or designate for the purpose, all or any of its duties or powers herein provided. The Directorate may in its discretion review and modify or set aside any determination by any such subcommittee or agency, and may revoke or modify its delegated authority at any time."

This draft now goes before Coordinating Committee. Economic Directorate to fill in the blanks in article I *b*. Coordinating Committee meets 6 Nov.[57]

Request you consider matter in light of above text and current situation here. General Clay now in Washington and suggest he be consulted.

STEERE

800.602/11–245 : Telegram

The Secretary of State to Mr. Donald R. Heath, Counselor of Mission, Office of the United States Political Adviser for Germany

WASHINGTON, November 6, 1945—4 p. m.

808. Dept approves in general text of draft law submitted in urtel 924, Nov 2. As to Article I–*b*–1 Dept has suggested maximum 25 per cent control of productive capacity in relevant industry or field (reDeptel 764, Oct 30). As to Article I–*b*–2 and 3 Dept assumes original figures urtel 802, Oct 18, stating maximum 3000 employees and 25 million marks annual turnover, and concurred in by Gen. Clay, was based on careful study. Dept has no present information which would make these figures appear unreasonable.

BYRNES

[57] For further discussion of the law in the Coordinating Committee, see the report contained in telegram 1126, November 28, 8 p. m., from Berlin, p. 1571.

740.00119 Control (Germany)/10–1745 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

WASHINGTON, November 14, 1945—7 p. m.

870. Reurtel 145 Oct. 17. Dept wishes to avoid at this time commitment to any general policy on confiscation of property and prefers to deal with each case on its merits. While property of convicted war criminals, Nazi party and affiliated and associated organizations thereof, as well as property of Wehrmacht should be confiscated without indemnification, Dept doubts wisdom of sweeping confiscation of property of industrial corporations. Such confiscation without indemnification would cause undue hardship and injustice in many cases and is not essential to policy of dispersion of control and ownership being applied in German industry and banking. Stockholdings or other ownership interest of industrialists and bankers who had responsible part in preparing and organizing Germany for war might well be confiscated. In case of I G Farben, such approach would require exploration possibilities confiscation stockholdings Schmitz,[58] Ilgner,[59] other large stockholders responsible for planning and execution of industrial, commercial phases German aggressive war, but seizure or vesting, with indemnification (probably in reichsmarks or new German Govt bonds), of holdings of persons not so responsible. Since plants and assets I G Farben already vested, confiscation of part, vesting of remainder of stock would put corporate body in hands ACC,[60] thus facilitate ultimate disposition of property at such time as I G Farben shall have been broken down into smaller independent individual entities, in accordance with whatever recommendations may be made on subject of cartels and combines.

BYRNES

740.00119 Control (Germany)/11–2845 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

[Extracts]

BERLIN, November 28, 1945—8 p. m.
[Received December 1—2 : 18 a. m.]

1126. (1) Twenty-third meeting of the Coordinating Committee, Russian member presiding, was held yesterday and gave rise to a cer-

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[58] Hermann Schmitz, Chairman of the Board, I. G. Farben.
[59] Max Ilgner, Director, I. G. Farben.
[60] Allied Control Council.

tain acrimony on the questions of restitution and decentralization of German economy.

[Here follows section 2, dealing with restitution, printed on page 1426.]

(3) A long discussion ensued on the draft law on the decentralization of German economy (see my 802, October 18, 2 [3] p. m.). There was general agreement on the top figure to be set for any particular German enterprise, namely, employment of 3,000 workers, 25 million marks turnover and 10% of total business in the line of enterprise. Issue that arose was whether a particular undertaking exceeding these limits should be automatically closed down. British member maintained that turnover limit was unfair in view of possible price rises and also that departure of one industry from the field of competition might result in mandatory closing of the others. He contended that an enterprise exceeding the limits should have recourse to the Control Council which would determine whether dangerous concentration of industry existed. This view was strongly opposed by the US and Russian members and General Clay stated he would have to advise the US Govt and await further instructions.

(4) Draft law on the seizure and control of I. G. Farbenindustrie, which was based on US proposal (see my 767, October 13, 1 p. m.[61]) was adopted and sent to the Control Council following certain clarifying amendments regarding the creation of a committee consisting of control officers each appointed by their respective zone commanders. Article (I) of law provides that all plants, properties and assets of any nature situated in Germany which were, on or after May 8, 1945, owned or controlled by I. G. Farbenindustrie, are hereby seized and the legal title thereto is vested in the Control Council.[62]

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MURPHY

862.51/12–745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, December 7, 1945—midnight.
[Received December 8—2:56 p. m.]

1200. Reference OMGUS cable CC–19760 dated 3 December 1945 [63] from Clay concerning modification of JCS 1067 and also Department's

[61] Not printed; it reported discussion at the thirteenth meeting of the Coordinating Committee, held on October 12, concerning a United States proposal to have a four-power commission seize and dispose of I. G. Farben properties in Germany. The British member expressed opposition because he feared such action might undermine the power of the zonal commanders. Nevertheless, the proposal was approved in principle and referred to the appropriate Directorates for the drafting of concrete plans. (740.00119 Control (Germany)/10–1345)

[62] For approval by the Control Council, see telegram 1154, December 1, from Berlin, p. 854.

[63] Not printed; it registered General Clay's opposition to major revisions of JCS 1067.

cable 855, November 13, 1945, 8 p. m.[64] stating that Department continues to support article 47 concerning complete or partial servicing of German internal debt.

Matter of internal debt was brought up in Finance Directorate and an informal discussion developed in which the British supported complete servicing of the debt, the French a partial servicing of the debt, and the Russian and American representatives a complete repudiation. I believe that we should avoid any modification of article 47 which would allow American representatives to support a complete repudiation of the internal debt.[65]

MURPHY

740.00119 Control (Germany)/12–2045 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, December 20, 1945—8 p. m.

10966. Quadripartite discussions proceeding for several months in Allied Control Council re law for deconcentration of control of German economy in accordance with Potsdam decisions, para. 12. US, French, and Russians have agreed on following mandatory standards to define excessive concentrations of economic power: Employment of more than 3,000 persons, annual turnover exceeding 25,000,000 RM, and control of more than 20 per cent of total productive capacity by a given firm in the industry to which it belongs.

Other discretionary standards for guidance of Economic Directorate in making determinations in particular cases as to excessive concentration also included. Proposed law contains escape clause providing exemption from application of measures at discretion of Economic Directorate.

British members ACC have refused to accept any mandatory standards. You are requested to discuss this refusal with appropriate members British Govt to determine Govt's reasons for this position and to suggest modification. It should be made clear that Dept does not insist upon any of the three standards mentioned above. Others could be suggested, such as "no enterprise in Germany shall own or control more than one establishment unless it can be demonstrated that considerations of technical efficiency are substantially involved".

[64] Not printed; for summary, see footnote 35, p. 1562.

[65] Telegram 1143, December 27, 6 p. m., to Berlin, informed Mr. Murphy that the War Department had been apprised of his opinions and that the State Department had requested from the War Department "a reasoned statement of the case for total repudiation including evaluation of consequences for banking, insurance, and other institutions holding large portion of assets in form of government debt." (862.51/12–745)

It should be explained to British that purpose of Depts position in supporting mandatory standards is to establish clear presumption in outstanding cases of large combines that deconcentration will be carried out. Dept believes this to be minimum undertaking in view of US Govts repeated and firm declarations on subject and in view of public disclosure of pre-war and war activities of many German enterprises.

Since discussions in ACC on this subject have been broken off, Dept requests your urgent attention.

ACHESON

740.00119 Control (Germany)/12–2245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 22, 1945—5 p. m.
[Received December 23—11 : 08 a. m.]

13432. Dept's 10966, December 20, 8 p. m. Question of mandatory standards on German economic concentration discussed today with Burrows of German Dept, Lincoln of Economic Relations Dept and Ritchie of Control Office for Germany and Austria. That [*They?*] indicated instructions had just been sent BritEmb Washington to urge Brit viewpoint on Dept.

We were assured categorically and repeatedly that British Govt fully shared our objective on deconcentration and that its objections to mandatory standards arose solely from administrative viewpoint; i.e. they did not want a law passed which they considered unenforceable and which would impose an unnecessarily heavy administrative burden on control authorities. They maintained that any mandatory standards tight enough to be really worth while would catch many unexceptionable firms, that size alone did not make an enterprise objectionable, that attempts to enforce a law containing mandatory standards would be administratively impracticable and thereby lead to ridicule in Germany. They also attached importance to point that discretionary standards would require 4 power agreement to shut down an enterprise whereas mandatory standards would require all enterprises including unobjectionable ones not meeting them to be shut down at once with 4 power agreement required to reopen them. This they assert would freeze German economy unduly and unnecessarily. They advocate beginning by shutting down most obviously overconcentrated enterprises and proceeding progressively to close down next largest and so on down.

After stressing views given in penultimate paragraph of Dept's 10966 we suggested that apparent unanimity of purpose should make agreement possible despite apparent flat deadlock on question of

whether or not law should contain mandatory standards. Making clear that we were speaking personally and with no idea whether Dept would agree we suggested possibility of strengthening article 5 of Economic Directorates draft (CORC/P) 45 (113 annex A) [66] to provide that Dept's criteria would constitute *prima facie* case for deconcentration of any firm not meeting them. They agreed to explore this line, expressing informal opinion they might be able to agree if it were understood criteria merely established basis for positive 4 power action to close enterprises rather than actually prohibiting them subject to exemption by agreement of 4 powers.

We suggested and they agreed that best place to work out agreement was Berlin and that it would be desirable for both Dept and FonOff, after British case had been presented in Washington, to issue new instructions to their representatives in Berlin with view to finding agreement on tightest possible administratively practicable law.

Sent Dept repeated Berlin as 426 December 22, 5 p. m.

WINANT

740.00119 Control (Germany)/12–2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 28, 1945—3 p. m.
[Received 4:35 p. m.]

13629. Advantage was taken of James Martin's [67] presence here en route to Berlin to discuss again yesterday deconcentration of German industry with same group mentioned in Embassy's 13432 of December 22.

Owing to holidays there had been no opportunity for British officials to discuss matter with others in British Govt. They nevertheless indicated willingness to attempt to meet us along three different lines which they suggested. One was to utilize standards specified by Dept as basis for *prima facie* case (as suggested in Embassy's 13432), second was possibility of working for 6 months under law without mandatory standards with agreement to consider at end of that period new law containing mandatory standards based on experience gained in interim period. We did not encourage this approach in belief that it would be preferable to work out agreed permanent law now. Third

[66] A copy of CORC/P (45) 113 Appendix A, was transmitted to the Department as an enclosure to despatch 1497, December 11, from Berlin, neither printed. According to article 5, it was provided that the following factors should be taken into account in determining which enterprises constituted excessive concentration of economic power: "Any contract agreements, combinations, or other arrangements or relationships tending towards restrictive or monopolistic practice, such as special privileges in purchase of material, right to exclusive sale, right to allocation of spheres of influence, and right to exchange of patents or technical information." (740.00119 Control (Germany)/12–1145)

[67] Head of the Decartelization Branch, Economic Division, OMGUS.

was to agree promptly on specific list of firms which should be deconcentrated or deconcentrated [68] in any event. Martin thought we could produce list of from 100 to 200 firms. Britain thought they could produce list of from 12 to 24 firms.

Britain suggested that if law were passed without mandatory provisions all German firms be required to submit within 14 days information upon basis of which control authorities could begin deconcentration of largest firms. They also recognized necessity of providing in law (as is apparently not done in either draft) not merely for deconcentration of industry but for preventing its subsequent reconcentration.[69]

Sent Dept as 13629; repeated to Berlin as 439.

WINANT

ARRANGEMENTS REGARDING A SYSTEM OF AIR CORRIDORS FOR FLIGHTS BETWEEN BERLIN AND THE WESTERN ZONES OF OCCUPATION IN GERMANY

[For documentation relating to Allied planning on allocation of zones of occupation in Germany and Berlin, see pages 160 ff.

For a record of the conversation held on June 29, 1945, between Lt. Gen. Lucius D. Clay, Deputy Military Governor of the United States Zone in Germany, Lt. Gen. Sir Ronald Weeks, Deputy Military Governor of the British Zone of Occupation in Germany, and Marshal of the Soviet Union Georgy Konstantinovich Zhukov, Chief of the Soviet Military Administration in Germany, to establish procedures for access to Berlin of American and British forces, see page 353.]

740.00119 Control (Germany)/12–1145

Note by the Allied Secretariat to the Allied Control Authority Coordinating Committee [70]

CORC/P(45)170 [BERLIN,] 22 November 1945.

REPORT OF THE AIR DIRECTORATE ON THE CREATION OF A SYSTEM OF AIR CORRIDORS TO BE USED FOR FLIGHTS IN THE RESPECTIVE ZONES OF OCCUPATION IN GERMANY

The attached report on the above subject is submitted by the Air Directorate for consideration at the Twenty-Third Meeting of the Coordinating Committee.

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[68] Apparent garble.

[69] Telegram 147, Janupary 7, 1946, 3 p. m., to London, informed Ambassador Winant that future discussions with the British on the proposed law on deconcentration of German industry would be held in Washington. In the interim the matter was not to be referred to the Control Council. (740.00119 Control (Germany)/12–2845)

[70] Copy transmitted to the Department as an enclosure to despatch 1497, December 11, from Berlin, not printed.

In this report the Air Directorate requests that the Coordinating Committee approve the proposal of the Directorate for the creation of air corridors to the west of Berlin, namely: Berlin–Hamburg, Berlin–Bukehurg [*Bückeburg*], Berlin-Frankfurt-on-Main; and also requests a decision on the principle of creating air corridors to Berlin–Warsaw, Berlin–Prague, and Berlin–Copenhagen, since no unanimous agreement could be reached by the Directorate in regard to this question.

In addition, the Directorate requests the Coordinating Committee to delegate to the Directorate the responsibility of safety measures and a system to assure flights along air corridors approved by the Coordinating Committee.

S. M. KUDRIAVTSEV, *1st Sec'y*
H. A. GERHARDT, *Colonel*
T. N. GRAZEBROOK, *Brigadier*
MONSIEUR L. J. CALVY
Allied Secretariat

[Annex]

REPORT OF THE AIR DIRECTORATE CONCERNING THE CREATION OF A SYSTEM OF AIR CORRIDORS TO BE USED FOR FLIGHTS IN THE RESPECTIVE ZONES OF OCCUPATION IN GERMANY

1. Because of the increasing number of flights between the Greater Berlin area and the respective occupied zones of the four Allied Powers in Germany and because their flights must often be undertaken in conditions of poor visibility or at night, involving risk of collisions; there is a real need to ensure safety of flights over the occupied zones and the Greater Berlin Area by means of a system of air corridors under strict rules of flight for all aircraft using the corridors.

2. The Aviation Committee has prepared and submitted a paper to the Air Directorate, based on the requests from the American, British and French representatives for the setting up of a system of air corridors, and designed to satisfy the requirements of the Four Powers for flights over the occupied Zones.

3. The Aviation Committee of the Air Directorate proposes six air corridors over occupied Germany as follows:—

Berlin–Hamburg
Berlin–Hannover (Bückeburg)
Berlin–Frankfurt on Main
Berlin–Warsaw
Berlin–Prague
Berlin–Copenhagen

each twenty English miles wide (ten miles on each side of the centre line of the corridor) which could be used by aircraft of the four Allied Nations with full freedom of action.

4. During discussion of this subject at the Meeting of the Air Directorate:

(*a*) The representative of the United States expressed agreement with the proposals of the Aviation Committee and recommended that a report compiled on the basis of data worked out by the Aviation Committee, should be submitted to the Coordinating Committee.

(*b*) The British representative agreed that it was necessary to produce a document for submission to the Coordinating Committee but that this document should include a proposal on the freedom of the air west of a line drawn North and South through Berlin. If this could not be agreed he requested the addition to the list of air corridors proposed by the Aviation Committee of a seventh corridor Bückeburg–Prague.

(*c*) The French representative remarked that an indispensable condition of the free use of the air corridors must be adherence to the rules of air communications.

(*d*) The Soviet representative stated that the Air Directorate could request the Coordinating Committee's confirmation of the air corridors Berlin–Hamburg, Berlin–Bückeburg, and Berlin–Frankfurt on Main, necessary to provide for the needs of the occupation troops in the zone of Greater Berlin. Regarding the air corridors Berlin–Warsaw, Berlin–Prague, and Berlin–Copenhagen, as well as the seventh corridor Bückeburg–Prague proposed by the British representative, they are corridors for the usual inter-state traffic and are not related to securing the needs of the occupying forces in Berlin, therefore the question of their creation can be discussed by the Air Directorate only on the decision of higher Authority. Moreover present rules of flight in the second group of air corridors are suitable to all and do not need to be changed. In the opinion of the Soviet representative, flights along all corridors must be made in complete compliance with the rules of flying safety to be compiled by the Aviation Committee and approved by the Air Directorate.

5. After studying this question, the Air Directorate, at its 13th Meeting (DAIR/M(45)13, Item 99 (*b*)) decided:

(1) ". . .[71] to submit to the Coordinating Committee for approval the proposals of the Aviation Committee concerning the air corridors West of Berlin: Berlin–Hamburg, Berlin–Hannover (Bückeburg), Berlin–Frankfurt on Main.

(2) "to submit for decision in principle by higher authority at the same time as the proposal of paragraph (1), the question of the establishment of corridors leading North, East and South from Berlin and of a corridor Bückeburg–Prague.

(3) "to instruct the Aviation Committee to compile rules for safety of flight along the corridors referred to in paragraph (1). These rules will be obligatory for all aircraft flying along the corridors listed in paragraph (1)."

[71] Omission indicated in the original.

6. Consequent on the above, the Air Directorate requests the Coordinating Committee:

(1) To confirm the proposals for the establishment of air corridors West of Berlin as follows: Berlin–Hamburg, Berlin-Bückeburg, Berlin–Frankfurt on Main, each twenty English miles wide. Flight over these routes (corridors) will be conducted without previous notice being given, by aircraft of the nations governing Germany.

(2) To instruct the Air Directorate to compile rules of flight and means of safeguarding flights along the corridors stated in para. (1) above.

(3) To decide in principle or transmit for consideration by appropriate higher authority, the question of the establishment of the air corridors over occupied Germany, Berlin–Warsaw, Berlin–Prague, Berlin–Copenhagen and also the air corridor Bückeburg–Prague proposed by the British representative, as indicated in annexed Map* A). Flights over these routes (corridors) will be conducted by aircraft of the nations governing Germany without previous notice being given.

7. The above proposals are framed to meet the requirements in the immediate future as far as they can be now foreseen. It will nevertheless be necessary to give further consideration to these questions, from time to time, in accordance with the future development of International air communications.

LT. GEN. T. F. KUTZEVALOV U.S.S.R.
MAJ. GEN. R. W. HARPER U.S.A.
AIR MARSHAL H. E. P. WIGGLESWORTH G.B.
GEN. DE DIVISION X. DE SEVIN France

740.00119 Control (Germany)/12–1145

Minutes of the Twenty-Third Meeting of the Coordinating Committee, Held at Berlin, November 27, 1945, 3 p. m.[72]

[Extracts]

CORC/M(45)23

THERE WERE PRESENT:

Army General Sokolovsky (Chairman)
Lieut. General Clay
Lieut. General Robertson
Lieut. General Koeltz

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*Map circulated on limited distribution only. [Footnote in the original; map not reproduced.]

[72] Copy transmitted to the Department as an enclosure to despatch 1497, December 11, from Berlin, not printed.

OTHERS PRESENT:

SOVIET	UNITED STATES
Minister Semenov	Ambassador Murphy Major General Echols
BRITISH	**FRENCH**
Sir William Strang Air Vice Marshal Davidson Major General Playfair Brigadier Hill	Consul Gaire Major Glain

Secretariat

First Sec'y Kudriavtsev
Major Kudriavtsev
Colonel Gerhardt
Colonel Birdsall
Mr. Oulashin
Brigadier Grazebrook
Colonel Rootham
Mr. Calvy
Captain Joos

. . . . . .

309. *Proposed Air Routes for Inter-Zonal Flights.*

The meeting considered CORC/P(45)170.

GENERAL ROBERTSON [73] explained that it was absolutely essential for the British to have air corridors both for flights from Berlin to Bukeburg [*Bückeburg*], Headquarters of the British Army of the Rhine, and from Berlin to Hamburg, where this headquarters had a number of branches.

GENERAL CLAY [74] also pointed out that the Berlin-Bukeburg [*Bückeburg*] air corridor was important for the Americans since it enabled them to maintain their connection with Bremen.[75]

GENERAL SOKOLOVSKY [76] then stated that he was not empowered to settle questions concerning other air corridors mentioned in the paper, viz.: Berlin-Warsaw, Berlin-Prague, Berlin-Copenhagen and Bukeburg [*Bückeburg*]-Prague, as these required decisions at governmental level.

On GENERAL SOKOLOVSKY's proposal

The Meeting:

(309) Approved CORC/P(45)170 and agreed to submit it to the Control Council for confirmation of that portion which deals with air corridors from Berlin to the West.

. . . . . .

[73] Lt. Gen. Sir Brian Robertson, Deputy Military Governor, British Zone of Occupation in Germany, and British member of the Coordinating Committee.

[74] Lt. Gen. Lucius D. Clay, Deputy Military Governor, U.S. Zone in Germany, and U.S. member of the Coordinating Committee.

[75] See also footnote 49, p. 856.

[76] Army Gen. Vassily Danilovich Sokolovsky, Deputy Governor, Soviet Military Administration in Germany, and Soviet member of the Coordinating Committee.

740.00119 Control (Germany)/12–1445

Note by the Allied Secretariat to the Control Council, Allied Control Authority [77]

CONL/P/45/63 [BERLIN,] 28 November 1945.

REPORT OF THE AIR DIRECTORATE ON THE CREATION OF A SYSTEM OF AIR CORRIDORS FOR FLIGHTS BETWEEN THE ZONES OF OCCUPATION IN GERMANY

At its Twenty-third meeting the Coordinating Committee considered the report of the Air Directorate on the creation of a system of air corridors for flights between the Zones of occupation in Germany and approved the creation of the three following air corridors from Berlin to the west:

Berlin–Hamburg, Berlin–Bückeburg and Berlin–Frankfurt-on-Main.

As regards the request of the Directorate for a decision on the question of creating corridors as follows:

Berlin–Warsaw, Berlin–Prague, Berlin–Copenhagen and Bückeburg–Prague, the Coordinating Committee decided that this question did not fall within its competence and must be settled at the Governmental level.

In accordance with Conclusion 309 of the Minutes of the Coordinating Committee meeting of the 27th November (CORC/M(45)23) the attached document [78] is submitted for the consideration of the Control Council at their Thirteenth meeting on the 30th November, 1945.

S. M. KUDRIAVTSEV, *1st Sec'y*
H. A. GERHARDT, *Colonel*
T. N. GRAZEBROOK, *Brigadier*
MONSIEUR L. J. CALVY
Allied Secretariat

[77] Copy transmitted to the Department as an enclosure to despatch 1498, December 14, from Berlin, not printed.

[78] The text, which is virtually identical with that of the Annex to CORC/P(45)170, November 22, is printed in *Documents on Germany, 1944–1961*, (87th Cong., 1st sess., Committee Print for the Senate Committee on Foreign Relations, December 1961), p. 45.

740.00119 Control (Germany)/12–1445

Minutes of the Thirteenth Meeting of the Control Council, Held at Berlin, November 30, 1945, at 2 p. m.[79]

[Extracts]

CONL/M(45)13

THERE WERE PRESENT:

Marshal of the Soviet Union Zhukov (Chairman)
General McNarney
Field Marshal Montgomery
Lt. General Koenig

OTHERS PRESENT:

SOVIET

Army General Sokolovsky
Minister Semenov
Col. General Serov
Major General Trusov

AMERICAN

Lt. General Clay
Ambassador Murphy
Major General Echols
Brigadier General Milburn

BRITISH

Sir William Strang
Admiral Burrough
Lt. General Robertson
Air Marshal Wigglesworth
Maj. General Playfair

FRANCE

Lt. General Koeltz
Monsieur De la Tournelle

Secretariat

First Secretary Kudriavtsev
Major Kudriavtsev
Colonel Gerhardt
Colonel Birdsall
Brigadier Grazebrook
Lt. Colonel Greenwood
Monsieur Calvy
Captain Joos

. . . . . .

110. *Proposed Air Routes for Inter-Zonal Flights.*

The Meeting had before them CONL/P(45)63.[80]

MARSHAL ZHUKOV [81] recalled that the Coordinating Committee had approved the establishing of three air corridors, namely, Berlin–Hamburg, Berlin–Bückeburg and Berlin–Frankfurt-on-Main.

FIELD MARSHAL MONTGOMERY [82] expressed the hope that in due course the question of establishing the remaining air corridors would be settled satisfactorily.

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[79] Copy transmitted to the Department as an enclosure to despatch 1498, December 14, from Berlin, not printed.

[80] *Supra.*

[81] Marshal of the Soviet Union Georgy Konstantinovich Zhukov, Chief of the Soviet Military Administration in Germany, and Soviet member of the Control Council.

[82] Field Marshal Sir Bernard Montgomery, Military Governor, British Zone of Occupation in Germany, and British member of the Control Council.

GENERAL KOENIG [83] approved the paper in principle and shared the opinion of FIELD MARSHAL MONTGOMERY.

MARSHAL ZHUKOV expressed himself confident that in due course the other air corridors would be opened. He added that he would like to make a proposal on this paper. He assumed that his colleagues would give the Soviet military authorities the right to fly along these air corridors into the Western zones and would consent to put at their disposal appropriate airfields for landing Soviet aircraft, or at least allow Soviet ground staffs on terminal and intermediate airfields along the proposed air corridors to facilitate the servicing of Soviet aircraft. The reason which MARSHAL ZHUKOV gave for the necessity of establishing Soviet airfields in the Western zones was the work of dismantling plants for deliveries on account of reparations when it comes to sending Soviet experts to organise that work.

FIELD MARSHAL MONTGOMERY stated that in his zone he would afford every facility for Soviet aircraft.

MARSHAL ZHUKOV said that he would like to clarify his declaration, namely, he proposed that appropriate airfields should be placed at the disposal of the Soviet authorities in the Western zones, or that permission should be given for Soviet ground crews for the servicing of Soviet aircraft to be stationed at these airfields.

FIELD MARSHAL MONTGOMERY proposed to refer the proposal made by the head of the Soviet delegation to the Air Directorate for examination. He asked whether his understanding was correct that the question of the three air corridors from the Western zones to Berlin was settled and that the organisation of these air corridors could be started immediately, without awaiting the results of the examination of the Soviet proposal.

MARSHAL ZHUKOV observed that he considered the paper accepted and expressed the hope that the proposal of the Soviet delegation on placing airfields in the Western zones at the disposal of the Soviet authorities would meet with full sympathy on the part of his colleagues.

The Meeting

(110) (*a*) approved the establishment of three air corridors from Berlin to the Western zones as defined in CONL/P(45)63

(*b*) agreed to refer the proposal of the Soviet delegation on the placing of airfields at the disposal of the Soviet authorities or the setting up of Soviet ground crews in the Western zones to the Air Directorate for study.

. . . . . .

[83] Lt. Gen. Marie-Pierre Koenig, Military Governor of the French Zone of Occupation in Germany, and French member of the Control Council.

Department of the Army Files

Minutes of the Seventeenth Meeting of the Air Directorate, Held at Berlin, December 8, 1945

[Extracts]

DAIR/M(45)17

MEMBERS PRESENT

Major General R. W. Harper (Chairman)	U.S.A.
Air Marshal H. E. P. Wigglesworth	Gr. Br.
General de Brigade J. Guyot	France
Lt. Gen. of Avn. T. F. Kutzevalov	U.S.S.R.

OTHERS PRESENT

U.S.A.

Colonel H. Moore
Colonel Hobbs
Lt. Col. Siebenaler
Maj. A. I. Lavrow (Int. R)
Capt. A. N. Bebenin (Int. R)
Lt. W. M. Stack (Int. F)

GREAT BRITAIN

Air V/Marshal A. P. Davidson
GP/Captain H. P. Broad
Wing Commander J. Hurry
F/Lieut. Rawlinson (Int. R)
F/Officer Pertschuk (Int. F)

FRANCE

Colonel E. M. Bizard
S/Lieut. D. Berdonneau (Int. E)
Asp. O. Tararine (Int. R)

U.S.S.R.

Major Gen. of Avn. S. K. Kovalev
Lt. E. V. Bondarev (Int. F)
Jr. Lt. Sachkov (Int. E)
Jr. Lt. Mirkind (Int. F)

Secretariat

Colonel C. J. Martin	U.S.A.
Lt. Col. J. J. LaRoche	U.S.A.
W/Cdr. C. D. Connerton	Gr. Br.
S/Ldr. J. W. Chubb	Gr. Br.
S/O C. M. A. Briggs	Gr. Br.
Lt. Col. P. A. Bloch	France
Lt. Col. J. I. Chernikov	U.S.S.R.
Major N. P. Brailovsky	U.S.S.R.

. . . . . .

136. *Report of Decision by Coordinating Committee on Air Corridors (CORC/P(45)170–(CONL/M(45)13–Conclusion 110).*

The Directorate took note of the decisions of Control Council in CONL/M(45)13.

The Chairman expressed the opinion that action should be taken as soon as possible to place the approved corridors into operation, to coordinate the airways system in Germany, and also to fulfill the request by the Soviet authorities. All members of the Directorate agreed with this opinion.

In the course of a lengthy discussion it was established that the question of rules of the air for the approved air corridors, and the question of the Soviet request for certain facilities at airfields along the approved corridors were problems of equal importance.

All members of the Directorate agreed that both of these problems are of such an urgent nature that there must be a minimum of delay in implementing the decisions of the Control Council.

The Chairman, summarizing the exchange of views, pointed out that the two requirements would be considered as separate problems and that the Committee on Aviation would be instructed to begin work immediately on both of the problems.

Accordingly,

The Air Directorate decided:

(136)*a*—to note the decisions of the Control Council and to comply therewith.

b—to instruct the Committee on Aviation to prepare for submission at the next meeting of the Air Directorate the rules of flight and requirements for navigational aids for airplanes using the approved corridors.

c—to instruct the Committee on Aviation to prepare for submission at the next meeting of the Air Directorate concrete proposals for the Soviet servicing parties at airfields in the Western Zones.

. . . . . .

ROBERT W. HARPER
Major General, U.S.A., Chairman
H. E. P. WIGGLESWORTH
Air Marshal, Great Britain
X. De Sevin
General de Division, France
T. F. KUTZEVALOV
Lt. Gen. of Avn., U.S.S.R.

Department of the Army Files

Note by the Air Directorate Secretariat to the Allied Secretariat

DAIR/P(45)67 Second Revision [BERLIN,] 13 December 1945.

1. Attached is DAIR/P(45)67, Second Revision, dated 13 December 1945, to be transmitted to the Coordinating Committee.

2. This paper is forwarded in accordance with a decision of the Air Directorate at its Seventeenth Meeting held on 8 December 1945, to the effect that it is desirable that progress in the establishment of the Berlin Air Safety Center be brought to the attention of the Coordinating Committee. Therefore, this paper is forwarded for the information of the Coordinating Committee.

CARL J. MARTIN
Colonel AC
Presiding Secretary

[Annex]

Report of the Aviation Committee, Air Directorate, Concerning the Organization of Berlin Air Safety Center

ORGANIZATION OF BERLIN AIR SAFETY CENTER

1. *The purpose of the Organization*

The organization of the Berlin Air Safety Center, as it is described in this paper, should not be regarded as inflexible or complete. This organization can be amended as experience dictates.

The Berlin Air Safety Center has been founded to establish security of flights of aircraft in the Control Zone during bad weather conditions and at night.

This should include:

a. Prevention of collisions of aircraft.
b. Prevention of unnecessary delay in air movements.
c. Establishment of a proper service for search for those aircraft which are in need of help or such a service.

2. *Definition*

The Berlin Air Safety Center is a central organization under a coordinated control established by representatives of the U.S.S.R., United States of America, Great Britain, and France for unified control over flights of all aircraft in the Zone of the Control Center.

3. *General Proposals.*

1/ Under the designation Berlin Control Zone is understood the air space height up to 10,000 feet above sea level in a radius of 20 English miles from the building of the Allied Control Authority. Also an air space height of 10,000 feet above sea level in agreed air corridors which go out in a radius from Berlin to the borders of the territory of occupied Germany.

2/ Under control of the Berlin Air Safety Center will be all the aircraft which will accomplish flights, or which propose flights, under adverse meteorological conditions or at night.

3/ Under adverse meteorological conditions we understand the following conditions: visibility of less than 5 kilometers, height or ceiling of less than 300 meters.

4/ The nations will retain command and operative control over their aircraft as up until now.

5/ The crew of an aircraft which approaches the Control Zone during flight under adverse meteorological conditions, or at night, should establish communications with the Berlin Air Safety Center and inform them of the position of their flight and request instruc-

tions for the flight in the respective zone. Such communications may be established through the national airfields concerned.

6/ The instructions of the Berlin Air Safety Center, as far as time is concerned, direction and height of the flight in the Control Zone during flight under adverse meteorological conditions, must be complied with and fulfilled by the crews of all aircraft of any nationality which are in the Control Zone or in approach to the Control Zone.

7/ The Berlin Air Safety Center will be in the building of the Allied Control Authority.

8/ Clearance for flights and instructions will be given by the Berlin Air Safety Center upon request with a view to securing the safety of the flight and expediting air traffic.

4. *Functions of the Berlin Air Safety Center.*

1/ To have regularly renewed information about the weather conditions and flying facilities over the territory of Germany. To be posted on weather forecasts.

2/ To regulate air traffic of aircraft under conditions of bad visibility or at night within the Control Zone or upon entering the same, giving the time, direction, and height of flight in the zone, thus securing the vertical and horizontal diversion of aircraft necessary to avoid collisions.

3/ To inform the air crews of aircraft approaching the Control Zone, or located in it, about weather conditions and the air situation, giving, if required, and necessary, direction to detour regions with difficult atmospheric conditions, and available free routes to the Control Zone, and airfields in case of forced landings, and other recommendations.

4/ To receive reports from airfields located within the Control Zone about landings of aircraft made at these fields.

5/ To coordinate search for aircraft on request by airfields in those cases where the aircraft is overdue one or more hours past the estimated time of arrival at this airfield.

6/ To be constantly informed about the conditions of airfields, radio means, navigational facilities, as well as other aids for flight security located in the Control Zone.

7/ To inform the airfields located within the Control Zone about proposed landings of aircraft on same, and to receive confirmation from the administration of these airfields about the readiness of the airfields to accept arriving aircraft.

8/ To receive information from airfields and also from aircraft in flight about proposed flights over Control Zone or about landings on airfields within the Zone.

9/ To compile necessary operational and statistical reports.

5. *Scheme of Organization*

1/ The staff of the Berlin Air Safety Center will be composed of representatives from the four Allied nations.

2/ The Director of the Berlin Air Safety Center shall be that of the nation in the chair of the Control Council, and shall be appointed from the Chief Controllers (deputy directors) presented by each nation.

3/ The Berlin Air Safety Center will be subordinated to and will be controlled by the Air Directorate.

4/ The permanent staff of the Berlin Air Safety Center will consist of, from each nation:

a. Chief Controller	1
b. Controllers	3
c. Assistant Controllers (NCO's)	3
d. Interpreters	2
e. Typist	1

f. The necessary quantity of technical personnel for operating the equipment and means of communication of the Berlin Air Safety Center.

6. *The Functional Duties of the Working Organization of the Berlin Air Safety Center.*

1/ *Director of the Berlin Air Safety Center* carries the responsibility for organization and work of the Berlin Air Safety Center. He is responsible for the work of the organization of the Safety Center during his tour of duty. He coordinates the work of the working organization of the Safety Center. All the personnel of the organization are under his direction. He makes decisions and through his assistant gives required orders or recommendations concerning take-offs of aircraft, order of flight in the Control Zone, etc.

The Director of the Berlin Air Safety Center will keep watch over aircraft from take-off to landing and he will initiate measures to search for overdue aircraft.

2/ *Assistant to Director of Berlin Air Safety Center*

a. The Assistant Directorship shall rotate in the same manner as the Chairmanship of the Air Directorate.

b. In the absence of the Director of the Center, during his tour of duty, will have the full authority of the Director of the Berlin Air Safety Center and carry full responsibility for all work of the Berlin Air Safety Center.

c. Will receive reports from the Controllers of the four nations of all take-offs, landings, flights, and through flights of the aircraft of all nations and of change of position in the air. Will always know

the amount of the aircraft which are in flight, their position, and the conditions of the flight. Will keep track of all flights. Will always know the condition of the weather over German territory.

d. Will give the necessary orders about flights to the Controllers of all nations for fulfillment.

e. Will prepare a report to the Director of the Berlin Air Safety Center, or in his absence to the next higher authority, about the performance of work in the Berlin Air Safety Center.

3/ *Controller*

a. Will transmit the orders of the Director or the Assistant to the Director on duty, of flights to the airfields of his own nation.

b. Will always know the amount of aircraft of his nation which are in flight, their position, and the conditions of flight. Will make a report of changes of direction and landings to the Assistant to the Director on duty.

c. Will keep an account about the flights of aircraft of his nation to the Control Zone, on account of take-offs and landings of aircraft in the airfields of his nation.

4/ *Assistant Controller*

a. Will keep track of state of serviceability of the airfields, radio means, navigational aids, and other aids within the airfields of his nation.

b. Will receive all reports by telephone from the technical personnel who service the radio apparatus and will transmit it to the Controller.

5/ *Interpreters*

Ensure mutual understanding between the officers of the working organization of the Safety Center as well as between the Center and authorities of other organizations.

6/ *Technical Staff*

Will service the equipment and means of communication of the Berlin Air Safety Center according to instructions.

7. *Equipment necessary for the Berlin Air Safety Center*

1/ *Means of Communication*

4 Radio receivers, high frequency
4 Radio receivers, high frequency

For communication between the points and receipt of meteorological reports.

2 VHF Receivers and transmitters for direct communication with aircraft in bad weather conditions.
1 Radio teletype machine.
2 Teletype receivers, transmitters
1 Teletype receiver for the receipt of weather reports.

2/ *Other Equipment*

2 Flight progress frame assembly—No.—3038.
12 Flight progress boards—No.—984
2 Platforms —3037
2 Stand "B", for the disposition of aircraft.
240 Flight progress trip holders.
12 Chairs
1 Table
4 Time stamps
4 Clocks
4 Flight progress strip racks for filing of used strips.
4 Air Traffic clearance racks for filing of issued clearance forms.
3 Switchboards for 10 positions for terminating inside and outside telephones.
3 Telephone monitoring jacks.
2 File tables with rollers.
1 Blackboard to show the condition of the airfield runways and radio serviceability.
1 Blackboard for weather reports.

3/ The equipment listed in paragraphs 1 and 2 will be supplied by the four Powers proportionately with the amount of air traffic of the Power to and from Berlin.

8. *Preliminary Lines of Communication for the Berlin Air Safety Center*

1/ For the first period of its work, as far as communications outside the Greater Berlin Area are concerned, the Berlin Air Safety Center will rely on radio communications.

2/ Telephone lines inside of Berlin with airfield duty operations officers in Tempelhof, Gatow, Staachen, Aldershof (Johannestahl) and French airfield.

9. *Comments*

The present paper expounds a scheme in principle for the organization of the Berlin Air Safety Center.

ROBERT W. HARPER
Major General, U.S.A., Chairman
H. E. P. WIGGLESWORTH
Air Marshal, Great Britain
X. DE SEVIN
General of Division, France
T. F. KUTZEVALOV
Lt. Gen. of Avn., U.S.S.R.

Department of the Army Files

Minutes of the Eighteenth Meeting of the Air Directorate, Held at Berlin, December 18, 1945, 10:30 a. m.

[Extracts]

DAIR/M(45)18

MEMBERS PRESENT

Major General R. W. Harper (Chairman)	U.S.A.
Air Marshal H. E. P. Wigglesworth	G.B.
General of Avn. X. de Sevin	France
Major General of Avn. S. K. Kovalev	U.S.S.R.

OTHERS PRESENT

U.S.A.

Colonel Halversen
Colonel Moore
Major Lavrow (Int. R.)
Lt. Stack (Int. F.)

GREAT BRITAIN

Air Vice Marshal Davidson
Wing Commander Hurry
Group Captain Broad
Group Captain MacDonald
F/Lt. Rawlinson (Int. R.)
F/O Pertschuk (Int. F.)

FRANCE

Colonel Bizard
Lt. Colonel Chemidlin
S/Lieut Berdonneau (Int. E.)
Aspirant Tararine (Int. R.)

U.S.S.R.

Sr. Lt. Mosienko (Int. E.)
Jr. Lt. Mirkind (Int. F.)
Lt. Bondarev (Int. F.)

Secretariat

Colonel Martin	U.S.A.
Lt. Colonel La Roche	U.S.A.
Lt. Colonel Hodgson	U.S.A.
Wing Commander Connerton	G.B.
S/O Briggs	G.B.
Lt. Colonel Rocheron	France
Lt. Montreuil	France
Lt. Colonel Chernikov	U.S.S.R.
Major Brailovsky	U.S.S.R.

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b. Item 135—Report of the Deputy Directors on Preparation of Air Directorate Paper on "Organisation of Berlin Air Safety Center" for Transmission to the Coordinating Committee (DAIR/P(45)67–Second Revision [84])

DAIR/P(45)67—second revision—was submitted for the Directorate's consideration.

The Chairman informed the Directorate that this paper contained agreed amendments made by the Deputy Air Directors, and that it had been forwarded to the Coordinating Committee for information. He stated that the amendments were all of a minor nature with no

[84] *Supra.*

changes in principle involved. He recommended that the paper be approved and signed.

After a short discussion,

The Directorate:

(141*b*) approved and signed the Report of the Deputy Directors on preparation of Air Directorate paper on "Organisation of Berlin Air Safety Center" for transmission to the Coordinating Committee (DAIR/P(45)67—second revision)

c. Item 135—Report of the Decisions of the Deputy Directors Concerning Organization of the Berlin Air Safety Center (DAIR/P(45)70)[85]

DAIR/P(45)70 was submitted for the Directorate's consideration.

After a short discussion,

The Directorate decided:

(141*c*) to approve the report of the Decisions of the Deputy Directors concerning organization of the Berlin Air Safety Center (DAIR/P(45)70).

d. Item 136—Report of the Committee on Aviation on the Flight Rules for Aircraft Flying in Air Corridors in Germany and the Berlin Control Zone. (DAIR/P-(45)71)[86]

DAIR/P(45)71 was submitted for the Directorate's consideration.

AIR MARSHAL WIGGLESWORTH expressed agreement with this paper but enumerated certain amendments which he thought should be considered. All of these were accepted by the Directorate and are quoted in Decision (141*d*)

GENERAL KOVALEV offered one amendment which is included in those listed in Decision (141*d*).

GENERAL DE SEVIN and the Chairman expressed agreement with the amendments proposed by AIR MARSHAL WIGGLESWORTH and GENERAL KOVALEV and

The Directorate decided:

(141*d*) *a.* to approve the report of the Committee on Aviation on the flight rules for aircraft flying in air corridors in Germany and the Berlin Control Zone (DAIR/P(45)71) subject to the following amendments:

(1) make reference to Section IV[*V*]—Definitions, at beginning of paper.

(2) *Para. 4a*—add at end of sentence, "and in other Control Zones"

(3) *Para. 4b*—insert the word "Berlin" before the word "Control Zone" (This amendment applies in all other paragraphs where the words "Control Zone" are used alone, with reference to the area controlled by the Berlin Air Safety Center.[)]

[85] Not printed.

[86] Not printed; for text of DAIR/P(45)71 revised, see *infra*.

(4) *Add new sub-paragraph 4j* as follows:
"Obtain clearance for aircraft wishing to proceed to other recognized Control Zones"

(5) *Para. 6a*—change "50 miles (80 kilometers)" to read "75 miles (120 kilometers)".

(6) *Add new sub-paragraph 6d.* as follows: "*d*—when aircraft are departing to another Control Zone, the airfield of departure will obtain clearance through BASC in case Instrument Flight Rules are in force at the airfield of destination. Should this be the case, the BASC will obtain clearance from the Control Zones at destination".

(7) *Para. 7b*—substitute "75 miles (120 kilometers)" for "50 miles (80 kilometers)".

(8) *Para. 8*—add at end of paragraph, "(See paragraph 26)"

(9) *Para. 15b (1)*—in second sentence omit "except by prearrangement between the persons in command of the aircraft"

(10) *Para. 16*—add after the word "landing" the words "in an emergency or when otherwise ordered"

(11) *Para. 26*—substitute the following:

"26. *Quadrantal Height Separation.* Unless otherwise ordered aircraft flying in the Berlin Control Zone or in the corridors leading to it will fly according to Quadrantal Height separation as set out below, although this will not be mandatory except under Instrument Flight conditions. In order to avoid confusion the quadrantal heights applicable to each corridor are set out in para. 40.

Magnetic Heading	*Cruising Altitude (Feet above sea level)*
From 0° up to but not including 90°	Odd thousands of feet (1000 and 3000 etc.)
From 90° up to but not including 180°	Odd thousands of feet plus 500 ft. (1500, 3500 etc.)
From 180° up to but not including 270°	Even thousands of feet (2000, 4000 etc.)
From 270° up to but not including 360°	Even thousands of feet plus 500 ft. (2500, 4500 etc.)"

b. to sign the report when the amendments have been made and to send it to the operating agency for implementation.

c. Report of the Committee on Aviation on the Soviet Proposals Concerning the Fulfillment of the Decisions of the Control Council in that Part Which Deals With Airfields or Accommodation of Airfield Detachments in Western Allied Zones of Occupation. (DAIR/P(45)72)[87]

DAIR/P(45)72 was submitted for the Directorate's consideration.

THE CHAIRMAN stated that the Soviet proposal had been referred by the Committee on Aviation to the Air Directorate for guidance and instructions.

GENERAL KOVALEV pointed out that this paper outlines the basic principles of the establishment of the Soviet airfield points in the Western Zones. The minimum number of personnel for establishment of these

[87] Not printed.

points is adopted with the purpose of not burdening the respective Allied authorities with the presence of large numbers of such personnel. However, this leads to the necessity for some part of the aircraft servicing work to be carried out by Allied personnel with the possible equivalent compensation for this work to be made in the Zone of Greater Berlin. Further, GENERAL KOVALEV stated that the paper did not foresee all the minor details which he hoped would be successfully worked out with each nation separately. In conclusion, he pointed out several minor inaccuracies in the English translation.

AIR MARSHAL WIGGLESWORTH expressed his desire to assist in coming to a speedy and amicable solution to this problem. At first sight it appeared to him that the proposals called for the provision of British personnel to meet some of the requirements of the Soviet detachments, and that the number of personnel necessary could not be estimated until further details of the Soviet requirements were known. This might involve a British manpower problem which would require more detailed consideration. Also the Soviet proposals involved certain technical and administrative problems on which he desired expert advice, and therefore he asked for the consideration of the paper to be deferred in order that the experts could study the questions connected with it. This would inevitably mean a reference to the R.A.F. authorities in the Zone, but the Air Marshal gave his assurance that the utmost effort would be made to obtain a quick decision. He agreed in principle to the granting of lodger rights at the appropriate airfields in the British Zone to the Soviet Air Force detachments, as soon as the actual requirements were established in terms of:

(*a*) Permanent facilities
(*b*) Temporary facilities

and he invited GENERAL KUTSEVALOV and GENERAL KOVALEV or their representatives to visit the British Operational Headquarters to discuss the details of these Soviet requirements. During the course of the discussion, AIR MARSHAL WIGGLESWORTH thanked GENERAL KOVALEV, as the representative of GENERAL KUTSEVALOV, for the prompt action taken by the latter to open the newly agreed corridors.

GENERAL DE SEVIN stated that the French Air Force was prepared to offer every possible assistance to the Soviet Air Force for the mutual benefit of everyone. He pointed out, however, that because of the technical details involved it would be necessary to have more time to study the paper.

THE CHAIRMAN gave assurance that the United States wants to assist the Soviets wherever possible. He stated that the Soviet proposal had been sent to the Headquarters of the U.S. Air Forces for further study of the technical details involved.

GENERAL KOVALEV thanked all the Directors for active participation in this question, the discussion of which was directed to the positive solution of this question, and the General noted that the request of the Soviet Union concerning the technical and material servicing of the aircraft obviously would be very insignificant because the supply base would be the Berlin Area. In conclusion, GENERAL KOVALEV pointed out that, as there were no objections in principle to the Soviet proposal, he considered that this question should be decided as quickly as possible.

THE CHAIRMAN, summarising the exchange of views, pointed out that the Soviet proposal would be sent to the Committee on Aviation for them to commence study as soon as information regarding the technical details in the Western Zones, and more detailed information regarding the Soviet requirements, had been obtained.

Accordingly,

The Directorate decided:

(141*e*) *a.* to postpone final decision concerning the question of Soviet proposals on the setting up of facilities for Soviet aviation until its next meeting so as to have time to study these proposals in detail.

b. to direct the Committee on Aviation to study in detail the Soviet proposal concerning the setting up of facilities for its aviation on flights to the Western Zones of occupation and to submit its recommendations as to principles involved in the Soviet proposal at the next meeting of the Air Directorate.

c. to direct the Committee on Aviation to prepare concrete proposals for the implementation of the above established principles when the necessary studies have been made by the zonal authorities, for consideration no later than the Twentieth meeting of the Air Directorate.

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ROBERT W. HARPER
Major General, U.S.A., Chairman
H. E. P. WIGGLESWORTH
Air Marshal, Great Britain
X. DE SEVIN
General de Division, France
T. F. KUTZEVALOV
Lt. Gen. of Avn., U.S.S.R.

728-099—68——101

Department of the Army Files

Report of the Committee on Aviation of the Air Directorate

DAIR/P(45)71 Revised [BERLIN,] 31 December 1945.

FLIGHT RULES FOR AIRCRAFT FLYING IN AIR CORRIDORS IN GERMANY AND BERLIN CONTROL ZONE

SECTION I

GENERAL

1. *a. Object.* To ensure the maximum safety in flight of all aircraft flying in corridors and in the Berlin Control Zone under all conditions.

b. Definition. Definitions of terms used in this paper are contained in Section V.

2. *Air Corridors in Germany.* The following air corridors have been established:

Frankfurt–Berlin
Bückeburg–Berlin
Hamburg–Berlin

Each of the above corridors is 20 English miles (32 kilometers) wide, i.e., 10 miles (16 kilometers) each side of the center line. It is probable that from time to time additional corridors may be established, and these rules apply equally to any such corridors.

3. *Berlin Control Zone (B.C.Z).* The Berlin Control Zone is defined as the air space between ground level and 10,000 feet (3000 meters) within a radius of 20 miles (32 kilometers) from the Allied Control Authority Building, in which is established the Berlin Air Safety Center (B.A.S.C.).

4. *Berlin Air Safety Center (B.A.S.C.).* The Berlin Air Safety Center has been established in the Allied Control Authority Building with the object of ensuring safety of flight for all aircraft in the Berlin area. The Safety Center regulates all flying in the Berlin Control Zone and also in the corridors extending from Berlin to the boundaries of adjacent control zones. The functions of the Berlin Air Safety Center are as follows:

a. To maintain up-to-date information on the state of the weather over German territory and in other Control Zones.

b. To regulate air traffic in the Berlin Control Zone (in conditions of bad visibility and at night) by fixing the time, course, and height of flight, and ensuring the vertical and horizontal separation of aircraft necessary to avoid collision.

c. To inform crews of aircraft in or near the Berlin Control Zone of the weather conditions and the situation in the air, giving, if neces-

sary, recommendations on courses to detour areas with bad meteorological conditions, or give routes in the limits of the Berlin Control Zone and other recommendations.

d. To receive information from airfields located in the Berlin Control Zone on aircraft landings thereon.

e. To co-ordinate search for aircraft on request by airfields in those cases where the aircraft is one or more hours overdue.

f. To be constantly informed of the conditions of airfields, radio facilities, and navigational and other aids for flight security, situated in the Berlin Control Zone.

g. To inform airfields located within the Berlin Control Zone about proposed landings of aircraft on them and to receive confirmation from those airfields about their readiness to accept arriving aircraft.

h. To receive information from airfields, and also from aircraft in flight, about proposed flights over the Berlin Control Zone and about landings on airfields within the Zone.

i. To compile necessary operational and statistical reports.

j. To obtain clearance for aircraft wishing to proceed to other recognized Control Zones.

5. Control of aircraft traffic by the B.A.S.C. is normally exercised through the appropriate national airfields in the Berlin Control Zone.

6. *Aircraft Flying to and from Berlin Under Visual Flight Rules (VFR).*

a. Arriving aircraft will contact the airfield of destination in the Berlin Control Zone at a distance of 75 miles (120 kilometers) from Berlin, giving their estimated time of arrival, altitude and other information as appears necessary. (This communications contact is not mandatory but is desirable). The airfield at which the aircraft arrives will inform the B.A.S.C. of such arrival.

b. Departing Aircraft. The airfield clearing departing aircraft in the Berlin Control Zone will inform the B.A.S.C. of each departure.

c. Aircraft without two-way radio or whose radio has failed are free to fly into or out of the Berlin Control Zone in accordance with Visual Flight Rules (Section III).

d. When aircraft are departing to another Control Zone, the airfield of departure will obtain clearance through B.A.S.C. in case Instrument Flight Rules are in force at the airfield of destination. Should this be the case, the B.A.S.C. will obtain clearance from the Control Zones at destination.

7. *Aircraft Flying to and from the Berlin Control Zone Under Instrument Flight Rules (IFR).*

a. Aircraft flying into and out of the Berlin Control Zone will operate under Instrument Flight Rules (IFR), (Section IV), when the

visibility is less than 3 miles (5 kilometers) or the ceiling is less than 1000 feet (300 meters).

b. Incoming aircraft will be required to contact by radio the airfield of destination when not less than 75 miles (120 kilometers) from the Berlin Control Zone. Airfield of destination will inform B.A.S.C. accordingly, which will issue an air traffic clearance and such other information and instructions as appear necessary for safety.

c. All landings, under instrument flight conditions, will be controlled by the airfield of destination, which will have previously obtained all necessary instruction and information from B.A.S.C.

d. Departing aircraft must be cleared through B.A.S.C. which will approve the flight plan as filed or indicate such changes as may be necessary to ensure adequate separation.

8. *Aircraft Crossing Corridors.* Aircraft will call whenever possible, the appropriate communications station, and obtain clearance prior to crossing a corridor. When aircraft are unable to receive clearance to cross corridors, they will cross at a magnetic heading of 90 degrees to that corridor and at an altitude appropriate to the quadrant in which the heading lies. (See paragraph 26)

Section II

GENERAL FLIGHT RULES

9. Aircraft shall be flown at all times in compliance with the rules contained in this Section and in addition shall comply with either the Visual Flight Rules or the Instrument Flight Rules.

10. *Preflight Action.* Prior to commencing a flight, the person in command of an aircraft shall familiarize himself with information necessary for the proper operation of the aircraft enroute and on the airfields which may be used.

11. *Airspace Restrictions.* Aircraft shall not be flown over areas, particulars of which have been duly published and where flight is restricted by a state, except in accordance with the terms of such permission as may be granted by the appropriate authority.

12. *Reckless Flying.* An aircraft shall not be operated in a negligent manner or in a reckless manner so as to endanger life or property of others.

13. *Landing and Take-off Rules.* The person in command of an aircraft operated on or in the vicinity of an airfield shall comply with the following rules:

a. Observe other airfield traffic for the purpose of avoiding collision.

b. Conform to or avoid the pattern of traffic formed by other aircraft in operation.

c. Make all turns to the left, when approaching for a landing and after taking off, unless otherwise prescribed by the appropriate authority or instructed by airfield control.

d. If airfield control is in operation,

(1) Maintain a continuous watch on the appropriate radio channel, or if this is not possible, keep a watch for such instructions as may be issued by visual means.

(2) Obtain, either by radio or visual signal, such authorization for his movements as may be necessary for the protection of airfield traffic.

e. If airfield control is not in operation, landing and taking off shall, insofar as practicable, be into the wind.

14. *Air Traffic Control Instructions.* The person in command of an aircraft operated in areas where air traffic control is exercised shall comply with Air Traffic control instructions received.

15. *Right-of-Way Rules.*

a. General

(1) An aircraft shall not be operated in such proximity to other aircraft as to create a collision hazard. Flight in formation is prohibited. An aircraft which is obliged by the following rules to keep out of the way of another shall avoid passing over or under the other, or crossing ahead of it, unless passing well clear of it.

(2) The aircraft which has the right-of-way shall normally maintain its course and speed; nevertheless, nothing in these rules shall absolve the person in command of an aircraft from taking such action as will best aid to avert collision.

(3) *Proximity.* Aircraft shall be flown at least 500 feet (150 meters) apart except by pre-arrangement of the pilots in command of the aircraft.

b. Converging.

(1) An aircraft shall give way to another aircraft of a class different from its own in the following order:

(*a*) mechanically-driven aircraft;
(*b*) airships;
(*c*) gliders;
(*d*) balloons.

(2) When two aircraft of the same class are at approximately the same altitude, the aircraft which has the other on its right shall give way, nevertheless, mechanically-driven aircraft shall give way to aircraft which are seen to be towing another aircraft.

c. Approaching Head-on. When two aircraft are approaching head-on, or approximately so and there is danger of collision, each shall alter its course to the right, as soon as visible to each other, and at a distance not less than 1500 feet (500 meters).

d. Overtaking. An aircraft which is being overtaken has the right-of-way and the overtaking aircraft, whether climbing, descending or in horizontal flight, shall keep out of the way of the other aircraft by altering its course to the right, and no subsequent change in the relative positions of the two aircraft shall absolve the overtaking aircraft from this obligation until it is entirely past and clear. This alteration of course should be made when the overtaking aircraft is not less than one mile (1500 meters) from the overtaken aircraft.

Note: An overtaking aircraft is an aircraft which approaches another from the rear on a line forming an angle of less than 70 degrees with the plane of symmetry of the latter, i.e., is in such a position with reference to the other aircraft that at night it should be unable to see either of that aircraft's forwardlights.

e. Landing.

(1) Aircraft, while landing or maneuvering in preparation to land, have the right-of-way over other aircraft in flight or on the ground or water.

(2) In the case of two or more mechanically-driven aircraft approaching an airfield for the purpose of landing, the aircraft at the lower altitude has the right-of-way, but it shall not take advantage of this rule to cut in in front of another which is descending in a straight line for the purpose of landing, or to overtake that aircraft.

f. Taking Off. An aircraft about to take off shall not attempt to do so until there is no apparent risk of collision with another aircraft.

g. Emergency Landing. An aircraft which is aware that another is compelled to land shall give way to that aircraft.

16. *Minimum Safe Altitudes*—Except when necessary for taking off and landing in an emergency or when otherwise ordered, aircraft shall be flown:

a. When over the congested areas of cities, towns, settlements, or open air assemblies of persons, at altitudes sufficient to permit emergency landings outside such areas and in no cases less than 1,000 feet (300 meters) above such areas.

b. When elsewhere than as specified in paragraph *a*, at an altitude of not less than 500 feet (150 meters).

17. *Towing Objects.* The person in command of an aircraft shall not permit anything to be towed by such aircraft, except in accordance with requirements prescribed by the appropriate authority.

18. *Dropping Objects.* The person in command of an aircraft shall not permit anything to be dropped from the aircraft in flight which might create hazard to person or property on the ground or water.

19. *Parachute Descents.* Parachute descents, other than necessary emergency descents, shall not be made unless authorized by the appropriate authority.

20. *Acrobatic Flight.* No aircraft shall be acrobatically flown so as to endanger air traffic; furthermore, the performance of acrobatics over certain areas may be subject to the consent of the appropriate authority.

21. *Additional Rules for Night Operations.*

a. Lights

(1) Aircraft in Operation—By night all aircraft being operated shall display lights.

(2) Aircraft Not in Operation—By night at all airfields used or available for night flying, all aircraft parked or moving on the Movement Area or in dangerous proximity thereto, shall be clearly illuminated or lighted, or the area which they occupy marked with obstruction lights.

b. Flights within Control Areas or Control Zones. All aircraft being operated at night within control areas or control zones shall be flown in accordance with the Instrument Flight Rules or as otherwise authorized by B.A.S.C. or other Air Traffic Center.

22. *Authority of Person in Command of an Aircraft.* The person in command of an aircraft shall be directly responsible for its operation and shall have final authority as to disposition of the aircraft while he is in command, which shall include the maintaining of discipline of all persons on board.

23. *Notification of Arrival.* A person in command of an aircraft making a flight for which a Flight Plan has been filed shall be responsible for ensuring that an arrival message is submitted immediately upon landing for transmission to the appropriate agency.

Section III

VISUAL FLIGHT RULES (VFR)

24. *Within Control Zones.* An aircraft operated within a Control Zone shall be flown at least 2,000 feet (600 meters) horizontally and 500 feet (150 meters) vertically from all clouds, and with a flight visibility of at least 3 statute miles (5 kilometers), unless

a. otherwise authorized by B.A.S.C. or other Air Traffic Center; or

b. flown in accordance with Instrument Flight Rules.

25. *Within Corridors and Control Areas but Outside of Control Zones.*

a. At or above 700 feet (200 meters) above the ground or water—Aircraft shall be flown in accordance with the rules applicable to flight within control zones.

b. Below 700 feet (200 meters) above the ground or water—Aircraft shall be flown clear of clouds and within sight of the ground or water.

26. *Quadrantal Height Separation.* Unless otherwise ordered aircraft flying in the Berlin Control Zone or in the corridors leading to

it will fly acording to Quadrantal Height separation as set out below, although this wil not be mandatory except under Instrument Flight conditions. In order to avoid confusion the quadrantal heights applicable to each corridor are set out in para. 40.

Magnetic Heading	*Cruising Altitude (Feet above sea level)*
From 0° up to but not including 90°	Odd thousands of feet (1000 and 3000 etc)
From 90° up to but not including 180°	Odd thousands of feet plus 500 ft. (1500, 3500 etc)
From 180° up to but not including 270°	Even thousands of feet (2000, 3500 etc)
From 270° up to but no including 360°	Even thousands of feet plus 500 ft. (2500, 4500 etc.)

SECTION IV

INSTRUMENT FLIGHT RULES (IFR)

27. Aircraft within corridors or within the Berlin Control Zone shall be flown in accordance with the rules contained in this section except as provided in the Visual Flight Rules.

28. *Pilot Qualification.* The person in command of an aircraft shall be qualified for flight under Instrument Flight Rules.

29. *Aircraft Equipment.* Aircraft shall be equipped for IFR Flight to include:

a. Suitable flight instruments.

b. Radio Equipment so as to maintain two-way communication with the B.A.S.C. or other Air Traffic Centers.

c. Radio navigation equipment appropriate to the route to be flown.

30. *Altimeter.* At least one sensitive altimeter in each aircraft will be set to current pressure at mean sea level of the area in which the aircraft is flying.

31. *Fuel Requirements.* No aircraft shall take off without fuel and oil sufficient, considering the wind and other weather conditions forecast for the flight, at least;

a. to complete such flight to the point of first intended landing, and thereafter,

b. to fly to and land at the alternate airfield designated in the flight plan, and thereafter,

c. to fly, at normal cruising consumption, for a period of at least 45 minutes.

32. *Weather Minima*—Landing and take off minima at their stations will be established by each agency operating aircraft in Europe.

33. *Alternate Airfield*—No take off of aircraft will be made unless:

a. The alternate airfield named in the flight plan has a landing area suitable for the aircraft to be used, and

b. Weather reports and forecasts indicate that the weather conditions at the alternate airport will remain at or above the minima

specified by the operating agency until the arrival of the aircraft thereat.

34. *Over-the-top Flight*—Such flight shall be governed by Instrument Flight Rules whenever the attitude of the aircraft and the flight path cannot be controlled at all times by visual reference to the ground or water.

35. *Preflight Action*—Prior to commencing a flight, the person in command of an aircraft shall make a careful study of available current weather reports and forecasts, and shall determine that the flight can be made with safety, taking into consideration fuel requirements and alternate course of action in the event that flight cannot be completed as planned.

36. *Flight Plan*—Prior to take-off from any point within or prior to entering a Control Area or Control Zone, a Flight Plan shall be filed with the appropriate Air Traffic Center. (B.A.S.C.). Such Flight Plan shall contain the following information unless otherwise authorized by B.A.S.C. or other Air Traffic Center.

a. the aircraft identification and radio call sign;

b. the type of aircraft involved;

c. the name of the person in command of the aircraft;

d. the point of departure;

e. the cruising altitude, or altitudes, and the route to be followed;

f. the point of first intended landing;

g. the proposed true air speed at cruising altitude;

h. transmitting and receiving frequency or frequencies to be used;

i. the proposed time of departure, or entry in Control Area or Control Zone;

j. the estimated elapsed time until arrival over the point of first intended landing;

k. the alternate airfield;

l. the amount of fuel on board expressed in hours;

m. any other pertinent information which the person in command of the aircraft, or the Air Traffic Center, deems necessary for control purposes.

37. *Air Traffic Clearance*—Prior to operating an aircraft in a Control Area or a Control Zone, a traffic clearance based on the flight plan shall be obtained from the appropriate Air Traffic Center. Aircraft shall be flown in accordance with an air traffic clearance and, where applicable, shall follow the published instrument approach procedure for the airfields to be used. No deviations shall be made from the requirements of an air traffic clearance unless an emergency situation arises which necessitates immediate action, in which case as soon as possible after such emergency authority is exercised, the person in command of the aircraft shall inform the appropriate Air

Traffic Center of the deviation and, if necessary obtain an amended clearance.

38. *Communication Contacts*—When the flight is made within Control Areas or Control Zones, the person in command of an aircraft shall be responsible for ensuring that a continuous listening watch is maintained on the appropriate radio frequency and that the time and altitude of passing each designated point, together with any other required information, are reported by radio as soon as possible to the appropriate Air Traffic Center.

39. *Communication Failure*—In the event of inability to maintain two-way radio communication as required by Paragraph 38 above, the person in command of an aircraft shall observe one of the following procedures in the order listed:

a. Proceed according to current air traffic clearance, or, if not received, according to Flight Plan, and commence descent at destination at approach time last authorized, or, if not received, at the estimated time of arrival specified in Flight Plan;

b. Proceed in weather conditions equal to or better than those specified in the Visual Flight Rules;

c. Land as soon as practicable.

40. *Corridor Cruising Altitudes*

a. Except when necessary for taking off or landing, aircraft operating in a Corridor shall be flown at not less than 1000 feet (300 meters) above the surface.

b. Aircraft operating in the corridors shall fly at the cruising altitudes indicated below:

From	*To*	*Cruising*
Berlin	Frankfurt	Even thousands feet (Even multiples of 300 m.)
Frankfurt	Berlin	Odd thousands feet (Odd multiples of 300 m.)
Berlin	Bückeburg	Even thousands+500 (Even multiples of feet 300 m.+150 m.)
Bückeburg	Berlin	Odd thousands+500 (Odd multiples of feet 300 m.+150 m.)
Berlin	Hamburg	Even thousands+500 (Even multiples of feet 300 m.+150 m.)
Hamburg	Berlin	Odd thousands+500 feet (Odd multiples of 300 m.+150 m.)

SECTION V

DEFINITIONS

41. *Acrobatic Flight.* Maneuvers intentionally performed by an Aircraft involving an abrupt change in its attitude, an abnormal attitude, or an abnormal speed.

42. *Airfield Traffic.* Aircraft operating on and in the vicinity of an airfield.

43. *Airfield.* A defined area on land or water including any buildings or installations, normally used for the take-off and landing (alighting) of aircraft.

44. *Airfield Control.* A service established to provide air traffic control for airfields.

45. *Air traffic.* Aircraft in operation anywhere in the airspace and on the Movement area of an airfield.

46. *Air Traffic Clearance.* Authorization by Air Traffic Control for an aircraft to proceed under specified conditions.

47. *Air Traffic Center.* An agency established to promote the safe, orderly, and expeditious flow of air traffic.

48. *Air Traffic Control Area.* (See *Corridor*)

49. *Air Traffic Control Zone.* (See *Control Zone*)

50. *Air Traffic Controller*—A person responsible for the control of air traffic while on duty at an Air Traffic Center (Air Safety Center).

51. *Alternate Airfield.* An airfield specific in the Flight Plan to which a flight may proceed when a landing at the intended destination becomes inadvisable.

52. *Approach Time.* The time at which an aircraft is expected to commence its approach procedure preparatory to landing.

53. *Airway Communications Station.* A radio, teletype or other communications station.

54. *Cloud Ceiling.* Cloud ceiling is the distance in feet from ground level to the base of the clouds.

55. *Control Tower.* A facility established at an airfield to provide Airfield Control Service.

56. *Control Area.* An airspace of defined dimensions designated by the appropriate authorities to embrace corridor control zones, or similar areas.

57. *Control Zone.* An airspace of defined dimensions designated by the appropriate authorities to include one or more aerodromes and within which rules additional to those governing flight in control areas apply for the protection of air traffic against collision.

58. *Cruising Altitude.* A constant altimeter indication maintained during a flight or portion thereof.

59. *Flight Plan.* Specified information relative to the intended navigation of an aircraft.

60. *Flight Visibility.* The pilot's average range of vision, except for landing and taking off at a location where there is an accredited observer, in which case the visibility shall be that reported by such observer.

61. *IFR.* The symbol used internationally to designate the term "Instrument Flight Rules".

62. *IFR Flight.* The flight of an aircraft conducted in accordance with Instrument Flight Rules under conditions of visibilities or cloud ceilings lower than the minimums prescribed in Rules of the Air for Visual Flight.

63. *Movement Area.* The part of an airfield reserved for the taking off, landing and maneuvering of aircraft. (Landing, Take off and Taxing Area).

64. *Night.* The hours of darkness between sunset and sunrise or such other period between sunset and sunrise as may be prescribed by the appropriate authority.

65. *Reporting Point.* A geographical location, in relation to which the position of an aircraft is to be reported.

66. *Visual Flight.* The flight of an aircraft in which the attitude [*altitude?*] and its flight patch [*path?*] can at all times be controlled by means of visual reference to the earth's surface.

67. *VFR.* The symbol used internationally to designate the term "Visual Flight Rules".

68. *VFR Flight.* The flight of an aircraft conducted in accordance with Visual Flight Rules under conditions of visibilities or cloud ceilings at or above the minimums prescribed in Rules of the Air for Visual Flight.

69. *Traffic Clearance.* An approval of a flight or portion thereof by an Air Traffic Center or Control Tower with regard only to prevention of collision between aircraft whose movements are known.

70. *Visibility.* The greatest mean distance measured horizontally at which conspicuous objects can be seen and identified with the normal eye.

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