

EUROPE

CONCERN OF THE UNITED STATES OVER PROBLEMS INVOLVING DISPLACED PERSONS AND REFUGEES; TRANSFER OF GERMAN MINORITIES; REPATRIATION OF INTERNED CIVILIANS, EX-ENEMY NATIONALS, AND LIBERATED SOVIET PRISONERS OF WAR; EFFORTS TO REGULATE THE MIGRATION OF JEWS FROM POLAND INTO THE UNITED STATES ZONES OF OCCUPATION IN GERMANY AND AUSTRIA ¹

840.4016/1-246: Telegram

The United States Representative in Hungary (Schoenfeld)² to the Secretary of State

SECRET

BUDAPEST, January 2, 1946—4 p. m.

US URGENT

[Received 9:21 p. m.]

1. I handed Foreign Minister ³ today *note verbale* ⁴ in sense of first paragraph Deptel 879, Dec 27 ⁵ and in reply to Foreign Office note Dec 15 reported in mytel 1120, Dec 17.⁷

I inquired whether Hungarian Govt's position as stated on Dec 15 had changed in view of announcement today that Govt has issued decree relating to expulsion of Germans from Hungary. Under this decree substantially all Hungarian Nationals who at last census declared their mother tongue to be German are subject to deportation with certain authority to make exceptions vested in a commission to be appointed by Ministry of Interior. Gyöngyösi said decision of

¹ For previous documentation on displaced persons and refugees, see *Foreign Relations*, 1945, vol. II, pp. 1146 ff.; on transfer of German populations, *ibid.*, pp. 1227 ff., on repatriation of Soviet prisoners of war, *ibid.*, vol. V, pp. 1067 ff.

² H. F. Arthur Schoenfeld headed the U.S. Mission to Hungary. On January 26, 1946, upon presentation of his credentials as Minister, the office at Budapest was changed from a Mission to a Legation.

³ János Gyöngyösi.

⁴ Not printed.

⁵ *Foreign Relations*, 1945, vol. II p. 1326. The telegram stated the Department's preference that Hungary not deport all Germans from its territory.

⁷ *Ibid.*, p. 1325. The telegram reported that it was the intention of the Hungarian Government to deport only certain objectionable categories of Germans. For text of Foreign Office *Note Verbale* No. 139/Res/Be/1945 (transmitted to the Department as an enclosure to Despatch 775, January 2, 1946, not printed), see Stephen D. Kertesz, *Diplomacy in a Whirlpool: Hungary Between Nazi Germany and Soviet Russia* (Notre Dame, Indiana, University of Notre Dame Press, 1953), Document No. 11.

Govt to increase number of Germans to be deported beyond objectionable categories previously specified was not in accordance with his own ideas but he had been overruled by Cabinet.

He said January 1941 census showed about 477,000 who had declared German to be their mother tongue. This figure compares with semi-official estimate in local press that about 430,000 Germans would be subject to deportation under latest decree which is to be implemented by supplementary regulations not yet issued.

Gyöngyösi expressed fear Govt's action in this matter would be bad precedent in dealing with Hungarian minority in Czechoslovakia⁸ apart from economic effect of loss of all Germans here and humanitarian aspects.

Sent Dept, repeated to Berlin as No. 1, to London as No. 1 and to Moscow as No. 1.

SCHOENFELD

840.4016/1-446: Telegram

The United States Representative in Hungary (Schoenfeld) to the Secretary of State

SECRET

BUDAPEST, January 4, 1946—noon.

[Received January 6—2:48 p. m.]

19. Mytels 1 and 7,⁹ January 2. We learn on good authority that long conversation between Rakosi¹⁰ and Tildy¹¹ paved way for unexpected Cabinet acceptance of German deportation decree based on principle collective responsibility. Five members of Cabinet, including Gyöngyösi and Ries,¹² voted against proposal. Szakasits¹³ and Ronai¹⁴ who also opposed were absent. Reportedly Gyöngyösi wished to resign but was persuaded resignation on German issue impolitic and Cabinet was apparently swayed because ACC here had demanded removal maximum figure. Bevin's speech naming 500,000 was also used as argument. Unfortunately further presentation of

⁸ For documentation on concern of the United States over the dispute between Hungary and Czechoslovakia regarding the exchange of populations and revision of frontiers, see vol. VI, pp. 361 ff.

⁹ Telegram 7 transmitted the essential provisions of the government decree dated December 22 regarding eviction of the German minority from Hungary. It provided for the expulsion of all who declared that they were of German nationality, who re-Germanized their Hungarian names, or were members of the Volksbund or any armed German unit. Certain exceptions were allowed based on age, occupation, etc.; also, persons affected by the decree were forbidden to dispose of their property which was to be held in escrow. (840.4016/1-246)

¹⁰ Mátyás Rákosi, Deputy Prime Minister of Hungary.

¹¹ Zoltán Tildy, Prime Minister of Hungary.

¹² István Ries, Hungarian Minister of Justice.

¹³ Árpád Szakasits, Deputy Prime Minister of Hungary.

¹⁴ Sándor Rónai, Hungarian Minister of Commerce.

our point of view (Dept's 879, December 27¹⁵) arrived too late to affect decision.

Whether Soviet chairman ACC deliberately misunderstood 500,000 figure as a Potsdam directive rather than merely a maximum for planning purposes is unknown. Preface to Govt's decree states decree was being issued with regard to execution of a decision of Allied Control Council (Berlin) on November 20.¹⁶ That decree is now based on collective responsibility and may be result of honest confusion as to Allied aims (mytels 1104, December 15¹⁷ and 1129 [1120], December 17¹⁸ and despatch 645, December 5¹⁹) but there is also possibility that Czechs may have made representations in Moscow after Praha negotiations on Hungarian minority raised spectre of Hungarian claims for land (last para mytel 1104, December 15²⁰). Consequently local Communists may have been directed to support present decree prepared under direction of Communist Min of Interior.²¹

Gyöngyösi believes there may be this connection and is dismayed that Hungarians have now accepted the collective principle. Moreover, it may be Pan-Slav policy to remove all Germans in Central Europe westward of *cordon sanitaire* line (mytel 1124, December 19²²).

Sent Dept; rptd London as 5; to Moscow as 5; to Berlin as 3 and Praha as 1.

SCHOENFELD

¹⁵ See footnote 5, p. 128.

¹⁶ The text of the plan for transfer of German populations from Austria, Czechoslovakia, Hungary, and Poland into the four occupied zones of Germany is contained in telegram 1147, November 30, 1945, from Berlin, *Foreign Relations*, 1945, vol. II, p. 1316.

¹⁷ This telegram stated that the Hungarian Foreign Minister reported confusion in the government over whether to deport 500,000 Germans, basing the figure on strict nationality lines, or 300,000, if only objectionable categories were expelled. For text, see *Foreign Relations*, 1945, vol. II, p. 1324.

¹⁸ See footnote 7, p. 128.

¹⁹ Not printed; it transmitted text of a note from the Hungarian Government, dated December 1, 1945, on expulsion of the German minority, which is reprinted in Kertesz, *Diplomacy in a Whirlpool*, p. 247. The note distinguished between expatriation of objectionable categories and expatriation based solely on ethnic origin. The Hungarian Government expressed itself as being in opposition to the latter as well as to any kind of collective punishment.

²⁰ This paragraph expressed the thought that the Soviets might be pressuring Hungary to expel as many Germans as possible since the resulting vacuum would allow for the repatriation of all Hungarians from Slovakia. For text, see *Foreign Relations*, 1945, vol. II, p. 1324.

²¹ Imre Nagy.

²² Not printed; it transmitted a recent report that the Soviets had settled 1300 Ukrainian families in Western Hungary. This was alleged to be the first step in a Slavic *cordon sanitaire* in Western Hungary linking the Slovaks and Yugoslavs. (840.4016/12-1945)

800.4016 DP/1-1046 : Telegram

*The United States Political Adviser for Germany (Murphy) to the
Secretary of State*

TOP SECRET

BERLIN, January 10, 1946—6 p. m.
[Received January 12—11:33 p. m.]

79. Reference Dept's 1137, December 26, 7 p. m. my 1074 of November 22, 2 p. m. and my 1343 of December 28, 2 p. m. pertaining to infiltration of Polish Jews into Berlin.²³

Matter discussed in Kommandatura and Soviet member stated that as obviously migrant Jews could not reach Berlin without crossing Soviet zone, Soviet authorities propose establishing camp at Prenzlau for subject persons found in Soviet sector. Camp was to be unguarded and a temporary haven only as Jews subsequently were to be allowed to settle any place in Soviet zone desired. This was believed temporary and partial solution to problem as migrants first appeared at Jewish areas in Soviet sector. Latter housed approximately 2000 Jews.

When Soviets appeared with trucks on morning of January 7 to transfer Jews to Prenzlau [Gemeinde], shelters were found deserted. On same morning pregnant Polish Jewish women admitted to camp in US sector refused to accept transportation to take them to Soviet sector to join husbands in transfer to Prenzlau, stating their husbands were not in Soviet sector.

Approximately 400 Jews who had been in Soviet sector were discovered on January 9 at self-established camp in US sector. Later same day delegation from this group received appointment with Colonel F. L. Howley, Director, Office of Military Govt, Berlin, and deputy to General Barker, US representative on Kommandatura, to present petition. Delegation "demanded" (to use Colonel Howley's word) food, clothing, and fuel. Delegation insisted that none of Polish migrant Jews wanted to or would move east. Howley believes nucleus in US sector will attract majority of those formerly in Soviet sector and perhaps many of 2700 accommodated in French sector. At present it is estimated about 6000 Polish Jews are in Berlin.

²³ None printed; for documentation on the migration of Polish Jews into Germany, see *Foreign Relations*, 1945, vol. II, pp. 1224 ff. Telegram 1137 requested specific information concerning alleged acts of persecution from Polish Jews who had emigrated. Telegram 1074 estimated that roughly 200 Jews were entering Berlin daily from the East and stated that since approximately November 1, 90 percent were Polish Jews. It also reported the suspicion of some officials in the U.S. zone that the westward flow of Polish Jews was a planned movement. Telegram 1343 stated that approximately 4000 Polish Jews had arrived in Berlin. Most of them had fled fearing persecution in Poland and did not intend to return, expressing a preference to migrate to Palestine, the United States, South America, France, and England. Evidence from interviews seemed to indicate that the movement was organized. (840.48 Refugees/12-2645; 840.48 Refugees/11-2245; 800.4016 DP/12-2845)

While recognizing current phase of problem is Kommandatura's responsibility, Howley argues that ultimately it will be a Control Council matter. On that basis he approached General Clay ²⁴ on afternoon of January 9 to ascertain Allied Control authority policy in order that he might adjust his actions accordingly. He was advised by General Clay to provide for these migrants in US sector but on a temporary basis only, using military supplies if necessary.

Repeated to Warsaw respectively as Dept's 362, my 88 and 121.

MURPHY

840.48 Refugees/1-1146: Telegram

The Ambassador in Poland (Lane) to the Secretary of State

RESTRICTED

WARSAW, January 11, 1946—10 a. m.

PRIORITY

[Received January 12, 1946—11:07 a. m.]

53. At suggestion of Vice President Szwalbe,²⁵ I invited three Jewish leaders to visit me re influx of Polish Jews into US occupied zones of Germany. As Sommerstein ²⁶ was seriously ill, only Szuldenfrei ²⁷ (member of KRN and Jewish bund) and Adolf Berman ²⁸ (brother of Jakub ²⁹ and Communist) called January 9 and reported substantially as follows:

There have been a few murders of Polish Jews in some small towns but none in large cities. Chief reason for desire of Polish Jews to leave country is psychological: They do not wish to remain in country which to them is a cemetery with three million Jews dead during occupation. Those Jews coming from east of Curzon Line ³⁰ return without finding families and with only small percentage of Jewish population. They naturally prefer to leave country with view of going Palestine or US. Zionist movement (Poalej-Syon) is encouraging exodus of Jews although Central Committee of Jewish Party in Poland is not unanimous in encouraging Jewish exodus.

Reports of ill-treatment of Polish Jews in Poland greatly exaggerated. No pogroms. Exaggerated stories are told partly due to

²⁴ Lt. Gen. Lucius D. Clay, Deputy Military Governor, U.S. Zone of Occupation in Germany; U.S. member, Coordinating Committee, Allied Control Council for Germany; Director, Office of Military Government of the United States for Germany (OMGUS).

²⁵ Stanislaw Szwalbe, Vice President of the Polish National Council of the Homeland.

²⁶ Emil Sommerstein, Chief, Bureau of Damages and Compensation, Praesidium, Polish National Council of the Homeland.

²⁷ Michal Szuldenfrei, Director, Legal Bureau, Praesidium, Polish National Council of the Homeland.

²⁸ Adolf Berman, Deputy, Praesidium, Polish National Council of the Homeland.

²⁹ Jakub Berman, Under Secretary of State, Council of Ministers, Polish National Council of the Homeland.

³⁰ For information on the Curzon Line, see *Foreign Relations*, 1945, vol. v, p. 116, footnote 27a.

hatred between Jews and Poles but principally to justify their desire to leave Poland. Remnants of anti-Semitic policy pursued not only by Hitler but by Beck ³¹ Govt as well still remain in Poland. Every effort being made by Govt to stamp out anti-Semitism. Osobka-Morawski's ³² recent speech confirms this.

Central Jewish Committee about January 6 appealed to Jews in Poland to avoid panicky flight from country ensuring them that possibilities exist for building their future life within Poland.

In foregoing, report from group outstanding Polish Jews seems to me to be objective. I am, however, sending a member of staff to Lodz which is regarded now to be assembling point for those Jews to be sent from country to investigate whether any group of persons or organization is organizing transport of Jews to our zones.³³

Sent Dept as 53; repeated Berlin as 5.

LANE

800.4016 DP/2-646: Telegram

Mr. Alexander C. Kirk, United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

SECRET

CASERTA. February 6, 1946—noon.

[Received 4:37 p. m.]

151. Reference our 55 of 14 Jan 10 a. m.³⁴ British authorities at AFHQ requested clarification from WarOff regarding question of handing over by force liberated Soviet citizens. WarOff has now instructed them along following lines:

³¹ Josef Beck, Polish Foreign Minister, 1932-39.

³² Edward Osóbka-Morawski, Polish Prime Minister.

³³ In telegram 65, January 14, Ambassador Lane reported on four interviews which he had had during the last 2 days concerning the Jewish exodus. The evidence therefrom indicated that Jews were being assembled in Lodz under Zionist auspices and persuaded to go to the American zone in Germany whence they could proceed to Palestine. This emigration process, however, was not officially sanctioned by the Polish government. (840.48 Refugees/1-1446)

In telegram 78, January 18, Ambassador Lane stated that he was told by Vice President Szwalbe of the formation of a committee of leading Polish gentiles to persuade the Jews to remain in Poland. The committee would try to insure guarantees of personal liberty. (840.48 Refugees/1-1846)

³⁴ This telegram reported a request from a Soviet official that a number of recalcitrant Azerbaijanian refugees be turned over to him. He was informed that the United States and British Governments would return them if they were proven to be Soviet nationals. Otherwise, they would be returned only on *prima facie* evidence that they acted as traitors or war criminals. Nor could statements they had made to United States or British officials be used as evidence against them (800.4016 DP/1-1446).

His Majesty's Government in interpreting Yalta agreement³⁵ has always followed policy that liberated Soviet citizens recognized as such shall be repatriated regardless of their wishes and that if necessary force should be used.

In British zones in Austria and Germany, for instance, where HMG's policy can be put into effect on unilateral basis, the Commander in the field applies such policy under direction of HMG.

However, in Italy, where military authorities act under instructions from Combined British and American Chiefs of Staff, an agreed policy between the two Govts must be sought. Such agreement has not yet been reached, because of divergence on interpretation of Yalta Agreement by the two Govts.

In Italy, use of force has not been employed in repatriation of those Soviet citizens recognized as such by HMG and in formal British custody, and to whom British policy alone could be applicable, as British wish to obtain backing of US Government.

British policy of using force is currently being reconsidered by Ministers, and during interim period no force is to be applied. HMG will inform British authorities at AFHQ of any change in policy.

Only exception to policy of not repatriating nationals other than Soviet citizens against his or her wishes is in the case of war criminals against whom *prima facie* case has been made out by Govt concerned.

KIRK

840.4016/1-2946: Telegram

The Secretary of State to the Ambassador in Yugoslavia (Patterson)

RESTRICTED

WASHINGTON, February 7, 1946—8 p. m.

83. Report on Yugo note urtel 78 Jan 22 apparently garbled in stating 110 persons comprise "German minority" remaining in Yugo. Please clarify this figure.³⁶

Regardless of extent of minority remaining you may point out to FonOff in answer to undated note that expulsion of Germans from Yugo not specifically covered in Potsdam agreement. US would

³⁵ For text of the Agreement between the United States and the Soviet Union concerning liberated prisoners of war and civilians, February 11, 1945, see *Foreign Relations*. The Conferences at Malta and Yalta, 1945, p. 985. The final text of the parallel Anglo-Soviet agreement is not printed, but for a draft text thereof, see *ibid.*, p. 417.

³⁶ The text of telegram 78 was subsequently corrected to make the figure read 110,000. This telegram reported on the receipt of a note, undated, from the Foreign Office stating the desire of the Yugoslav government to return to Germany the remainder of the German minority numbering 110,000. Yugoslavia felt that its wishes coincided with those of the great powers which had authorized similar transfers on the part of Czechoslovakia, Hungary, and Poland (840-4016/1-2246).

agree to extension of principles of orderly and humane transfer to any transfer of Germans from Yugo agreed to by ACC Berlin. Action of Yugo Govt reported in Vienna's 134 Jan 29³⁷ repeated to you as 14 is not likely to elicit support of four powers on ACC Berlin since unauthorized expulsion of Germans into Austria is contrary to requests made to Yugo Govt by US, British, French and Soviet representatives acting in accordance with resolution of Allied Council Austria of Nov 10 Deptel 429 Nov. 28.³⁸ US would consider request in Yugo note only if assurances are received that unauthorized expulsions into Austria have ceased and Yugo Govt will take strict measures to insure adherence to its reply Dec 11 to US note urtel 743 Dec. 12.³⁹

Sent to Belgrade as 83; repeated to Vienna as 118.

BYRNES

840.48 Refugees/2-1446: Circular airgram

*The Secretary of State to Certain Diplomatic and Consular Officers*⁴⁰

SECRET

WASHINGTON, February 14, 1946—1:45 p. m.

General Assembly of United Nations now in session at London has voted that the Economic and Social Council establish a special committee to examine the problem of refugees and displaced persons in all its aspects and to report to the second part of the first session of the General Assembly.⁴¹ Action on problem at current meeting was initiated by original British proposal that work for refugees and displaced persons should be incorporated as an executive function of United Nations. US position was that current session of United Nations should not take up substantive questions but should be devoted exclusively to matters of organization. UK position was supported by the Netherlands. UK and the Netherlands finally accepted US view and draft of resolution which became US proposal. US pro-

³⁷ Not printed; it reported on recent cases of expulsion by the Yugoslavs of Germans into Austria in which the expellees had been roughly handled to the extent that several deaths resulted (840.4016/1-2946).

³⁸ This telegram repeated, *mutatis mutandis*, telegram 417 to Prague, for text of which see *Foreign Relations*, 1945, vol. II, p. 1315.

³⁹ *Ibid.*, p. 1323. This telegram quoted a Yugoslav note stating that there was no intention of instigating an expulsion of Germans from that country.

⁴⁰ Sent to the embassies at London, Paris, Brussels, Madrid, Lisbon, Rome, Ankara, Oslo, Belgrade, Athens, Praha, Ottawa, Moscow, Warsaw, The Hague, La Paz, Panama City, Rio de Janeiro, Chungking, Teheran; the legations at Bern, Cairo, Stockholm, Copenhagen, Dublin, Budapest, Canberra, Wellington, Pretoria, Beirut, Baghdad; the U.S. Political Adviser for Germany at Berlin; the U.S. Political Adviser for Austria at Vienna; the American Representatives at Helsinki, Bucharest, Sofia; the consulates at Capetown, Shanghai, Jerusalem, Nairobi; and the American Mission at New Delhi.

⁴¹ United Nations, *Official Records of the General Assembly, First Session, First Part, Resolutions Adopted by the General Assembly during the First Part of the First Session*, p. 12. For documentation on U.S. participation in the General Assembly, see volume I.

posal, modified by inclusion of acceptable features of separate Yugoslav and Soviet proposals, finally prevailed in Committee ⁴² as follows:

"The General Assembly recognizing that the problem of refugees and displaced persons of all categories is one of immediate urgency and recognizing the necessity of clearly distinguishing between genuine refugees and displaced persons, on the one hand, and the war criminals, quislings, and traitors referred to in paragraph (D) below, on the other:

(A) Decides to refer this problem to the Economic and Social Council for thorough examination in all its aspects under item ten of the agenda for the first session of the Council and for report to the second part of the first session of the General Assembly;

(B) Recommends to the Economic and Social Council that it establish a special committee for the purpose of carrying out promptly the examination and preparation of the report referred to in paragraph (A); and

(C) Recommends to the Economic and Social Council to take into consideration in this matter the following principles:

(I) This problem is international in scope and nature.

(II) No refugees or displaced persons who have finally and definitely, in complete freedom, and after receiving full knowledge of the facts including adequate information from the governments of their countries of origin, expressed valid objection to returning to their countries of origin and who do not come within the provisions of paragraph (D) below, shall be compelled to return to their country of origin. The future of such refugees or displaced persons shall become the concern of whatever international body may be recognized or established as a result of the report referred to in paragraphs (A) and (B) above, except in cases where the government of the country where they are established has made an arrangement with this body to assume the complete cost of their maintenance and the responsibility for their protection.

(III) The main task concerning displaced persons is to encourage and assist in every way possible their early return to their countries of origin. Such assistance may take the form of promoting the conclusion of bilateral arrangements for mutual assistance in the repatriation of such persons, having regard to the principles laid down in paragraph (C) (II).

(D) Considers that no action taken as a result of this resolution shall be of such a character as to interfere in any way with the surrender and punishment of war criminals, quislings and traitors, in conformity with present or future international arrangements or agreements.

⁴² Reference is to the Third Committee of the United Nations General Assembly dealing with Social, Humanitarian, and Cultural Questions. For discussions within this body on the refugee question, see United Nations, *Official Records of the General Assembly, First Session, First Part, Third Committee*, pp. 9-30, *passim*.

(E) Considers that Germans being transferred to Germany from other states or who fled to other states from Allied troops, do not fall under the action of this declaration insofar as their situation may be decided by Allied forces of occupation in Germany, in agreement with the governments of the respective countries."

"19. The following interpretations relating to paragraph (C) (II) in the above draft resolution were given by the Chairman⁴³ following requests:

(A) In answering the delegate for Belgium, the Chairman stated that it was implied that the international body would judge what were, or what were not, "valid objections"; and that such objections clearly might be of a political nature;

(B) In answering the delegate for Australia, the Chairman stated that it was to be presumed that the information supplied to refugees or displaced persons from the governments of their countries of origin would be made available through the responsible international body, in whatever way seemed most appropriate in view of the particular circumstances of the case.

20. The following expressions of opinion were put forward for inclusion in the report, and in the hope that they might be taken into account by the Economic and Social Council.

(A) The United States delegation urged the importance of existing international agencies maintaining their activities for the benefit of refugees pending the outcome of the proposed study and report.

(B) The delegation of Panama suggested that the Spanish Republican refugees should only return to Spain when a Democratic regime able to assure their rights had been established there; and that in the meantime they should be accorded special status by the countries of temporary residence, securing to them the same rights as men and workers as those enjoyed by the citizens of the country that had given them hospitality.

(C) The Bolivian delegation suggested that the possibility should be studied of raising the necessary funds and means of transport for the transfer to countries of immigration of bona fide refugees, or displaced persons, within the limits of the immigration quotas fixed by the countries concerned and communicated to the appropriate body.

21. The committee desires to express sympathy with the Spanish refugees and wish the Economic and Social Council to examine their case with particular attention and care."

Soviet and Yugoslav proposals rejected by Committee 3 were:

(1) (As substitute for paragraph (II) (C).) "Those refugees who are not subject to paragraph (D) and who do not wish to return to their countries of origin should receive assistance in their early settlement in a new place with the consent of the governments concerned, i.e., the countries of their origin and of resettlement. The government of the country where the refugees are established may assume the complete cost and the responsibility for their protection." Rejected by 28 to 6 votes.

⁴³ Peter Fraser of New Zealand was Chairman of the Third Committee of the U.N. General Assembly.

(2) "No propaganda should be permitted in refugee camps against the interests of the organization of the United Nations or her members nor propaganda against returning to their native countries." Rejected by 17 to 10 votes, US with majority; Australia, Brazil, Bolivia with minority.

(3) "The personnel of refugee camps should be comprised mainly of representatives of the states concerned, whose citizens are the refugees." Rejected by 21 to 7 votes.

(4) (As addition to paragraph (D).) "Quislings, traitors and war criminals, as persons dishonored for collaboration with the enemies of the United Nations in any form should not be regarded as refugees who are entitled to protection of the United Nations." Rejected by 14 to 9 votes.

(5) (As addition to paragraph (D).) "The General Assembly recommends to the governments concerned that quislings, traitors and war criminals who are still hiding under the guise of refugees should be immediately returned to their countries." Rejected by 13 to 9 votes.

Danish proposal that paragraph (E) include the following: "In the case of these persons no objection to their repatriation shall be regarded as valid in the terms of the foregoing provision" was rejected without a formal vote.

In the view of the US Government the way is now clear for a decision within the Intergovernmental Committee on Refugees as to whether that body will assume responsibility for the care and resettlement of refugees and non-repatriable displaced persons pending the submission of the report of the Economic and Social Council. UNRRA is now assisting the military in Germany, Austria and Italy by supplying personnel and supplementary welfare supplies in the care of United Nations displaced persons and those assimilated to them in treatment, but is not authorized under its resolutions to provide assistance for those determined eventually to be unable or unwilling to return home.⁴⁴

BYRNES

Editorial Note

A brief summary of subsequent handling of the refugee question in the United Nations is given below. Since the United States position was publicly stated repeatedly in the various organs of the United Nations which dealt with the problem, no attempt has been made here to document that position more elaborately. The chief sources of documentary material within the Department of State are the master files of the Reference and Documents Section of the Bureau of International Organization Affairs (IO).

On February 16, the Economic and Social Council (ECOSOC)

⁴⁴ For information concerning UNRRA, see bracketed note, p. 221. For a summary of subsequent handling of the refugee problem within the United Nations, see editorial note, *infra*.

adopted a resolution establishing a Special Committee on Refugees and Displaced Persons to investigate and report the problem to ECOSOC; see United Nations, *Official Records of the Economic and Social Council, First Year, First Session*, p. 160. The Special Committee met in London from April 8 to June 1 and presented its report at ECOSOC's second session; for the text of the report, see United Nations, *Official Records of the Economic and Social Council, First Year, Second Session, Special Supplement No. 1*, Annex 12. Its principal recommendation called for the establishment of an International Refugee Organization, in addition to which it attempted to give a definition of displaced persons and refugees. For documentation relating to certain major points in dispute during the meetings of the Special Committee, see *post*, pp. 158, 164, and 167-168. For a summary of subsequent events during ECOSOC's handling of the refugee question, see United Nations, *Official Records of the General Assembly, First Session, Second Part, Supplement No. 2, Report of the Economic and Social Council to the General Assembly covering the period from 23 January to 3 October 1946*, pp. 55-62.

On October 3, ECOSOC approved a draft constitution for the International Refugee Organization and referred the matter to the General Assembly. For a summary of subsequent developments, see *Yearbook of the United Nations, 1946-1947* (United Nations, 1947), pp. 164-170; ECOSOC's recommendations are printed *ibid.*, p. 549. The General Assembly referred the questions of IRO and its finances to its Third and Fifth Committees, respectively. The Third Committee's meetings, beginning with its fifteenth on November 4, proved to be the main forum for a continuation of the disputes on repatriation and resettlement; see United Nations, *Official Records of the General Assembly, First Session, Second Part, Third Committee*, pp. 81-319, *passim*. The financial aspects of the disputes were heard in the Fifth Committee and revolved chiefly around attempts by Yugoslavia, Byelorussia, Poland, and the Soviet Union to prevent large scale resettlement programs for refugees unwilling to return to their countries of origin; see United Nations, *Official Records of the General Assembly, First Session, Second Part, Fifth Committee*, pp. 178-284, *passim*. Ultimately, on December 15, 1946 the General Assembly at its sixty-seventh meeting, by a 30-5 vote with 18 abstentions, adopted a resolution which approved the IRO constitution and called for establishment of a Preparatory Commission to operate until the IRO came into existence; see United Nations, *Official Records of the General Assembly, First Session, Second Part, Plenary Meetings*, pp. 1453-1454. The reports of the Third and Fifth Committees to the General Assembly are printed *ibid.*, pp. 1595 and 1600, respectively.

The Constitution of the IRO was accepted by the United States on July 3, 1947 and entered into force on August 20, 1948; for text, see

Department of State, Treaties and Other International Acts Series No. 1846. The agreement on interim measures to be taken in respect of refugees and displaced persons, which established the Preparatory Commission of IRO, was accepted by the United States on December 16 and entered into force on December 31, 1946. The text is in Department of State, Treaties and Other International Acts Series No. 1583.

840.4016/2-1446 : Telegram

The Minister in Hungary (Schoenfeld) to the Secretary of State

SECRET
PRIORITY

BUDAPEST, February 14, 1946—5 p. m.
[Received February 15—3:44 p. m.]

321. Remytel 214, Jan. 31.⁴⁵ Key⁴⁶ has informed Voroshilov⁴⁷ that failure of Hungarian Govt to provide food for German deportees and give deportees adequate notice of removal is in violation of ACC Germany's policy that transfer of populations must be conducted in humane manner. Key's message specifically states that five trains arrived in US zone without food and that as result emergency rations had to be supplied by US army.

ACC Chairman was requested by Key to notify Hungarian Govt that no further movements of deportees will be approved except under following conditions:

1. Each deportee shall have 5 days' notice in advance of his scheduled departure.
2. Each deportee shall be permitted to take with him such food stuffs as he can carry.
3. In addition the Hungarian Govt shall supply 10 days' rations for consumption of deportees en route to American zone.

Key concludes letter with statement that "when these requirements are met the US authorities will permit the resumption of train movements".

Sent Dept, repeated Berlin as 18.

SCHOENFELD

⁴⁵ Not printed; this document dealt in part with Hungarian deportation of the Swabs which was proceeding with difficulty (840.4016/1-3146).

⁴⁶ Maj. Gen. William S. Key, Chief of the American Representation, Allied Control Commission for Hungary.

⁴⁷ Marshal of the Soviet Union Kliment Efremovich Voroshilov, Chairman, Allied Control Commission for Hungary.

740.62114/2-1446

*The United States Political Adviser for Germany (Murphy) to the
Secretary of State*

SECRET

BERLIN, February 14, 1946.

No. 1957

[Received March 4.]

SIR: I have the honor to transmit for the Department's information a report by a member of my staff on the repatriation of former Russian soldiers. There is described in the document the incident at Dachau on January 19, 1946, in which a number of Soviet nationals committed or attempted suicide, rather than be returned to Soviet Union. It will be noted that upon closer investigation of the individuals who are being repatriated that eleven individuals were released by the Soviet repatriation authorities as not being of Soviet nationality.

This latter situation is one of grave import and is only one of several reports of like nature which recently have been brought to the Mission's notice. Investigations of these other instances are being made and the Department will be informed as soon as concrete evidence or information is received.

Respectfully yours,

ROBERT MURPHY

[Enclosure]

*Memorandum by Mr. Parker W. Buhrman, on the Staff of the United
States Political Adviser for Germany (Murphy), to Mr. Murphy*

MUNICH, January 28, 1946.

Conforming to agreements with the Soviets, an attempt was made to entrain 399 former Russian soldiers who had been captured in German uniform, from the assembly center at Dachau on Saturday, January 19.

All of these men refused to entrain. They begged to be shot. They resisted entrainment by taking off their clothing and refusing to leave their quarters. It was necessary to use tear gas and some force to drive them out. Tear gas forced them out of the building into the snow where those who had cut and stabbed themselves fell exhausted and bleeding in the snow. Nine men hanged themselves and one had stabbed himself to death and one other who had stabbed himself subsequently died; while 20 others are still in the hospital from self-inflicted wounds. The entrainment was finally effected of 368 men who were sent off accompanied by a Russian liaison officer on a train carrying American guards. Six men escaped enroute. A number of men in the group claimed they were not Russians. This, after preliminary

investigation by the local military authorities, was brought to the attention of the Russian liaison officer, as a result of which eleven men were returned by the Russians as not of Soviet nationality.

The story of this group of former Russian soldiers is that after their capture they were given the option by the Germans of starvation or joining labor battalions. They joined labor battalions and were subsequently transferred as a group into the German Army without their having any choice in the matter. This story conforms to the claims which were made by former Russian soldiers who were captured in German uniform and who were imprisoned in the United States. All of these men apparently firmly believe that they will be executed on their return to Russia. The fact that so many attempted to commit suicide is an indication of the unfortunate plight in which they find themselves.

The incident was shocking. There is considerable dissatisfaction on the part of the American officers and men that they are being required by the American Government to repatriate these Russians. The incident was further aggravated by the attitude of the Russian authorities on the arrival of the train in the Russian Zone. None of the American guards were permitted to leave the train; they were threatened with shooting by Russian guards if they attempted to leave the train.

840.4016/2-1846 : Telegram

The Minister in Hungary (Schoenfeld) to the Secretary of State

SECRET
PRIORITY

BUDAPEST, February 18, 1946—7 p. m.
[Received February 19—12:24 a. m.]

353. Mytel 214, Jan. 31.⁴⁸ I mentioned to Foreign Minister today my hope that Hungarian Govt would see to it that mistaken statements attributing to Allies and particularly to American authorities alleged insistence on indiscriminate expulsion of Germans from Hungary be corrected promptly and that true facts re policy of US should not continue to be distorted.

Govt has not yet complied with directive of Chairman of ACC at instance of Gen. Key to correct wording of Hungarian decree governing deportation Germans. Balogh⁴⁹ today expressed desire to receive from US copy of Voroshilov's note to Prime Minister alleging

⁴⁸ Not printed; this telegram noted a protest by General Key against an implication on the part of the Hungarian government that the United States tended to favor expulsion of Germans from Hungary on the basis of the principle of collective guilt (840.4016/1-3146).

⁴⁹ István Balogh, Under Secretary to the Prime Minister.

that Marshal's letter had disappeared from Prime Minister's files and attributing disappearance to Deputy Prime Minister Rakosi.

Gyöngyösi told me today in response to my representation above reported that he was willing to set the record straight in form of a note taking official cognizance of our view repeatedly expressed that deportations should be on individual basis only.

Sent Dept repeated Berlin as 22.

SCHOENFELD

800.4016 D.P./2-2146 : Telegram

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

SECRET

WASHINGTON, February 21, 1946—7 p. m.

U.S. URGENT

1735. Kindly advise Brit FonOff that US Govt is planning to close displaced persons camps in US zone in Germany, except those in which persecuted groups are housed, on July 1, 1946, with possible announcement thereof to inmates of camps by March 1, 1946. This decision has been reached on the assumption that such an announcement will encourage and facilitate the repatriation to their countries of origin or of former residence of those willing to return and that such repatriation will be in large part completed by July 1. Kindly secure information from FonOff of Brit plans with respect to closing of camps in their zone.

No decision has yet been made with respect to closing of camps in US zone Austria where action obviously must be correlated. Decision manifestly is of interest to UNRRA. We propose to notify Director General immediately upon receipt of your reply to this cable.

BYRNES

800.4016 D.P./2-2846 : Telegram

*The Chargé in the United Kingdom (Gallman) to the Secretary
of State*

SECRET

LONDON, February 28, 1946—midnight.

U.S. URGENT NIACT

[Received 11:17 a. m.]

2407. For Under Secretary Acheson, Assistant Secretary Clayton and Warren⁵⁰ from Penrose.⁵¹

1. My report on 3 weeks' investigation of displaced persons' questions in Germany and Austria will shortly be completed and sent air pouch.⁵²

⁵⁰ George L. Warren, Adviser on Refugees and Displaced Persons, Department of State.

⁵¹ Ernest F. Penrose, Special Assistant to the U.S. Ambassador in London.

⁵² Not printed.

This message is sent in advance because of (a) imminence UNRRA Council meeting⁵³ and (b) proposal to issue statement that camps for non-Jewish DP's in US zone will be closed July 1. I hope it is not too late to give further consideration to (b).

2. Purpose of investigation was to obtain first-hand acquaintance with DP questions which cause frequent controversy on UNRRA European Committee. I was accompanied by Mr. Ray Krane of UNRRA and Miss Amende, then Embassy liaison officer on UNRRA matters.

3. We visited numerous camps and assembly and transient centers, interviewed hundreds of DP's of many nationalities, UNRRA field teams and staff at central, zonal, district headquarters; military officers concerned with DP questions in US and UK zones both at headquarters and in local areas, including Generals Mickelsen⁵⁴ and Kenchington⁵⁵ (UK). We also had exhaustive discussions with General Morgan,⁵⁶ Sir Raphael Cilento⁵⁷ and Mr. Whiting.

4. Remarkable progress has been made, reflecting great credit on the military authorities, in repatriation of Allied nationals and in establishment of tolerable living conditions for those who remain. Over 5½ million have been repatriated and only about 900,000 remain in Germany, of whom about two-thirds are Poles and perhaps roughly five-sixths of the Poles are non-Jewish. However, difficult problems remain and I question the wisdom of committing ourselves to close all camps to non-Jewish DP's on July first.

5. Great benefit has come from orderly handling of DP's by military and UNRRA. Disorders have been greatly reduced. Armed guards are no longer needed in most camps we saw. A body of valuable information has been accumulated on which plans should be energetically pursued for repatriation and resettlement. I believe remaining problems can be solved by constructive measures and that it would be dangerous to turn loose among German population without discrimination remaining non-Jewish DP's not repatriated by July 1st. Rumors concerning proposal to close camps March 1st have apparently leaked out in US zone and the excellent field relations between UNRRA and the military may be prejudiced.

6. Living conditions of DP's have greatly improved since early stages of liberation and in US and UK zones Germans are no longer

⁵³ For information on UNRRA, see bracketed note, p. 221.

⁵⁴ Brig. Gen. Stanley R. Mickelsen, Director of the P.W. and D.P. Division, OMGUS.

⁵⁵ Brig. Arthur Kenchington, Chief of the P.W. and D.P. Division, British Element, Allied Control Council for Germany.

⁵⁶ Lt. Gen. Sir Frederick E. Morgan, Chief of UNRRA Operations in Germany.

⁵⁷ Sir Raphael Cilento, Director of UNRRA Operations, British zone of occupation, Germany.

major difficulty. We closely examined food and health conditions. The 2,300 calorie level is adequate for energy needs having regard to age composition of DP's and the very limited physical work they do. Height-weight ratios derived from samples are satisfactory. Food supply arrangements are working well under which military provide food and UNRRA teams supervise distribution through self-governing machinery of camps.

7. Health conditions are remarkably good. General sickness rate in camps we saw did not exceed one per cent. UNRRA nurses and doctors have energetically organized preventive measures and treatment. In many camps the whole population has received protective measures in respect to typhoid, typhus, small pox and among children diphtheria. During our visit there was no abnormal incidence of respiratory diseases. Tuberculosis is probably most important problem owing to dangers from foci of infection in crowded camps. Miniature radiography carried out extensively in some camps.

8. Repatriation. Poles are most important group. Non-Jewish and Jewish groups present some separate problems but in both cases the role of Polish Govt is vital. Non-Jewish Poles are one of most uncertain groups from standpoint of repatriation. Obstacles to repatriation appear as follows: (a) Polish DP's have their own sources of information which have brought them frequent reports of unsettled conditions with a little improvement at time we were in Germany.

(b) Polish Govt repatriation agents sent to Germany have frequently been most inept. We visited camps in which addresses by these govt agents were followed by a decline in the number of DP's willing to return.

(c) In private opinion of some UK military officers and some members of UNRRA teams the former liaison officers of London Poles who now work on welfare matters only succeed in giving under-cover discouragement to repatriation. The welfare activities of these Poles was apparently agreed to by Polish Govt officials because of their inability at present to replace them and the services they render.

(d) Some DP's wish to avoid the rigors of present winter in Poland.

(e) Poles we interviewed whose homes were east of Curzon Line show no desire to become Soviet citizens or to resettle in present Poland.

(f) General opinion expressed by DP's (this applies to Jews as well as others) is that Polish Govt is "weak."

9. Re Polish Jews we visited (a) camps with DP's resident many months and others largely of "infiltrates" (b) transient centers through which infiltrates passed in Bavaria, Vienna and Berlin; (c) the Oranienberg center now dissolved in Soviet sector in Berlin and the center in French sector and UNRRA center.

10. Polish Jews are made up of a number of groups of widely different morale. Among some groups and in some camps morale is very low, the DP's seem to have lost heart and also are reluctant to work. Others are vigorous and well organized. Particularly morale of Kibbutz groups is second to none among DP's. In general, however, there are differences between morale of similar groups in different camps depending on vigor, initiative and tact of team leaders and camp heads on committees. Running a DP camp is an art. In the long-run, however, the problem of morale among Jewish DP's can only be solved by workable plans for repatriation or resettlement, with prospects of willing repatriation very limited.

11. We interviewed large numbers of infiltrates in Berlin, Bavaria and Vienna. All maintained there was anti-Semitism in Poland, some asserted they knew of specific outrages, a few mentioned murders. But a larger number cited threats rather than acts of violence. All agreed that Polish Government opposed anti-Semitism but maintained government was weak and feared long period of confusion and insecurity. Generally Polish Jews, unlike many Polish Catholics, did not express anti-Soviet views and some praised Soviet for absence of anti-Semitism. While Polish Catholics attacked government for alleged domination by Soviet, Polish Jews attacked it for alleged inability to control right wing reactionaries. My impression is (a) that recent threats of violence were often associated with return of Jews who claim property or land that had passed to non-Jewish Poles during or just after occupation and that it might have been better to postpone restitution until the government had strengthened its administrative machinery; (b) that even after elimination of Germans a distaste remains for areas where mass murders of Jews took place.

Conclusions:

12. It is in our interest that as many Poles as possible shall be repatriated. No doubt some collaborators have crept in among DP's but large numbers of Polish DP's are simple-minded peasants and artisans and small "white collar" workers whose hesitation about returning arises from destruction of former ties and from genuine fears. Renewed constructive efforts should be made to persuade them to return willingly.

13. This necessitates more practical and efficient steps by the Polish Govt to reassure genuine DP's on their treatment after return. Govt repatriation agents should avoid doctrinaire politics, freely admit that conditions are still difficult in Poland, appeal to patriotism of Poles to return and take part in reconstruction, assure them of non-discrimination and of an efficient organization to resettle those whose homes were destroyed or included in other national territories.

14. Could not informal conversations be arranged whether bilaterally or together between US, UK and French DP experts and Polish Govt with the above object in view? Initiative on our part seems necessary to spur on the Polish Govt to play its part adequately. Efforts should also be made to provide substitute organization for welfare work London Poles in camps.

15. This should be accompanied by a vigorous screening of DP's in Germany. Screening is extremely difficult, qualified personnel are scarce, and some undesirables are certain to escape their deserts through lack of data. But screening by military with assistance of UNRRA teams is a vital prerequisite to resettlement plans and should not be delayed. Some undesirables can be sent back to their countries and others who came willingly to work for Germans can appropriately be turned loose in Germany.

16. But I do not see justification for scrapping the whole non-Jewish DP organization four months from now and turning loose those who remain without discrimination. Is this consistent with principles stated by our representatives on UNO and the UNRRA Council in the past? If those principles are adhered to there will be a number of genuine cases for resettlement among non-Jewish as well as Jewish DP's. It seems unlikely that resettlement can be completed in the next four months and pending its completion or at least up to the end of the year, if necessary, it seems better to continue the UNRRA set-up rather than throw everything into the melting pot.

17. Finally, resettlement plans are long overdue. Though we should be able to get closer accord than we have now with the Soviet, the Poles and Yugosavs it is unlikely that we can get complete agreement in UNO on eligibility for resettlement. I suggest therefore careful exploration of the possibilities of bilateral arrangements of [one?] part of US and UK with potential immigrant countries, especially France, Canada and Australia. Under present conditions practical arrangements made with minimum publicity seem preferable to spectacular debates on general principles in the international organizations.

Because of length of this message discussion of other groups than Poles is deferred. [Penrose.]

GALLMAN

800.4016 D.P./2-2846: Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

SECRET

LONDON, February 28, 1946—4 p. m.

US URGENT

NIACT

[Received February 28—2:30 p. m.]

2419. From Penrose. Deptel 1735, February 21 and Embtel 2407, February 28.

1. Regarding proposed declaration of intention to close non-Jewish DP centers in US zone July 1 MacKillop Foreign Office states that the UK are asking views of their military authorities in Germany.

2. Would it be possible to postpone decision until after informal discussion with both UK and UNRRA? A consistent policy in the different zones is essential. Differences in policy of different occupying powers cause extensive clandestine movements among DPs as shown by infiltrate movements. In Berlin I saw and talked with infiltrates "disappearing" from Soviet sector to reappear in US sector later.

3. Proportion of Catholic Poles to all Poles is considerably larger in UK than in US zones. This makes it particularly advisable to work out agreed policy before any unilateral declaration is made.

4. Desire of military to close operations by July 1 is understandable and it is possible that General Kenchington (UK) may share this desire, judging from general tenor of his conversation with me, which of course did not touch specific question now under discussion but military are not responsible for resettlement outside Germany and I believe it is unwise to assume either (a) that nearly all of non-Jewish DPs will return to their country before July 1 or (b) that resettlement plans for legitimate cases who remain will be completed, or (c) that it will be safe and equitable to turn loose among the German population those not repatriated by July 1.

[Penrose]

GALLMAN

800.4016 D.P./3-146: Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

SECRET

LONDON, March 1, 1946—7 p. m.

URGENT

[Received March 2—8:19 a. m.]

2493. Deptel 1735, February 21. Embassy has just received following reply dated March 1 from Foreign Office to communication regarding closing of DP camps in US zone in Germany.

"The question of corresponding action in the British zone in Germany has now been considered and the view is held that there are so

many disquieting implications that a decision on the point of substance and on the consequential announcement to camp inmates cannot be reached without further examination. In view of the food situation in the British zone in Germany, it would seem open to considerable doubt whether an announcement in the sense contemplated would be expedient at this moment, and a great number of related questions arise and need consideration, such as the housing of the present inmates in so far as they did not decide in favor of repatriation, the presumed absence (if the present camps were liquidated) of reception machinery for Germans returning from Poland, the risk of further uncontrolled mass movements if the camps were liquidated and so on. We should very much like to hold further discussions with you in London in the endeavor to reach a coordinated policy relating both to the British and to the American zones. In the course of these discussions the implications I have mentioned and others could be examined."

Foreign Office proposes to discuss informally this matter immediately with Embassy and Department will be informed of future developments.

GALLMAN

800.4016 D.P./3-746: Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

SECRET

LONDON, March 7, 1946—3 p. m.

US URGENT

[Received 5:05 p. m.]

2698. Embtels 2407 and 2419, February 28; 2595, March 4,⁵⁸ correcting 2419 from Penrose. This third message on recent examination of displaced persons questions in Germany. Because of imminent consideration DP questions following analysis is cabled instead of airmailed:

(1) Baltic DPs raise difficult questions for UNRRA and occupying powers. They are genuine DPs in sense that they were moved as result of war, but many appear to have moved into Germany willingly to evade the Russians. Those I interviewed expressed both anti-German and anti-Soviet sentiments. My impression is that majority were sincere in this but that some feel more strongly against the Soviets than against the Germans. From discussions with members of camp teams I suspect there is an appreciable number who are by no means antagonistic to the Germans. Anti-Soviet sentiment is strongest in more educated, especially professional, groups who are nationalistic. These strongly influence manual workers who, if left to themselves might in some cases be persuaded to return. In spite of difficulties I suggest an attempt be made to work out plan under which Soviets

⁵⁸ Telegram 2595, dated March 5, contained corrections, chiefly grammatical, for paragraph 4 of telegram 2419. These were incorporated into the action copy and are part of the source text. (800.4016 DP/3-546)

could send selected persons from among Baltic peoples who had accepted their regime, to discuss conditions in Baltic area and give assurances that DPs would be accepted and settled without discrimination upon their return. Results might be negligible but at least we would have kept straight our record with Soviets by giving them opportunity to use non-coercive methods to induce return of DPs.

(2) Further systematic screening is needed to determine where possible circumstances in which they came to Germany. It might be justifiable to turn loose certain proportion on grounds that their record in relation to the Germans does not entitle them to Allied aid. Others could establish that they were subject to strong pressure. Repatriation of Baltic DPs is more complicated than of most other DPs because of change in national status of citizens of country of repatriation. Due to circumstances in which recognition has been given to this change, we apparently could not in practice put strong pressure on Baltic DPs with clean records to return, and it would not be consistent with our past declaration to threaten to turn all of them loose without discrimination to fend for themselves with such aid as voluntary bodies might give them.

(3) This raises resettlement question. Prospects of obtaining unanimous agreement in international body to resettlement of Baltic DPs is slender and all observers I met agreed that Baltic DPs would make excellent settlers. This view was supported by our examination of assembly centers. Morale is good, percentage who work is relatively high, education is well organized, knowledge of skilled crafts is unusually extensive, standard of cleanliness is high; self-government is carried further and seems more efficient than among most other groups. There is no doubt that if those who favored Germans could be eliminated, the remainder would make most desirable immigrants.

(4) It seems important, however, that Baltic DPs should not settle en bloc in a western European country and form an anti-Soviet center of political influence. With many Baltic DPs anti-Soviet sentiment is not synonymous with pro-Fascist sentiment, but if it continued actively after resettlement it would be an embarrassment to US. Therefore it seems desirable to explore proposals of overseas settlement where new conditions would overshadow memories of European politics.

(5) Conclusion. I suggest that: (a) Soviets should be offered opportunity if they wish to put case for return fully before Baltic DPs; (b) that because of slender prospects of repatriation, steps be taken immediately by US and UK to discuss discreetly on bilateral basis with Canada, Australia and any other appropriate overseas countries, the possibility of arranging for immigration of as many Baltic DPs as possible among those who have passed screening test.

GALLMAN

840.4016 D.P./3-846: Telegram

*The Chargé in the United Kingdom (Gallman) to the Secretary
of State*

SECRET

LONDON, March 8, 1946—1 p. m.

[Received 2:46 p. m.]

2738. This is fourth message on recent examination DP questions in Germany (third message was Embtel 2698 from Penrose).

(1) Zonal agreements on displaced persons. We found that cooperation in recent months between UNRRA and military has been most satisfactory. There are differences between terms of formal agreement signed by US military and that signed by Montgomery.⁵⁹ These differences do not affect practices in the two zones however. In each zone actual practice followed is very much the same whatever the precise terms of the paper agreements. Though agreement in US zone has just been signed we found there had been greater transference up to December from military to UNRRA than in UK zone.

(2) UNRRA Organization. We found that military organization for running camps was being rapidly reduced to leave only enough by Feb 15 to deal with certain ex-enemy categories which UNRRA was not permitted to cover. At Frankfurt Hq most of the able staff which had been attached to General Mickelsen had been disbanded. Policy of handing over functions to UNRRA was pursued wholeheartedly and UNRRA after difficulties has done creditable job of organization in Germany. UNRRA organization has been indispensable for the care and supervision of over half million DPs. The first aims of policy should be to repatriate as rapidly as transport arrangements can be made all who can be persuaded to return to their countries and then to arrange resettlement of remainder. Precise time this will take is uncertain but in meantime there is everything to be said for maintenance UNRRA organization which has been built up under difficulties and in cooperation with military has brought order to what was in first stages of liberation chaos.

(3) Prevention of demoralization. Even in best assembly centers it was clear to us that long continued maintenance of morale among DPs is most difficult question as types of work available for DPs is so limited, uncertainties about the future are so great and daily routine can be varied so little that demoralization is almost unavoidable in

⁵⁹ Field Marshal Viscount Montgomery, Military Governor, British zone of occupation in Germany. For texts of the agreements between UNRRA and the United Kingdom and United States zonal authorities concerning displaced persons, signed respectively on November 27, 1945 and February 19, 1946, see George Woodbridge, *UNRRA: The History of the United Nations Relief and Rehabilitation Administration* (New York, Columbia University Press, 1950), vol. III, pp. 185 and 201.

long run. The only ultimate remedy is a repatriation or resettlement but in most cases demoralization would begin much sooner and go much further if there were no UNRRA teams and no organized centers. My full report will illustrate great urgency in organization of work, recreation, education of children and health care in centers. While DPs remain, the maintenance of present form of organization is necessary to reduce demoralization.

(4) Note on infiltrtee movement. The distinction between genuine displaced persons and infiltrtees is clear cut in most definitions but our extensive conversations with infiltrtees show that in practice part of the infiltrtee movement is a movement in the direction of reuniting families, a process which is going on all over Europe today. It should be noted that as far as actual movement of DPs is concerned there is no "iron curtain" across Europe.

GALLMAN

740.62114/2-1246 : Telegram

The Secretary of State to Mr. Alexander C. Kirk, United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater (Morgan)

SECRET

WASHINGTON, March 14, 1946—9 p. m.

86. Dept has been discussing with BritEmb question of issuing parallel directives to Brit and Am Commanders AFHQ relative to interpretation of Yalta agreement for repatriation of Sov, US and Brit citizens. BritGov has not yet decided whether it can accept in its entirety US directive on this question, which is already in effect in USFET and USFA areas. (See infotel Dec. 21, 9 a. m.⁶⁰)

US directive to USFET and USFA (urtel 168, Feb. 12⁶¹) re handing over by force of Sov citizens who voluntarily rendered aid and comfort to enemy is as follows: Such persons should be repatriated without regard to their wishes and by force if necessary where SovGov satisfies US military authorities of substantiality of charge by supplying in each case, with reasonable particularity, time, place and nature of offense and perpetrator thereof. Announced resistance of such person to repatriation or fact that he accepted ordinary employment in German or Italian industry or agriculture shall not of itself be considered as rendering comfort and aid to enemy.

BYRNES

⁶⁰ For text of the directive, see Memorandum by the State-War-Navy Coordinating Committee to the Secretary of State, December 21, 1945, *Foreign Relations*, 1945, vol. v, p. 1108.

⁶¹ Not printed.

840.4016 DP/4-446

Memorandum by the Secretary of State to President Truman

[WASHINGTON,] April 12, 1946.

The Secretary of War ⁶² and I have agreed that the displaced persons camps in our zones in Germany and Austria should be closed some time next August, except for persecuted groups who will be permitted to remain in camps. I have publicly announced that this Government is considering such a move.⁶³

The chief reasons for this plan are that the War Department cannot finance indefinitely the operation of these camps, that there is no reason to believe they can be closed with less difficulty next year than now, and that they should be closed in time to permit these people to make some living arrangements before winter.

This proposal has been the source of some concern to the UNRRA officials. It has not met with the approval of the British. It has also been received critically by such groups as the Federal Council of Churches, the National Catholic Welfare Conference, the AF of L and the CIO. In general these groups feel that the camps should remain open until (a) most of the displaced persons have returned to their homes and (b) a solution is found through the Intergovernmental Committee on Refugees or a new organization of the United Nations for the resettlement of those who remain. It is not expected that significant results with respect to resettlement can be achieved much before the spring of 1947. These groups appear to recognize that the camps cannot be maintained indefinitely, but they are alarmed by a plan to close them on any given date.

Criticism has also been expressed, particularly in Catholic quarters, of the exception of "persecuted groups" from the plan to close the camps. The Catholic spokesmen argue that if this is intended to include only Jews or primarily Jews, it is unfair because, they allege, Catholic displaced persons would also be subjected to persecution if they were to return to Yugoslavia or the Baltic states. No answer is likely fully to satisfy this criticism. The justification for the exception, however, is: (a) anyone who was removed from his home because of race, religion or activities in favor of the United Nations will be included in the "persecuted group"; (b) undoubtedly this group will be largely composed of Jews, who were the largest single group displaced because of their religion, but other classes of persons are not excluded by the definition; and (c) Catholic displaced persons will not be subjected to persecution in Germany should they choose to remain after the closing of the camps.

⁶² Robert P. Patterson.

⁶³ See the Department of State *Bulletin*, March 24, 1946, p. 498.

I believe it is likely that many groups critical of the closing of the camps will seek your intervention to delay the closing. You will recall that you have already received a memorandum ⁶⁴ from Cardinal Stritch of Chicago on this subject and I have received similar memoranda ⁶⁵ from the National Catholic Welfare Conference. A proposed reply ⁶⁴ to Cardinal Stritch, together with his communication to you, accompanies this memorandum. This reply has been drafted on the assumption that the camps in our zones will in fact be closed in August.

For this reason I wish to bring the matter to your attention. Unless you direct me otherwise, I propose to take the matter up again with the Secretary of War, to reach with him a final decision on the date in August on which the camps will be closed and also to determine a date in the very near future for announcing our decision.

JAMES F. BYRNES

SWNCC 46 Series : Telegram

*The Commanding General, United States Forces, European Theater
(McNarney),⁶⁶ to the War Department*

SECRET

FRANKFURT, 19 April 1946.

PRIORITY

S-2114 for action to AGWar and info to CG 3rd Army OMGUS and Western Base Section sgd McNarney cite DTGAP.

Your WX 89544, 20 Dec 45 ⁶⁷ in certain instances requires forcible repatriation of "persons who were both citizens of and actually within the Soviet Union on 1 Sept 1939". Repatriation boards, having had recourse only to American Law and procedures in absence of any other, decided against repatriation of several hundred cases on basis the individuals were not citizens, having been denied one or more of such right of citizenship as the right to vote, to bear arms, etc., or having been members of persecuted groups, etc.

Urgently request legal opinion as to whether such loss or deprivation of any single right of citizenship as encountered herein or otherwise, is considered deprivation of citizenship, thus rendering the individual non-repatriable by force.

Request expedited reply as it is desirable to discharge at earliest opportunity those finally determined to be non-repatriable.

⁶⁴ Not printed.

⁶⁵ None printed.

⁶⁶ Gen. Joseph McNarney was also U.S. Military Governor in Germany.

⁶⁷ Not printed; this telegram transmitted the text of the directive cited in footnote 60, p. 152.

800.4016 DP/4-2346

The Secretary of State to the Secretary of War (Patterson)

WASHINGTON, April 23, 1946.

DEAR MR. SECRETARY: Referring to our several conversations with reference to the camps for displaced persons in the American zone in Germany, after discussing this question with the President he advised me to say to you that he did not wish the camps closed in August as the Department had planned. It is the President's view that the camps should not be closed until full opportunity is offered for the governments to provide a substitute plan for the care of these people.

The General Assembly of the United Nations appointed a committee to consider this question and make a report to the next meeting of the Assembly. The next meeting will not be held until September. The President believes it will be unwise to close the camps in August before the United Nations Assembly has had an opportunity to act upon the report of its committee. He therefore asked that the order for the closing of the camps in August be not issued.

Sincerely yours,

JAMES F. BYRNES

SWNCC 46 Series: Telegram

*The Commanding General, United States Forces, European Theater
(McNarney) to the War Department*

SECRET

FRANKFURT, 27 April 1946.

PRIORITY

Ref S-2716 to AGWar for action and ComGen 3rd US Army, OMGUS, Western Base Section for info signed McNarney cite ETGAP.

Refer to our S-2114, 19 April.

Had we acted on a strictly American interpretation of Citizenship all subject Soviets would have been released. However in order to determine whether an individual was a citizen as intended by your WX89544, 20 December 1945,⁶⁸ 3 tests of citizenship rights were given as follows:

- A. Right to bear arms;
- B. Right to vote in free elections;
- C. The right to hold public office.

Several hundred individuals who were in the Soviet Union on 1 September 1939 have not been repatriated because our boards determined under tests enumerated above that they were not citizens. The categories follows:

⁶⁸ See footnote 67, p. 154.

A. Kulaks—those who because they opposed collectivization of their property were denied one or more of the rights enumerated above.

B. White Russians—those who actively opposed or fought against the party in the 1917 revolution, and who consequently were denied one or more of the rights above.

C. Dissenters—those who because of their active participation against the regime were denied one or more of the above rights.

Each category includes personnel in some one or more of the following sub-groups:

A. Persons who served in the Soviet armed forces, but who were not captured in German uniform.

B. Persons who never served in the Soviet armed forces but who were captured in German uniform. Persons who served in the Soviet armed forces and who were captured in German uniforms.

Each major group likewise includes minors under 18 years.

Continued custody of this personnel imposes great difficulties on our forces and the passage of time is not likely to clarify the situation further. Therefore urgently request that your directive, as asked for in our S2114, 19 April, be forthcoming immediately.

840.48 Refugees/5-248

Memorandum by the Acting Secretary of State to President Truman

[WASHINGTON,] May 2, 1946.

Publication of the Anglo-American Committee's Report ⁷⁰ has raised acutely the question of whether the borders of U.S. Zones of Germany and Austria should continue to be open to Jewish refugees from Central and Eastern Europe. The War Department has urged the necessity of closing these borders immediately, at least as an interim measure, to prevent any large influx in the near future.

The Department of State believes that it is impossible to predict accurately how migration to Germany and Austria will be affected by the reaction of European Jewry to the Committee's Report. The Committee's recommendation that 100,000 Jews be admitted to Palestine in the near future acknowledges that there are already more than that number in the Western Zones of Germany and Austria, and Italy. This fact, coupled with the uncertain conclusions of the Report with reference to the political status of Palestine, might deter any large influx to Germany and Austria. Instead, the influx might be confined primarily to relatives of those already in Germany and Austria. On the other hand, there is the real possibility that Central and Eastern

⁷⁰ Reference is to the report on Palestine by the Anglo-American Committee of Inquiry, released on April 20, 1946, at Lausanne, Switzerland. It was later published as Department of State publication 2536. For documentation on Palestine, see volume VII.

European Jews will, in their desperation, regard the U.S. Zones of Germany and Austria as their only tangible hope for eventual migration to Palestine. Such a reaction might result in a large-scale unmanageable influx.

The Committee's Report will undoubtedly be debated vehemently within the coming weeks. It would be unfortunate, particularly in view of the humanitarian reputation achieved by our policy to date, for the issues to be blurred and good will to be dissipated by closing the borders at this time if it is not really essential. It must be borne in mind that the borders can be effectively closed only by using German border patrols. Since the reaction of European Jews to the Report is so unpredictable, I believe it would not be advisable for this Government to issue a Directive to Generals McNarney and Clark⁷¹ requiring them to close the borders now.

It would be preferable, I believe, to inform Generals McNarney and Clark of this Government's desire to continue the present liberal policy so long as it is consistent with maintenance of satisfactory conditions among the Jewish displaced persons in Germany and Austria. The Theater Commanders should be authorized, however, to prevent free entry of Jewish refugees at such time as it may appear that there are imminent large-scale movements into the U.S. Zone which would prejudice satisfactory handling of Jewish displaced persons already in Germany and Austria. If such action should prove necessary, it would be desirable to make special provision for regularizing admittance of hardship cases, such as relatives of persons already in Germany and Austria.

If an authorization along the foregoing lines is approved, it would be highly desirable to take the question of border closing out of the realm of controversial discussion on the Committee's Report. I believe that this could best be done by an informal confidential conference with a few key Jewish leaders, confined to the question of border closing.

Accordingly, I recommend that you approve the following:

A. Generals McNarney and Clark should be authorized to close the borders to Jewish refugees only when there appears to be definitely imminent such a large-scale influx as would prejudice adequate handling of those already in Germany and Austria and would exceed the facilities available for proper handling of additional persons. In such an event, the border should be closed only as a temporary "freezing" measure, and hardship cases should be admitted at specified border control points.

⁷¹ Gen. Mark W. Clark, Commanding General, United States Forces, Austria.

B. A few key Jewish leaders (e.g., Louis Lipsky, Judge Proskauer, Rabbi Abba Hillel Silver, Edward Warburg and Rabbi Stephen Wise) should be invited to a confidential conference with the Acting Secretary of State and the Secretary of War to discuss only the border closing question. At such a conference, the following should be stressed: (1) The unannounced but widely recognized U.S. policy to date of admitting Jewish refugees to U.S. Zones of Germany and Austria; (2) The reasons for authorizing Generals McNarney and Clark to close the borders if necessary under conditions outlined in paragraph A above; (3) Cooperation of Jewish organizations is requested in discouraging future movements by making known in Jewish circles in Central and Eastern Europe the complications which would result.⁷²

DEAN ACHESON

501.BD Refugees/5-1346

The British Embassy to the Department of State

Ref. 173/-/46

MEMORANDUM

His Majesty's Ambassador is informed that the special Committee on refugees set up by the Economic and Social Council by its resolution of February 16th to recommend an early and comprehensive solution of the refugee problem is having a stormy passage.⁷³ The representatives of Soviet Russia, Poland, Czechoslovakia, Yugoslavia, Byelo Russia and the Ukraine appear anxious to play the whole scheme down. They tend to divide refugees into (a) "Loyal citizens" who are prepared to accept and to return to the new regimes in their countries of origin and (b) those who will not accept the new regime and are therefore disloyal and undeserving. They dislike the idea of international assistance for political dissidents, whom they do not recognise as constituting a serious international problem. They are prepared to acquiesce in the establishment of a small weak independent organisation mainly concerned with Spanish Republicans and stateless Jews but are in no hurry to see even this set up. They are unlikely to agree to make any substantial contribution to operational expenditure, and the Yugoslavs have indicated unofficially that it would be difficult for them for internal political reasons even to par-

⁷² On the following day, May 3, Acting Secretary Acheson reported in a memorandum to Assistant Secretary Hilldring that President Truman had approved these recommendations at a cabinet meeting that morning and directed Messrs. Acheson and Patterson to carry them out (840.48 Refugees/5-246).

⁷³ For a summary of events leading to the reference of the refugee problem by the General Assembly to ECOSOC, see the circular airgram of February 14, p. 135.

ticipate in the expenses of administration. These countries nevertheless claim the right to be strongly represented in the personnel of the new organisation on a pro rata basis. Besides the objections to the selection of personnel by nationality rather than by experience and ability this would mean that (*e.g.*) the Yugoslav Government would be able to obtain full information regarding all their dissidents which they might then use to bring pressure to bear on their relatives in Yugoslavia.

2. Apart from the general opposition from these countries to which this has led on practically every point under discussion however secondary there have hitherto been two main controversies. The first has been regarding the categories of refugees to be included in the mandate of the new organisation. On this the Soviet representatives and their supporters have fought persistently to ensure the exclusion from the mandate in one form or another of all political dissidents. As these represent the vast majority of the refugees who constitute our real problem it would mean that, if the point were gained, the new organisation would probably only be able to deal with some ten per cent of the people for whom future provision is intended to be made. Among other consequences this would increase the probability of dangerous political activity by desperate elements among the refugees against the Governments of their countries of origin. On this issue we have had the support of the United States and of several other members of the Committee, but the Soviet representative and his supporters may still present a minority report, and the Soviet Delegate has more than once indicated that he may not be able to accept a majority ruling. Objection has also been raised to any formula providing for the inclusion in the mandate of any refugees who have at any time served in the armed forces or civil service of any State which might lead to the exclusion of several hundred thousand Poles not to mention many Jewish and other refugees.

3. The second controversy has been on the character of the proposed new organisation. The United Kingdom representatives have strongly pressed that it should form an integral part of the United Nations as a commission of the Economic and Social Council or of the Assembly. This would automatically provide for its administrative funds as part of the United Nations budget and would make it possible to set up the new body immediately after the next Assembly without any special international agreement which would take months to negotiate and ratify. It would also provide a proper forum for the discussion and settlement of the difficult political questions which are bound to arise and would give the new organisation the full authority of the United Nations and the advantage of the support of public opinion.

4. The Soviet representative and his supporters have strongly resisted this suggestion since, in the view of the United Kingdom representatives, they are anxious to weaken the new body as far as possible. The Committee has now agreed by a majority vote to exclude from the consideration of the Committee any organisation forming part of the United Nations.

5. His Majesty's Government are anxious to keep this question open to the extent of admitting the possibility of some kind of United Nations control over the new organisation either by making its administrative budget subject to United Nations approval or by leaving the appointment of the High Commissioner or the Director General of the new body in United Nations hands. They also desire to provide for possibility of an appeal to the Assembly on certain political issues.

6. The "hard core" of non-repatriable refugees resulting from the upheavals of the war is likely to amount in Europe alone to more than half a million. The majority of these are dissidents and they include a very large number of fighting men many of whom feel bitterly about the new regimes in their countries and who are not likely to be easy to deal with. If no steps are taken to look after them, control them and resettle them they will be likely to form predatory bands which may constitute a serious social and political danger. They cannot therefore simply be abandoned and turned loose on the civil populations of Germany, Austria, Italy and other countries who already have a sufficient number of acute social problems to deal with. Moreover, both His Majesty's Government and the United States Government are obliged to reduce their military commitments so that they cannot continue looking after them much longer, while UNRRA (which is in any case only caring for a proportion of these people) is due to close down in Europe at the end of this year. Apart from this the problem of Spanish Republican refugees, stateless or de-nationalised Jews, Nansen⁷⁴ and other prewar refugees and many others is also very serious. There is thus no parallel between the size of the problem today and that which developed after the first world war.

7. His Majesty's Government have agreed as a result of a majority vote in the Refugee Committee to accept exclusion of any reference to a United Nations body in the Committee's report but still regard it as essential to secure some measure of United Nations control over the new organisation.

8. His Majesty's Government further point out that the refugee

⁷⁴ So called after Dr. Fridtjof Nansen, first head of the League of Nations High Commission for Refugees established in 1921. After his death in 1930, the High Commission was succeeded by the League's Nansen International Office for Refugees. Originally, Nansen refugees included only Russians but later the term embraced Armenians, Assyrians, Turks, and refugees from the Saar.

problem in the Far East is likely to be one of formidable proportions though sufficient data are not yet available to make its consideration possible at this stage. If, however, the new organisation is weak or is only created after long delay, the consequences in the Far East may well prove almost as serious as in Europe.

9. A fuller statement of the position of His Majesty's Government is contained in the Annex to this memorandum. Lord Halifax is instructed to seek, as a matter of urgency, the views of the United States Government on the issues raised, and to enquire whether they are prepared to instruct their representative on the Committee to support a solution on the lines proposed.

WASHINGTON, May 13, 1946.

Annex

In our view, the refugee problem could have been dealt with most effectively, expeditiously and economically by a Commission of the Economic and Social Council or of the Assembly forming an integral part of the United Nations. This Commission should have had a Chairman of high standing to act as spokesman both to the Council and to the Assembly. Its staff, both administrative and operational would have been recruited by the Chairman and the Secretary-General and would have held the status of regular personnel of the United Nations. The administrative expenses of the Commission and its personnel would have been borne on the United Nations budget, as an integral part of that budget, so that all members of the United Nations would thus have contributed more or less automatically and in equitable shares to the comparatively small expenditure involved. The United Nations would, however, have been invited to build up a separate operational fund of a non-recurring nature to which all interested countries would have been invited to contribute in equitable proportions according to their resources, though it is clear that certain nations might have been expected to stand out for political reasons. The Commission could have been set up by an Assembly resolution without any further international negotiation, or the need for any new international instrument. It could thus have come into operation in September as soon as the approval of the Assembly had been obtained. This saving of time was a vital factor in our scheme. The Commission would have absorbed all existing agencies and would have drawn on such bodies as the inter-governmental Committee for Refugees and UNRRA for its personnel. It would have had the full authority of the United Nations behind it, and this would have enabled its Chairman to carry out much necessary administrative work and take action

in many directions (e.g. in affording legal protection to refugees) irrespective of any financial question, since he would automatically have had power and authority to act in the name of the United Nations.

2. His Majesty's Government still believe the above to be the right solution of the problem and they feel that anything on the lines now proposed will only be a second best and likely to lead to more trouble and expense in the end. In view, however, of the majority vote which has now been taken against them on this question at the instance of the United States representative with the support of the Soviet representative and the representatives of Czechoslovakia, Yugoslavia, Poland, Byelo Russia and the Ukraine, they realise that they may have to accept a less satisfactory alternative. In doing so, however, they must lay down certain minimum requirements which they regard as absolutely essential if the new organisation is to be of any real value.

3. In the first place His Majesty's Government consider it essential that the administrative budget of the new specialised agency should be submitted to the Economic and Social Council for approval. This should be more than mere formal and technical approval and (whatever may be the position in regard to other specialised agencies) discussion of policy should not be excluded. His Majesty's Government would, however, be prepared to discuss with the United States Government the precise degree of control which the Economic and Social Council or the Assembly should exercise over the broad policy of the new organisation, and the most appropriate method by which that control could be exercised. His Majesty's Government also consider that the High Commissioner or Director-General (or both if both posts are set up) should be appointed by the Economic and Social Council, which should have the right to terminate their appointments. They consider that the invitations to join the new specialised agency should be issued by the Economic and Social Council and accompanied by a draft agreement by the Council, which could be signed as soon as the Assembly has approved the Council report, without the necessity of a long separate international negotiation, during which all the arguments advanced during the last assembly and the present meeting of the Refugee Committee would inevitably be repeated.

4. They further consider that the personnel of the new agency, while recruited on an international basis should not be drawn from particular countries in any fixed proportions, but should be selected entirely on the basis of qualifications and experience.

5. His Majesty's Government consider that if the new body is to do work of any value and the situation is to be saved before it becomes desperate, the new body should begin to function at the latest by next autumn. They would therefore be prepared, if no adequate

and more permanent arrangements can be made in time, to consider utilising the inter-governmental committee as a nucleus for an interim organisation provided equitable arrangements can be made meanwhile for the provision of finance. It must be clearly understood that His Majesty's Government cannot continue to be responsible for an equal proportion of the necessary finance with the United States; plainly some such formula as the UNRRA ratio would have to be devised.

6. If the inter-governmental committee were utilised, it would of course have to be very greatly strengthened and it would be understood that it should form the nucleus of the new organisation, and that all qualified personnel engaged for the interim period would have a prior claim to employment in the permanent organisation.

7. His Majesty's Government would still much prefer their original scheme, but they are prepared to accept a majority decision provided the minimum requirements set out in this memorandum are met. Failing this, they would almost certainly be obliged to submit a minority report and re-open the whole question.

800.4016 DP/5-1646: Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

SECRET

FRANKFURT, May 16, 1946—4 p. m.
[Received May 16—1:25 p. m.]

292. Reference final paragraph your [*London's?*] 333, April 15, 10 p. m. to Berlin.

G-5 Section, USFET, states under present arrangement provision is made for any accredited Soviet repatriation representative to enter displaced persons assembly centers other than wholly Soviet with the privilege of explaining to, discussing with and persuading with Baltic nationals and persons of doubtful citizenship in matters of repatriation under arrangements excluding the use of force, threat or coercion and which will not incite disorder or dissatisfaction.

Provision also exists for authorization of military commanders to permit Soviet repatriation representatives to have access to persons not specified above who are claimed to be Soviet citizens by the Soviet Union, for the purpose of persuading them to return to their homes under practical arrangements which exclude the use of force, threat or coercion.

In view of recent incidents in which Soviet officers have been assaulted, and in one case attacked, the preceding provisions have been

amended to provide that US officers must accompany Soviet officers in every case when entering a displaced persons assembly center other than wholly Soviet.

Sent London as 27, repeated to Department as 292.

MURPHY

501.BD Refugees/5-2046

The British Minister (Makins) to Mr. C. Tyler Wood, Special Assistant to the Assistant Secretary of State (Clayton)

Ref. 173/-/46

WASHINGTON, May 20, 1946.

MY DEAR TY: Would you refer to the *Aide-Mémoire* of May 13th about the proceedings of the Refugee Committee.

2. After the conversation which we had on this matter on May 12th, I informed the Foreign Office that the initial reaction of the State Department was (a) that the proposed tie-up with the United Nations on matters of policy would merely provide another opportunity for the "Slav group" to obstruct and block action, and (b) that the proposal for negotiation of an agreement within the Economic and Social Council was open to the same objection and that a direct negotiation among those willing to help would make for more rapid and effective action. I said you felt that we should not get co-operation of any kind from Eastern Europe on this issue, and that it would be more realistic to face this fact at once.

3. I have now had a considered reply, of which I enclose a copy for your confidential information. I have left in the expression "Slav group" as a matter of convenience, although it is not a term of art.

4. I very much hope that in all the circumstances you may find it possible to send instructions to Warren ⁷⁵ as proposed in the last paragraph of the enclosure to this letter.

5. Perhaps when you have had time to digest this document we could have a talk about it.

Yours sincerely,

ROGER MAKINS

[Enclosure]

TEXT OF MESSAGE FROM FOREIGN OFFICE

While we appreciate the United States point of view, we fear we cannot agree as regards their point (a).

2. If the Slav group are so strongly represented as they apparently expect to be in the new organisation, they will have far more oppor-

⁷⁵ Mr. George Warren was United States representative on the Special Committee on Refugees and Displaced Persons established in London by ECOSOC, April 8-June 1, 1946.

tunity to obstruct and block action in that organisation if it is in the last resort wholly independent than if it is subject to some kind of ultimate political and financial United Nations control. Minister of State points out that, on refugee and displaced persons questions, we have always hitherto had overwhelming majorities against the Slav group in the Executive Committee, the Preparatory Commission and the Assembly of the United Nations, and also in the Economic and Social Council, except when we and the United States Government have disagreed; and no doubt we could always do the same in future. It is clear moreover that the only way of getting any power behind the work to be done by the new organisation is by means of assembly debates, but such debates will have little value if the United Nations is without any effective ultimate control. Moreover if such United Nations' control could be provided for, and the United States Government would help to make it effective, so that it was clear that the authority of the United Nations Assembly was behind the new organisation, the chances of the work of the latter being a success would be far better even than in the case of the refugee work undertaken after the first world war by Dr. Nansen, when he had much less government backing and much less money, and was nevertheless able to get successful large-scale results.

3. The above arguments in favour of the proposed tie-up with the United Nations seem to us to apply equally as regard the negotiation of the agreement establishing the new body. The Slav group, who are anxious to restrict the scope of the new organisation, have strong views about the form this agreement should take and they are more likely to be able to make these views effective in independent negotiations between a group of powers such as those represented on the Refugee Committee than they would be if the Economic and Social Council sponsored the new agreement and gave its official blessing in advance to an agreed text which representatives of all the nations represented at the Assembly would adopt as a resolution of that body establishing the new organisation.

4. We fully understand and indeed have good reasons to appreciate the State Department's view that we are unlikely to get effective co-operation of any kind from the Slav group on this issue and that it might be "more realistic to face this fact at once". But we are not clear what conclusions they draw from this premise. Are they contemplating the creation of a new International Refugee Organisation in which the Slav Powers would not participate at all? If so how do they contemplate that the reversal of policy implied should be carried out? Would they suggest that we should work for a complete break with the Slav Powers on major issues of principle, and that we

should then call a new and separate conference, without the Slav Powers, to draw up new proposals and a new constitution? It would be useful to have the State Department's views on all these points.

5. The advantages of a separate organisation without the Slav Powers are obvious. The main sources of difference on issues of principle being removed, it would no doubt be much easier to reach agreement regarding the composition, constitution, mandate, etc., of the new body. The non-participation of the Slav Powers in the financial arrangements would theoretically throw a heavier burden on the participating powers but as it seems clear that the Slav Powers will in fact make no effective contribution or only do so to a limited extent and on conditions which would greatly add to the difficulty, complexity and duration of the new organisation's work, this point is perhaps more one of form than of substance. From the financial point of view in fact they might be more of a liability than an asset.

6. The disadvantages seem to be the difficulty of reversing our policy on so major an issue as that of the participation of the Slav Powers in the new organisation, the complete loss of support which it might involve from the majority of countries of origin for any activities undertaken by the new organisation (which might prove particularly inconvenient in questions of repatriation, screening, etc.), and above all the open breach in the principle of United Nations co-operation, for the maintenance of which we have already made such heavy sacrifices.

7. If a new organisation without the Slav Powers were to be created, the objections of United States Government would have more weight and a strong case might be made for having no even ultimate control by the United Nations. On the other hand lack of United Nations backing would inevitably reduce the power and authority of the new body, with consequent loss in efficiency. Moreover, other problems such as that of providing finance outside the United Nations budget would still remain.

8. Meanwhile we have been out-voted in the Refugee Committee on the major questions of the integration of the new organisation into the United Nations and of the creation as an alternative of a commission of the Economic and Social Council to control it. We have since been trying to ensure that the type of relationship with (including the degree of control by) the United Nations, should at least be left as open as possible. Warren has been strongly resisting this with the active support of the Slav group. It would be a great help if he could receive instructions at least to agree to leave this issue open.

501.BD Refugees/5-1346

The Department of State to the British Embassy

MEMORANDUM

The Department of State acknowledges the receipt of the memorandum of the British Embassy (Ref. 173/-/46) dated May 13, 1946, in which the views of the United States Government are sought on certain issues arising out of the work of the Special Committee on Refugees and Displaced Persons, now meeting in London, and in which inquiry is made as to whether this Government is prepared to instruct its Representative on the Special Committee to support a solution of these issues on the lines proposed in the memorandum.

On the first of the two main questions to which the British memorandum refers, concerning the categories of refugees to be included in the mandate of the new organization, the United States Representative at London appears to have held views generally similar to those of the British Representative. If, as the British memorandum suggests, the Soviet Representative and his supporters should present a minority report, the question would presumably have to be dealt with in the Economic and Social Council or the General Assembly by resort to voting, in the same manner as that in which any similar minority views within the Organization must ordinarily be dealt with.

On the second of the two main questions at London, concerning the character of the proposed organization, the United States Government is fully aware of the gravity and urgency of the problem of refugees and displaced persons and, like the British Government, it is seeking such organizational forms and relationships as are, in its opinion, best calculated to produce effective results. As the record of the discussion which has been taking place in London makes clear, the United States Government believes that a specialized agency is better designed to cope effectively with the problem of refugees and displaced persons than a commission of the Economic and Social Council.

In order that the work of the proposed specialized agency may be closely associated with that of the United Nations, the United States Government supports the relationship of the specialized agency to the United Nations, under Articles 57 and 63 of the Charter.⁷⁶ This Government would also agree that the terms of the relationship agreement should provide for review and comment of the budget of the specialized agency by the General Assembly or, through assignment, to the Economic and Social Council.

On the question of whether the Director-General of the specialized agency should be appointed by the Economic and Social Council or

⁷⁶ 59 Stat. (pt. 2) 1046 and 1047, respectively.

by the appropriate organ of the agency, the United States Government believes that the possibility of a divided responsibility would be avoided if the appointment were made by the agency.

As to personnel, the United States Government agrees with the British Government that recruitment should be undertaken on an international basis but not on the basis of fixed ratios for particular countries. The suggestion is therefore made that the formula embodied in Article 101 of the Charter furnishes every necessary protection to efficiency, competence, and integrity.⁷⁷ The United States Government would regard as highly desirable the adoption of some procedure by which qualified personnel of the Intergovernmental Committee on Refugees would be given a prior claim to employment in the new organization and the new organization thereby made to benefit by the skill and devotion which many of the staff of the Committee have exhibited for so long a time.

The United States Government agrees with the British Government that delay in establishing the proposed new agency would be unfortunate in the highest degree. Every procedural possibility should, therefore, be explored which could result in speedy establishment. It seems very likely that among the most rapid of such procedures is included that suggested in the British memorandum—by which invitations to join the new agency would be issued by the Economic and Social Council and accompanied by a draft agreement to be signed by duly authorized delegates to the second part of the first session of the General Assembly in September. It would, however, be necessary to provide that such an instrument would not become automatically effective for such countries as found it necessary under their constitutional processes to refer the instrument to their Governments for approval. It is understood that, in the case of the United States, such an instrument would require reference to the Congress for approval.

It is understood that agreement has now been reached in London that the arrangements for financing, which this Government agrees should be different from those hitherto obtaining in the Intergovernmental Committee on Refugees, are to be left for later consideration. It is the hope of the United States Government that such arrangements will also include those necessary to enable the Intergovernmental Committee to function effectively during the period before the new agency will begin to function.

WASHINGTON, May 22, 1946.

⁷⁷ 59 Stat. (pt. 2) 1052.

501.BD Refugees/5-2046

Mr. C. Tyler Wood, Special Assistant to the Assistant Secretary of State (Clayton), to the British Minister (Makins)

WASHINGTON, June 5, 1946.

MY DEAR ROGER: Thank you very much for your letter of May 20, 1946, (Ref. 173/-/46) in which you reported the views of the Foreign Office on the question of representation in the proposed international body for refugees and displaced persons.

We have felt all along, as you know, that a specialized agency is a more suitable form of organization for this particular problem than a body brought directly within the jurisdiction of the Economic and Social Council or the General Assembly. In coming to this position, the problem of different membership weighed heavily with us. Any international program for refugees and displaced persons has been, and will probably continue to be, surrounded by a good deal of controversy. If there are states Members of the United Nations which are on the whole unsympathetic to such a program, it seems to us that there is much to be said for not compelling these states to be constantly in the position of having to oppose what is being done by putting the program within the jurisdiction of the organization of which they are already Members. By the same line of reasoning, if there are states not Members of the United Nations which are on the whole favorably disposed to the contemplated program and which have made notable contributions to the relief of refugees and displaced persons, it seems to us unfortunate to exclude these states from participation in the program. To employ a specialized agency, on the other hand, in which membership is voluntary and to which states not Members of the United Nations may, under certain conditions, be admitted, simply recognizes the great difference in interest that does in fact exist.

We should certainly not seek, however, deliberately to exclude any group of states from the proposed specialized agency. We should, on the contrary, wish as members of it any states now Members of the United Nations that desired to participate in its work as well as such other states as might also be deemed to be in a position to contribute to its success. Indeed, we can see a very considerable advantage in having as members of the new body states which might be opposed to much of what the new body undertook to accomplish—provided that such states wished to be members—on the ground that their viewpoint ought not to be overlooked in the formulation of projects of concern to so wide a portion of the international community. But what we should not wish to do would be to compel such states to participate against their will.

I appreciate very much your having given me the benefit of your thought and that of the Foreign Office on this extremely important issue.

Sincerely yours,

C. TYLER WOOD

SWNCC 46 Series: Telegram

The Joint Chiefs of Staff to the Commanding General, United States Forces, European Theater (McNarney)

SECRET

WASHINGTON, 7 June 1946.

WARX 90606. To McNarney for action, Clark for information from the Joint Chiefs of Staff. The following, received from the State, War and Navy Departments, is transmitted in reply to your S-2114 and S-2716 dated 19 and 27 April 1946, respectively:

"Since the political system in force in the Soviet Union is basically different from that applying in the United States, and the questions of what rights a Soviet citizen has are matters which concern the Soviet Government solely, the question does not arise in interpreting the directive regarding repatriation of Soviet citizens whether an individual should be considered as having lost his Soviet citizenship because he was deprived of certain rights which under American law would cause him to lose his American citizenship. American rules of citizenship do not apply to Soviet citizens and it is not a proper function of American officials to attempt to determine whether Soviet citizenship has been lost in individual cases through denial of civil rights. Question of citizenship of Kulaks, White Russians who opposed the 1917 revolution but continued to reside in the Soviet Union, and dissenters (categories A, B and C in telegram S-2716 April 27) who are otherwise subject to forcible repatriation under the terms of the basic directive is one for determination of Soviet authorities only.

The only criteria to be applied in interpreting the directive are the following:

1. That the individual was a Soviet citizen under Soviet interpretation of Soviet law and was domiciled in the USSR on 1 September 1939;
2. That in cases of doubt the Soviet authorities declare that they continue to consider such person to be a Soviet citizen today, and specifically request his repatriation."

740.00119 Control (Germany)/7-1046 : Telegram

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

SECRET

WASHINGTON, July 11, 1946—8 p. m.

5317. For Warren from Winslow.⁷⁸ The following telegram no. 1690, dated July 10, 1946, has been received from Berlin :

“OMGUS has approved directive submitted by USFET which establishes forcible repatriation of Hungarian, Rumanian and Bulgarian nationals in DP Assembly centers US zone accepted by accredited repatriation representatives respective governments. Only exceptions non-Jewish persecutees and Jews. Under directive subject nationals not in Assembly centers remain German responsibility with Military Govt supervision.

DP Division OMGUS estimates approximately 20,000 persons affected. Forcible DP repatriation US zone applied to date only certain categories Soviet nationals and war criminals—Quisling class. Directive not submitted this mission for concurrence. It appears, however, inconsistent with position taken by US Govt in UN DP discussions. Furthermore, it is believed directive which presumably derives from military insistence upon reduction population US zone overlooks broader political aspects. Legitimate political refugees not falling in war criminal, Quisling, or collaborator class undoubtedly are among subject nationals. Even though they are enemy nationals, question of principle raised when similar political dissidents among Poles and Yugoslavs are not forcibly repatriated. Similar treatment accorded Italian and Austrian nationals.

USFET policy re enemy DPs expressed in Title 20, Sections 200.2 and 201, Military Govt Regulations OMG (US zone) which state subject persons may be repatriated without regard personal wishes. From informal discussion obvious policy is outgrowth of note to Paragraph 30 SHAEF Administration Memo 35 Revised (my despatch 290, April 25, 1945⁷⁹) which requires repatriation of enemy DPs without respect to personal wishes. So far as this Mission knows, SHAEF memo never submitted to War for approval.

In view of US Govt position re forcible repatriation as we understand it, of uncertain political situation in subject countries which makes many nationals thereof reluctant to return and of potential political repercussions, we have raised informally objections until policy is clarified and we understand directive temporarily withheld. OMGUS staff study being prepared recommending to War that forcible repatriation be abandoned except under existing agreements. Dept's views on our position urgently requested as our concurrence in staff study will be asked.”

No information here to indicate US has taken a position at UN DP meetings which would preclude a policy of forcible repatriation under

⁷⁸ Richard S. Winslow, Assistant Adviser in the Office of the Assistant Secretary of State for Occupied Areas (Hilldring).

⁷⁹ Not printed.

conditions mentioned in quoted telegram. Please furnish facts or references, if any, on this point in your statements or discussions in UN sessions. [Winslow.]

ACHESON

740.00119 Control (Germany)/7-1646: Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

SECRET

BERLIN, July 16, 1946—8 p. m.
[Received July 17—7:35 a. m.]

1733. My 1690, July 10⁸⁰ (repeated to London by Dept for Warren, 202 to Paris, 45 to Budapest, 17 to Bucharest, and 2 to Sofia) re proposed USFET directive forcible repatriating Hungarians, Bulgarians and Rumanians in assembly centers. US position as outlined in mentioned telegram and as understood here did not have reference specifically to enemy displaced persons but to US vigorous support of principle of voluntary repatriation. This position appears logical extension to enemy displaced persons of policies adopted for ex-enemy persons such as Austrians and Italians. It also appears in line with your 107 July 13, 1945; my 209, July 24, 1945; your 180 July 27, 1945.⁸¹

USFET has now advanced modified proposal which would repatriate all subject nationals in displaced persons centers but would require those unwilling to return to leave such centers and become part of German community.

Enemy displaced persons centers by present directives are operated and supplied by Germans.

Sent Dept 1733, repeated London for Embassy and Warren 251, to Paris 211, to Budapest 49, to Bucharest 21 and to Sofia as 3.

MURPHY

840.4016/7-1846: Airgram

The United States Political Adviser for Austria (Erhardt) to the Secretary of State

SECRET

VIENNA, July 18, 1946.
[Received August 6—11:09 a. m.]

A-152. On June 28 proclamations appeared in the Russian Bezirke of Vienna and elsewhere in the Russian zone announcing the expulsion of Reichsdeutsche and Volksdeutsche.

⁸⁰ Text quoted in telegram 5317, July 11, *supra*.

⁸¹ *Foreign Relations*, 1945, vol. II, pp. 1176, 1177, and 1179, respectively.

The order was singularly unspecific. The Austrian Government promptly protested, basing the protest on the need of the affected persons for taking in the harvest and on the fact that many occupy key positions in industry and the bureaucracy. The Russians demanded registration lists, and these were supplied—a Reichs- or Volks-deutscher. On 30 June Chancellor Figl obtained a one week's postponement, in which time he hoped to obtain an increase in the exemptions granted from 6,000 to 12,000. He was, indeed, promised that the increase would be granted. On 7 July, however, the movement of repatriables was ordered begun. This left the Chancellor, still lacking any precise definition of who was affected, no recourse other than to inform the public by radio that he insisted on exemption of "those who were resident in Austria prior to 13 March 1938, who were essential to Austrian economy or who had achieved Austrian citizenship".

The Russian censor first tried to block the above announcement, but it was broadcast despite his objection, which was subsequently withdrawn.

The news of the movement was given wide publicity, chiefly through US press sources. Late in the afternoon of 10 July, the Russians ordered the movement postponed. Repatriables already gathered in railroad stations and on trains were dismissed and told to return to their homes until harvest and Chancellor Figl was assured that no further movement from rural areas would take place until the harvest was in. It was hoped in the meantime to clarify the categories of those involved and to raise the exemption figure. There seemed little doubt that the Russians' impulsive action was related to Order No. 17,⁸² regarding the seizure of German property in the Russian zone, since the repatriables were to be allowed only 15 kilograms of baggage and Russian transport was reported to be ready and waiting to gather up what they left behind. Indeed, it was widely reported that repatriables who returned to their homes found them already stripped.

The leftist press, and particularly the Red Army's *Oesterreichische Zeitung*, inveighed heavily against the handling of the affair by the Austrian press, especially blaming the American News Service. The Russians insisted that they had never intended to move the 54,000 persons reported affected by the Austrian officials and subsequently by the American News Service. The fact remained, however, that the order, as written, technically affected that number, and if the Russian intentions were less sweeping they failed to specify the limitations.

The incident illustrated anew the Russian sensitivity to publicity and the power of publicity to dissuade them from undertakings which they are accustomed to carry through in areas where they have the press effectively muzzled.

ERHARDT

⁸² For text, see Department of State *Bulletin*, July 21, 1946, p. 123.

840.48 Refugees/7-2546 : Telegram

The Ambassador in Poland (Lane) to the Secretary of State

CONFIDENTIAL

WARSAW, July 25, 1946—5 p. m.
[Received August 4—8:50 a. m.]

1144. 1. Embassy has evidence Jews now leaving Poland illegally in great numbers via Czechoslovak frontier, with ultimate destination American zone, Germany. Rate prior to Kielce pogrom⁸³ approximately 70 per week. Rate now 700 per day. Evidence indicates numbers involved may total 100,000.

2. According eyewitness account by Mary Gibbons, UNRRA Deputy Director General for Health, Welfare and Repatriation, who has just visited Czechoslovakia, Jews cross frontier with connivance Polish and Czechoslovak border guards and are transported by Czechoslovak railway to Bratislava. Here Soviets facilitate transit to American zone Austria, and US military authorities, Austria, send them on to Germany.

3. JDC assists with food and other help in Czechoslovakia. Apparently Jews so arriving all well provided with money.

Detailed information follows by air.⁸⁴

Repeated to Berlin as 181; Vienna as 21; London as 153.

LANE

740.00119 Control (Germany)/7-2346 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

SECRET

WASHINGTON, July 25, 1946—8 p. m.

1589. Dept concurs in comments urtel 1690 July 10 re USFET directive on forcible repatriation Hungarian, Rumanian and Bulgarian displaced nationals. In this connection see also Deptel 121 July 16, 1945 to Hoechst.⁸⁵ US tradition of protecting political refugees and this Govts opposition to mass expulsion such persons affirmed in my speech July 15 on CFM meeting.⁸⁶ As indicated by Warren (Lon-

⁸³ For documentation on the Kielce pogrom, see vol. VI, pp. 374 ff., *passim*.

⁸⁴ Not printed.

⁸⁵ This telegram contained the Department's views on detainees from ex-satellite countries suspected of war crimes in a country formerly occupied by Germany or in Italy. In general, it was felt that they should be turned over to the national authorities of their own states on request by the latter unless they were to be tried or used as witnesses before an international tribunal. Ex-satellite detainees not included in these categories were to be released after interrogation and assisted in reaching their homes. (740.00116 EW/7-1645)

⁸⁶ For text of Secretary Byrnes' speech, see Department of State *Bulletin*, July 28, 1946, p. 167. For documentation on the Council of Foreign Ministers, see volume II.

don's 6931 July 23 sent Berlin 576 ⁸⁷) US position at all UN meetings has been opposition in principle to forced repatriation. Question of repatriation ex-enemy nationals, however, other than those persecuted for racial, religious or political reasons has never risen.

Modified proposal (urtel 1733 July 16) would seem acceptable in principle. However, we assume that before any new directive is issued, it will be referred here for approval as we and War Dept both interested in procedure by which policy concerning DP's is executed.

Sent Berlin, rptd Paris for Matthews, Budapest, Bucharest, and Sofia.^{88a}

BYRNES

800.4018 DP/7-2646

The Secretary of State to President Truman

WASHINGTON, July 26, 1946.

MY DEAR MR. PRESIDENT: In consonance with our desire to keep you informed regarding major developments relating to displaced persons and persecutees, I am submitting the following information:

A conference was held between the Secretary of War and myself on July 24 concerning General McNarney's request to close certain U.S. Zone borders against further infiltration of persecutees after a total of 110,000 such persecutees had been reached in camps in the U.S. Zone, Germany and Austria. It was decided:

A. That General McNarney would be granted permission to close the U.S. Zone borders against persecutees from the British Zone of Germany and the French Zone of Germany and Austria whenever he believes it to be wise or necessary.

B. That he would, however, be instructed:

(1) not to close any other U.S. Zone borders of Germany and Austria against persecutees,

(2) or to limit in any other way the number of persecutees to be admitted to DP centers and properly cared for in the U.S. Zone.

Faithfully yours,

JAMES F. BYRNES

840.48 Refugees/8-346: Telegram

The United States Political Adviser for Austria (Erhardt) to the Secretary of State

SECRET

VIENNA, August 3, 1946—4 p. m.
[Received August 4—2: 08 p. m.]

1071. Nearly 4,000 more Jewish refugees arrived Vienna from Poland last night suddenly unexpectedly. USFA has until now been

⁸⁷ Not printed.

^{88a} Repeated to Paris as 3656, Secdel 519, Budapest as 737, Bucharest as 491, and Sofia as 237.

making admirably successful efforts to cope with such movements by providing for orderly handling while in US areas Austria, but mass infiltrations from east are now assuming dangerous proportions threatening to get entirely out of hand. Facilities for care are already overtaxed, and such large numbers of hungry, homeless persons appearing unexpectedly in Vienna where they will congregate in US sector will present grave problems of maintaining law and order.

We hear indirectly from Praha that Czechoslovak Govt decided 48 hours ago to open Polish-Czechoslovak border to these movements; that possibly 15,000 or 20,000 more are now ready to entrain out of Poland, that in discussions with JDC representative Czechoslovak Govt expresses willingness to let trains traverse Czechoslovakia provided they exit, and would let some proceed Germany only if assured it would not interfere with Sudeten expulsions but do permit all proceed Austria where Soviet authorities permit entry.

These people then flow unexpectedly into Vienna and US zone Austria and become wards of USFA. On movement into Italy is hindered at border and into Bavaria by efforts to regulate movements to keep them orderly. Numbers thus pile up in US zone Austria where camp facilities already overtaxed and to leave refugees loose on countryside to take care of themselves would endanger order and security.

I recommend urgent representations to Czechoslovak Govt to regulate flow of these refugees in order to prevent concentration dangerous numbers in Austria and serious consideration of General Clark's parallel telegram to AGWar for Assistant Secretary of War urging action to facilitate on movement into Italy.

Sent Dept as 1071; repeated Paris as 165 for Delsec; and Praha as 55, and Bern. Bern please relay to Geneva for Fierst⁸⁸ as our unnumbered message.

ERHARDT

840.50 UNRRA/8-746: Telegram

The Vice Consul at Geneva (Havron) to the Secretary of State

SECRET

GENEVA, August 7, 1946—4 p. m.

US URGENT NIACT

[Received August 9—3:40 p. m.]

112. To Hilldring from Clayton.⁸⁹ Independent observations by Wood and Fierst in United States zones of Germany and Austria have led to conclusion that our military authorities are not adhering to

⁸⁸ Herbert A. Fierst, adviser in the office of the Assistant Secretary of State for Occupied Areas (Hilldring); adviser to the U.S. delegate, 5th session of the UNRRA Council, Geneva, August 5-17, 1946.

⁸⁹ Assistant Secretary Clayton headed the U.S. delegation at the 5th UNRRA Council session.

United States Government policy with respect to London Poles.⁹⁰ Most of London Poles have lately been deprived of official status as repatriation liaison officers but there is no doubt that through support and friendship of United States military they are still exerting considerable influence. This is certain to be a cause of continuing embarrassment to the United States Government and exerts a retarding influence on repatriation of Polish displaced persons. Undoubtedly Warsaw Government has been lax and perhaps even uncooperative in providing effective liaison officers in adequate numbers. However, United States will be blamed in large measure for ineffectiveness of Warsaw Polish Liaison officers and non-repatriation of large number of Poles as long as our military authorities maintain present unfriendly attitude toward Warsaw Poles in contrast to friendly attitude toward London Poles. Among reasons informally advanced by military authorities for their present attitude are that G-2 desires number of Warsaw Poles kept to a minimum and their activities be severely circumscribed; that London Poles are useful for welfare work among non-repatriable Poles; and that attitude of State Department as conveyed to them informally by Colonel Tony Biddle⁹¹ was that elimination of influence London Poles should not be pressed. There was considerable doubt in minds of military authorities as to whether United States Government really meant that UNRRA resolution 92⁹² should be completely implemented with respect to London Poles.

US delegation introduced and sponsored Resolution 92 and there should be no question as to our intention to implement it 100%. Accordingly, I believe that it would be highly desirable for a directive along the following lines to be transmitted immediately to our military authorities in Germany and Austria:

"It is the policy of the US Government to eliminate any influence exerted in U.S. zones of Germany and Austria by officials of the former London Polish Government in exile. Accordingly, you are directed to take such steps as may be necessary immediately to remove all London Poles from positions of influence in displaced persons camps or with respect to displaced persons; to deny them access to camps; to refrain from using them on any military staffs; and to deprive them of any official status whatsoever. You will immediately extend an invitation to representatives of the recognized Polish Government to provide substantial number of liaison and welfare officers adequate to the task of promoting maximum possible repatriation and you will furnish adequate facilities for them. You will report any instance of

⁹⁰ Reference is to the Polish Government in Exile. For documentation on United States interest in the establishment of a Polish Government of National Unity, see *Foreign Relations*, 1945, vol. v, pp. 110 ff.

⁹¹ Col. Anthony J. Drexel Biddle, Jr., Chief, Allied Contact Section, Headquarters, USFET.

⁹² For text, see Woodbridge, *UNRRA*, vol. III, p. 155.

failure of the Polish Government to provide adequate officials upon your request and also any instances of misconduct or lack of cooperation on the part of Polish representatives in your zone".

I hope that such a directive may be sent to the military authorities during the next few days. Please keep me informed as to status of this subject as it will have an important bearing upon discussions at this Council meeting as well as upon future policy in Germany and Austria. [Clayton.]

HAVRON

840.48 Refugees/7-2546 : Telegram

The Acting Secretary of State to the Ambassador in Poland (Lane)

SECRET

WASHINGTON, August 12, 1946—7 p. m.

U.S. URGENT

755. Urtel 1144 July 25. You are requested to bring following immediately to attention FonOff:

Begin summary: US military authorities report sudden and unexpected increase in movement Jewish refugees from Poland to Austria has created critical situation. In first six days Aug over 10,000 refugees arrived unexpectedly from Poland by train which crossed Zecho territory. Majority of these refugees have infiltrated US zone Vienna and US zone Austria. Camp space in US occupied areas Austria can not be provided in future for any increased number of refugees.

Nature of movement of Jewish refugees is such to indicate that it could not be carried out without knowledge or approval of Polish Govt. While US policy has always favored providing a haven for refugees, limited facilities and supplies in Austria, as well as overcrowding due to large number of displaced persons, make it imperative that movement of refugees be regulated in an orderly manner. US Govt requests urgency cooperation of Polish Govt in reaching solution of this problem and suggests that agreement be reached with CG USFA and with Zecho Govt to provide prior clearance for movement of refugees by train across Zecho to Austria. Note sent to Zecho Govt⁹³ requesting cooperation in regulating movement of refugees.

This situation has been discussed with JDC officials Washington who suggest willingness to facilitate negotiations for agreement to provide regular and orderly movement of refugees, taking into account limited facilities now existing in Austria. *End summary.*

Suggest you contact JDC representative, Warsaw, informing him of foregoing and requesting cooperation in regulating movement of refugees.

Sent to Warsaw as 755; repeated to Moscow as 1471, to Praha as 1021, to London as 5978, and to Vienna as 747.

ACHESON

⁹³ The substance of the note was transmitted in telegram 1020, August 12, to Praha, not printed.

840.50 UNRRA/8-746 : Telegram

*The Acting Secretary of State to the Minister in Switzerland
(Harrison)*

SECRET

WASHINGTON, August 14, 1946—4 p. m.

NIACT

1700. Re Geneva's 112 Aug 7. For Wood and Fierst. Directive requested from War to military authorities has been issued. Text follows:

"It is policy of US Govt to eliminate any influence exerted in US Zones of Germany and Austria by officials and adherents of former London Polish Government-in-exile. In order to effectuate this policy, you are requested immediately to take all necessary steps to remove all London Poles from positions of influence in DP camps or with respect to DPs; to deny them access to camps except one special camp assigned exclusively for hard core non-repatriables; to refrain from using them on any military staffs; and to deprive them of any official status and privileges whatsoever.

In event that Warsaw Govt has been uncooperative in providing effective liaison officers in adequate numbers you should immediately extend an invitation to representatives of Warsaw Govt to provide substantial number of liaison and welfare officers adequate to task of promoting maximum possible repatriation. Adequate facilities for such liaison and welfare officers should be furnished.

It is requested that you report any instance of failure of Polish Govt to provide adequate liaison and welfare officers upon your request and that you report any instances of misconduct or lack of cooperation on part of Polish representatives in US Zone."

ACHESON

840.48 Refugees/8-1446 : Telegram

The Acting Secretary of State to the Chargé in Italy (Key)

SECRET

WASHINGTON, August 14, 1946—7 p. m.

1610. Critical situation now faced by US military authorities Austria as result large and unexpected movement Jewish refugees from Poland. Refugees cross Zecho by train to Vienna and majority infiltrate US zone Vienna and US zone Austria. 10,000 arrived first 6 days Aug and 60,000 more expected within next 90 days. US zones Austria used as transit for other destinations but vast numbers remain to become charges on US military authorities.⁹⁴ 5000 will be

⁹⁴ Telegram 1131, August 18, from Vienna, elaborated on these points as follows:

"There is fortunately no anti-Semitic activity here. However, the refugees from Poland wish merely to pass through Austria rather than stay here. They seek other destinations primarily Palestine, secondarily Americas.

"The problem here is thus one of temporary haven and onward movement rather than settlement. It is of such magnitude as to be beyond capabilities of Austrian authorities to handle and to call for more able handling by military authorities who have done so admirably considering their overburdened facilities." (840.48 Refugees/8-1846)

moved to US zone Germany and Brit zone Austria will absorb 1,500. Gen Clark reports no camp space available and any further influx of refugees will require removal of DPs from camps and billeting them on Austrian population. In view critical relief situation Austria and limited relief program, US considers this highly undesirable. No UNRRA personnel available for emergency camps and shortage of military personnel makes construction and administration of camps impossible.

US informed that DP camps at Milan and Bari are empty and desires to move 25,000 refugees to them within next 60 days. This movement will be controlled and administered by US military personnel and by UNRRA and will involve no financial burden on Ital Govt. Provisions will be made by US, UNRRA and by Jewish organizations for feeding of refugees and future provisions made for disposition after withdrawal US military forces 90 days following ratification of treaty. Request you discuss this matter urgently with FonOff and request early consent Ital Govt to movement refugees to DP camps at Milan and Bari. Brit view has been requested by Dept.⁹⁵

Dept has addressed notes to Polish and Zecho Govts ⁹⁶ requesting agreement with US military authorities Austria for regulation of train movement of refugees to Vienna.

Sent to Rome as 1610; repeated to Moscow as 1489; to London as 6051; and to Vienna as 759.

ACHESON

840.48 Refugees/8-2446: Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

SECRET
PRIORITY

FRANKFURT, August 24, 1946.
[Received August 26—8:19 p. m.]

Reurad WX 97352 dated 14 August, subject elimination of influence of London Poles.

Action has been initiated to accomplish the directive ⁹⁷ contained in reference cable. The 23 London Polish officers who have been engaged in displaced persons work will either be removed from the zone

⁹⁶ British reaction was requested in telegram 6052, August 14, to London, not printed. Telegram 7574, August 16, from London, reported that oral response of the Foreign Office had not been favorable. The British Government preferred reintegration of the Jews into the economic life of Europe as recommended by the Anglo-American Commission on Palestine. This aim would be frustrated by any policy which appeared to encourage a Jewish exodus to Italy where the camps operated by the American Joint Distribution Committee were already stepping stones to Palestine. (840.48 Refugees/8-1646)

⁹⁸ Not printed, but see telegram 755, August 12, to Vienna, p. 178.

⁹⁷ See telegram 1700, August 14, to Bern, p. 179.

completely or placed in "hard core" displaced persons centers without official status and with no special privileges and no local authority. Assume that your instructions also require the removal of London Poles who are assisting in the supervision of our guard and labor companies, including those utilized outside the occupied zones. This will require some reorganization of some guard units, but action will be expedited and London Poles released as rapidly as possible.

In justice to the affected individuals, I feel that I should state that they served loyally and faithfully with our forces throughout the fighting and were invaluable in controlling and assisting in the initial care of the great masses of displaced persons and camps that were uncovered. They have been very valuable to this command throughout its operations; they have adhered strictly to our policy which places voluntary repatriation above all other considerations; they are still of material value in the maintenance of law and order among certain groups, in the defense and prosecution of Polish criminals, in maintaining proper relations with Polish labor and guard companies, and in representing the interests of the known "hard core" unrepatriable persons to this Headquarters. If and when we are faced with the problem of screening, selecting, and influencing non-repatriable Polish displaced persons to resettle in other foreign countries, the particular group of officers that we are now eliminating would be of tremendous value. In that operation, when it arises, we can expect little or no assistance from Warsaw Poles. These observations are offered in order that you may be in possession of all of the facts.

840.48 Refugees/8-2746: Telegram

The Chargé in Italy (Key) to the Secretary of State

SECRET

ROME, August 27, 1946—3 p. m.

US URGENT

[Received 3:50 p. m.]

3621. Re Deptel 1610, August 14. *Pro Memoria* received today from Italian Foreign Minister in reply to request for entry 25,000 Jewish refugees states in substance that:

1. Italy's long standing hospitality to refugees of every country has resulted in presence Italy today of many hundred thousands of foreigners, for most part undesirable, while number of Jewish refugees amounts to several tens of thousands; because of strong demographic pressure the population of Italy suffers consequences this situation.

2. Insofar as proposed additional refugees would be cared for by UNRRA they would be in effect a charge on Italy because UNRRA's expenditures for the purpose would be subtracted from funds which should be destined for reconstruction needs.

3. Furthermore such refugees would obtain greater part of their food from Italian market thus reducing supplies available for needy Italian population.

4. It must also be noted that many of foreign refugees in Italy are engaged in illicit occupations and constitute permanent danger to public order.

5. Until recently entry of Jewish refugees in Italy partly offset by exodus toward Palestine a situation well regarded by Italian authorities since it led to progressive relief of congestion of Jewish refugees in Italy; but such exodus has been suspended and Italy worried because at present impossible foresee when these tens of thousands of Jewish refugees will be able to leave Italy.

6. Under such circumstances a policy of Italian Government resulting in further increasing number foreign refugees Italy would not meet approval public opinion and might in long run create in Italy xenophobic sentiments and acts which have always been alien to spirit Italian people and which Government wishes to avert at all costs.

7. Consequently Italian Government deeply regrets inability to receive on Italian soil additional refugees at least not until repatriation or transfer to other countries of those already here has begun; and re Jews until their immigration to Palestine has recommenced: In such eventuality Italian Government would be pleased to extend hospitality in Italian camps to refugees in question for as long as necessary while awaiting their embarkation.

8. Meanwhile, Italian Government confident it should not prove difficult to arrange temporary settlement of these persons in countries which are from every point of view in better condition than Italy to extend hospitality to them; and confident furthermore that it would be possible to induce the countries from which they come to respect within their boundaries fundamental human rights and not to constrain their emigration until a definite haven has been found for them elsewhere. (end substance *Pro Memoria*.)

In transmitting letter Secretary General Foreign Ministry mentions arguments not included in *Pro Memoria* but which strongly affects current decisions namely already initiated exodus Italian population from Venezia Giulia.⁹⁸ These tens of thousands of Italians to be grafted in destitute conditions onto population of other Italian provinces constitute extremely grave problem which Government can in no way ignore. Secretary General, nevertheless, adds confidentially that Foreign Minister continues with every effort to explore possibility of placing in Italy for strictly limited period at least a fraction (about 1,000) of Jews in question.

Full texts by air.⁹⁹

Sent Dept 3621; repeated London 544, Vienna 67, Moscow 172.

KEY

⁹⁸ For documentation on Venezia Giulia, see vol. iv, pp. 299 ff.

⁹⁹ Not printed.

840.48 Refugees/S-2746: Telegram

The Chargé in Italy (Key) to the Secretary of State

SECRET

ROME, August 27, 1946—4 p. m.

US URGENT

[Received August 27—3:07 p. m.]

3623. ReEmbtel 3621, dated August 27. Upon receiving Italian Govt's *Pro Memoria* denying entry request 25,000 Jewish refugees Embassy informed Foreign Minister¹ that reply would be forwarded to Dept, but that it was desired to point out almost certain misconception embodied in Minister's explanation that refugees cared by UNRRA would to all practical purposes be a burden on Italian population (see points 2 and 3 of Embtel cited) which is believed to be basic reason for Italian Govt's refusal. On basis of Dept's instructions contained in Deptel 1610, August 14, Embassy does not believe Dept meant that funds or food for 25,000 refugees would be subtracted from supplies for Italian population because of UNRRA Italy having to care for them out of its present allotments. Foreign Minister agreed to give further consideration to proposal in light of this clarification. Accordingly, Embassy would appreciate urgent confirmation of its interpretation of Dept's instructions.²

Embassy has learned indirectly but authoritatively that at least one high ranking local UNRRA official has voiced personal belief that Italian Govt would reject American request for reason mentioned above.

Since UNRRA Italy has not yet been notified or consulted by UNRRA headquarters on this subject or any aspect of it, and was dependent entirely on local press for its information, it is understandable that misconceptions should arise.

Repeated London 545, Vienna 68, Moscow 173.

KEY

840.48 Refugees/S-2846: Telegram

The Chargé in Italy (Key) to the Secretary of State

SECRET

ROME, August 28, 1946—4 p. m.

[Received 4:50 p. m.]

3642. ReEmbtel 3621 and 3623, August 27. In talk this morning with Embassy officer, chief of political section of Foreign Ministry, Zoppi, indicated following regarding Italian Government's reply to American request for entry 25,000 Jewish refugees.

¹ Alcide de Gasperi.

² Department telegram 1681, August 29, to Rome, reads as follows: "Your interpretation Dept's instructions re maintenance Jewish refugees correct." (840.48 Refugees/S-2746)

Government's main reason for refusing our request is not so much question maintenance refugees here but rather serious problem already confronting Italy connection with excessive number refugees already here plus international repercussions involved therein. Zoppi emphasized arguments set forth under points 5, 6 and 7 of Embtel 3621, cited in confidence. He admitted that British Government has recently made three vigorous representations to Italian Government insisting movement in and out of Italy of Jews be stopped. While not a determining factor in Italian Government's decision refuse our request, contrary British pressure places Italy in difficult situation. See Embtel 3603, August 23 sent London 543.³

Zoppi finally stated that if US Government would work out concrete plan for ultimate evacuation of given number of Jews for whom entry requested, Italy might consider allowing possibly 10,000 out of 25,000 to enter from Austria providing also, however, that their entry be spread out over period of months and that a roughly equivalent number of refugees now here be moved out of Italy before all of 10,000 enter from Austria. Zoppi made clear Italian Government's understanding and sympathy with US problem with influx Jews our zone Austria, reiterated Government's desire to cooperate in this matter with US notwithstanding British pressure and expressed earnest hope US would understand long term problem facing Italy on whole refugee question.

Sent Department 3642; repeated London 549, Vienna 71, Moscow 177.

KEY

S60F.00/9-346 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

SECRET

PRAHA, September 3, 1946—3 p. m.

[Received 6:20 p. m.]

1601. Re my 1599, August 30.⁴ It should be borne in mind that although the United States supported Czechoslovak request at Potsdam for expulsion of Sudeten Germans⁵ and has loyally abided by

³ Not printed; it indicated that an Italian Government spokesman had mentioned to a member of the British Embassy the difficulty in reconciling the British request that Italy tighten its border controls to prevent alleged entry and exit of Jews with the American request that Italy open its borders to admit 25,000 Jews from Austria (840.48 Refugees/8-2346).

⁴ Not printed; it transmitted a translation of a portion of a recent speech by Prime Minister Gottwald wherein he commented on Slav solidarity in supporting the Czechoslovak government's efforts to evacuate its German and Hungarian minorities (860F.00/8-3046).

⁵ See *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. I, pp. 643-650; *ibid.*, vol. II, pp. 398-399, 1495, 1511.

decision authorizing their expulsion and is accepting 70% of expellees into American zone, Germany, Communist Party in Czechoslovakia, including highly placed government officials and left wing press, have at all times given exclusive credit for the Potsdam decision to the Soviet Union even going so far as to repeatedly state publicly that United States accepted the decision reluctantly under pressure from Soviet Government. Insofar as I am aware, no official of Czechoslovak Government and none of moderate newspapers have had the courage to give United States much credit for Potsdam decision although on two or three occasions, the moderate press has taken issue with left wing press as to the numbers of expellees accepted into the American and Soviet zones reacting particularly vigorously to a speech by Kopecky, Communist Minister of Information, in which he charged that while the Soviets had accepted a million expellees and were receiving 9,000 daily, the "Anglo-Americans" had broken their promise and had accepted only about 200,000.

Sent Department 1601; repeated Paris 159.

STEINHARDT

840.48 Refugees/9-346: Telegram

The United States Political Adviser for Austria (Erhardt) to the Secretary of State

SECRET

VIENNA, September 3, 1946—7 p. m.

[Received September 3—2: 15 p. m.]

1199. Re Warsaw's 1291 August 23 to Dept⁶ and Prague's 56 August 15 to Vienna⁷). Lack of unrestricted exit from United States zone Austria and shortage of adequate housing render imperative all practicable steps be taken to reduce influx of Jewish refugees to Vienna. Arrival at Vienna for past 10 days average 996 per day. These must be transferred to United States zone daily and held until they can be moved on into Germany. This double movement greatly increases transportation cost as well as fatigue to the women, children and aged among the refugees. It is understood that Czechoslovakian Government assisting in rail movement of majority of these refugees across Czechoslovakia to Bratislava whence the only egress is toward Vienna.

⁶Not printed; it reported on a conversation between Ambassador Lane and Mr. William Bein, Director of the Joint Distribution Committee in Poland, wherein the latter indicated that the Jewish exodus was not organized but that the groups of refugees were formed naturally by a gradual gathering together of those determined to flee (840.48 Refugees/8-2346).

⁷Repeated to the Department as telegram 1514, informing it that the Czechoslovak government had been requested to cooperate in the curtailment of the flow of Jewish refugees from Poland across Czechoslovakia (840.48 Refugees/8-1546).

Between 1 and 27 August 22890 Polish Jews arrived in Vienna all of whom were subsequently moved to United States zone Austria. In the same period USFA received approximately 3500 Jewish refugees from Hungary and the East and it is explicit that influx of refugees from this source will continue. It must therefore be emphasized that a substantial decrease in the number of refugees arriving in Vienna from Poland is imperative and also that USFA authorities be advised in advance of arrival of refugees whenever possible.

In view of opinions of Bein which confirm other reports received here that Jewish people recently settled in Lower Silesia enjoy better living conditions and sense of security and do not therefore feel urgent need for haste in leaving Poland it is suggested (reurtel 1300 August 24 to Dept⁸) that you continue to urge Polish Govt the possibility of resettling in Silesia the Jews now fleeing central Poland or of establishing camps for them in that area where they can be assured some measure of security pending settlement of the general question by IRO.

Sent Warsaw as 22, repeated Department 1199, Berlin 90, Prague 59.

ERHARDT

840.48 Refugees/9-646: Telegram

The Ambassador in Poland (Lane) to the Secretary of State

SECRET

WARSAW, September 6, 1946—2 p. m.

[Received 4:45 p. m.]

1361. Informed Acting Foreign Minister Olszewski September 5 of facts regarding recent emigration Polish Jews into Austria as reported in telegram 22, September 3, 7 p. m. from Vienna^{8a} and repeated recommendation previously made that Polish Jews be resettled in Lower Silesia as to avoid any further hardships which are caused by emigration to Austria.

Olszewski said that it is Polish Government policy to settle Polish Jews Lower Silesia and to include them in plans for industrial and agricultural reconstruction of country. He said that he had already instructed Polish representative Mantel in Vienna to consult General Clark.

⁸ This telegram reported on a talk which Mr. Lane had had with Colonel Wrzos, Mr. Bein also being present. Colonel Wrzos, recently appointed head of a government committee on rehabilitation of Jews, said he was not competent to deal with Jewish emigration through Czechoslovakia to the United States zone in Austria, since this problem lay outside Poland's boundaries. He did feel, however, that most of the Jewish migration had subsided and that further anti-Semitic outbreaks in Poland need scarcely be feared. Mr. Lane also inferred from Wrzos' remarks that the Polish government was not anxious to have more Jews settle in Silesia. (840.48 Refugees/8-2446)

^{8a} Same as telegram 1199, *supra*.

Olszewski's statement is not entirely consistent with views expressed by Premier and Wrzós as to resettling of Polish Jews in Lower Silesia and I cannot escape the belief that the Polish Government has intentionally allowed the wholesale illegal departure of Polish Jews to American zones in Austria and Germany. Furthermore because of Government's evident hesitancy to antagonize Polish Jews who according to reliable sources are almost unanimous in desire to leave Poland very much doubt whether Polish Provisional Government will take effective steps to prevent or curtail the exodus.⁹

Sent to Vienna as 28, repeated to Department as 1361, to Berlin as 210, to Prague as 50.

LANE

740.00119 Control (Germany)/10-1246: Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

RESTRICTED

BERLIN, October 12, 1946—10 p. m.
[Received October 13—3:20 a. m.]

2367. For your information, following is résumé of a directive being published by OMGUS:

Enemy and ex-enemy nationals (Bulgarians, Hungarians and Rumanians; Austrians are excluded) will be assembled, registered and cared for by German authorities under supervision of military government.

When these displaced persons are prepared for repatriation and loaded aboard trains, responsibility is transferred to the United States Army whose personnel will escort the trains to their ultimate destination and protect the rolling stock during its return to Germany.

Directive exempts all persons and members of their immediate families who qualify as persecutees or who would be subject to potential persecution if required to return to their countries of origin.

Program affects estimated total 40,000 persons as follows: Austrians (voluntary repatriation) 15,000, Hungarians 20,000, Bulgarians 2,000 and Rumanians 3,000. This will conclude a program which has been in process since conclusion of hostilities.

Inasmuch as the execution of this directive will require movements through Austria, OMGUS requests that all assistance be given to obtain uninterrupted transit of the occupied zones of Austria.

Sent Department as 2367; repeated Paris for Matthews as 331.

MURPHY

⁹ Telegram 1586, October 10, from Warsaw, reported on a subsequent discussion with Mr. Bein wherein the latter stated his belief that the Jewish exodus from Poland had reached a virtual standstill temporarily, but that, if for reasons of security the Jews felt it urgent to leave, they would not be deterred by warnings of poor living conditions in the United States zone in Germany (840.48 Refugees/10-1046).

860F.4016/5-2047

*Agreement Concerning the Temporary Interruption of the Transfer of Germans From the Czechoslovak Republic to the United States Zone of Occupation in Germany*¹⁰

It was agreed at the Potsdam conference, July–August 1945,¹¹ to grant the request of Czechoslovakia to transfer the Germans from Czechoslovakia to Germany, provided this transfer be done in an orderly and humane manner.

The bulk of the movement has been completed by October 1946. In order to transfer the remainder of the Germans in a humane manner, it appears to be necessary in view of the approaching inclement winter season, to discontinue this movement temporarily.

It has been therefore agreed:

1. The transfer of the remainder of Germans will be discontinued on December 1 1946 and will be resumed during the month of April 1947.

2. All conditions of transfer in force up to this date will remain in force when the transfer is resumed in April 1947.

3. The United States Military Government agrees with the principle, that those Germans who are to be transferred to the U.S. occupied Zone of Germany and who are still remaining in Czechoslovakia will be transferred in the shortest possible time after the resumption of the movement as provided in paragraph 1 above.

4. The date on which the transfer will be resumed in the spring, the daily flow of transports and the other technical details concerning the transfer will be agreed upon at a conference to be held not later than February 15th 1947. The date of the beginning of the transfer and the technical conditions of the transfer of the insane, institutional cases, overaged and orphan/derelict/children will be agreed upon at the same date.

Signed in Prague, this 12th day of November 1946.

For the United States Military Government:

HARRY S. MESSEC¹²

Lt Col GSC

For the Czechoslovak Government:

DR. ANTONIN KUCERA¹³

¹⁰ Copy transmitted to the Department as an enclosure to despatch 9972, May 20, 1947, from Berlin, not printed.

¹¹ See *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 1511.

¹² Lieutenant Colonel Messec was on the staff of the Prisoners of War and Displaced Persons Division of OMGUS.

¹³ Plenipotentiary of the Czechoslovak Government for the Evacuation of Germans.

740.00119 Control (Germany)/12-646

*Memorandum by the Deputy Director of the Office of European Affairs
(Hickerson) to the Secretary of State*

[WASHINGTON,] November 25, 1946.

I understand that the Danish Foreign Minister¹⁴ intends to raise with you personally the question regarding the repatriation to Germany of the approximately 200,000 German refugees who have been in Denmark since the last days of the war. The following background may therefore be of interest.

These refugees in Denmark fled to that country in the last days of the war from their homes in various parts of Germany, the majority (about 166,000) coming from east of the Oder-Neisse line. These 200,000 refugees constitute about 5 per cent of the population of Denmark and are accordingly a great economic burden for the Danes. The Danes feel that they should all be returned to their homes but so far have been unable to effect this.

The Potsdam Agreement called for the transfer to Germany of the German populations (*Volksdeutsche*) in Poland, Czechoslovakia, Hungary and Austria. On November 20, 1945 the Allied Control Council in Berlin decided on the distribution of these transferred German populations within the four zones of Germany. Germans from Poland (including German territory east of the Oder-Neisse line under Polish administration) were to be absorbed in the Soviet and British zones. Germans from Czechoslovakia in the American and Soviet zones. Germans from Hungary in the American zone and from Austria in the French zone. No mention was made of the refugees in Denmark, as the Potsdam Agreement did not cover temporarily displaced refugees but only *Volksdeutsche*.

Members of the Control Council in Berlin have not objected to receiving in their respective zones those refugees in Denmark who were formerly domiciled in their zones but have not agreed to take the 166,000 who came from areas now under Polish administration. (15,800 came originally from the Soviet zone; 10,300 from the British zone; 1,280 from the American zone and 530 from the French zone.)

Recently the British have agreed to increase the number to be received in their zone to 12,000, which would take care of refugees with relatives in the British zone. The French have also agreed to take 12,000, which they can do quite easily in as much as the French have received practically no *Volksdeutsche* into their zone. (The November 20 agreement specified that the French would take 150,000 Germans from Austria; very few have been transferred and later statis-

¹⁴ Gustav Rasmussen.

tics revealed there were nowhere near 150,000 Germans in Austria eligible for transfer.)

The Danes have also been pressing OMGUS to accept the same number (12,000) as the British and French, but OMGUS has taken the view that it cannot accept any more than the 1,280 who originated in the American zone. OMGUS points out that the obligation to receive the greater part of the refugees in Denmark rests with the British and Soviets, who were obligated under the November 20 Agreement to receive the Germans to be transferred from the eastern areas. Furthermore, OMGUS emphasizes that the acute housing and food situation in the American zone and the commitments to receive Germans from Czechoslovakia and other sources make it impossible to consider taking any from Denmark. OMGUS suggests that in view of the small numbers who have been taken into the French zone it would not be unreasonable for the French to help out in this problem. If they took as many as 100,000 they would still not be exceeding the quota allotted to the French zone by the November 20 agreement. On the other hand the French take the view that they are not committed by the November 20 agreement to accept any Germans from the eastern areas.

When the Danish Foreign Minister was in Moscow last May, Stalin informed him that the Soviets would accept 100,000 German refugees from Denmark in their zone provided the three other powers accepted an equal number in their zones. The Soviet representatives in Berlin, it seems, were not informed by Moscow of Stalin's commitment to the Danish Foreign Minister. Whenever the subject has been raised in quadripartite meetings in Berlin the Soviet representative has stated that he had no instructions. What the Danes now seem to want us to do, that is, to receive 12,000 in our zone, will not solve their main problem, which is to dispose of the large numbers coming from east of the Oder-Neisse line.

A good deal of publicity was given in the Danish press to Stalin's offer. The lack of progress since then has been made to appear in the Danish press as resulting from the three western powers' refusal to agree to take an equal number. The Danish Government authorities understand that Stalin's offer has really never been discussed in Berlin because of the failure of the Soviet representative to receive instructions but this situation has not been made clear to the Danish people. Recently publicity has been given to the fact that the Russians will take 15,000 in their zone, the British and French 12,000 in their zones and the Americans only 1,280 in their zone. This puts us in a bad light, particularly as no explanation has been given by the Danish press for the small numbers to be received in the American zone.

You may wish to ask General Clay about the problem. It is unfortunate that we should be getting such bad publicity on the matter in Denmark. On the other hand the question is one which the Danes should thresh out with the Soviets and British.

JOHN D. HICKERSON

840.48 Refugees/12-446 : Telegram

Mr. Donald Heath, Chargé in the Office of the United States Political Adviser for Germany (Murphy), to the Secretary of State

SECRET

BERLIN, December 4, 1946—10 p. m.
[Received December 5—1:30 a. m.]

2799. 92nd meeting Coordinating Committee December 3 dissipated several hours in largely fruitless discussion of transfer of populations but achieved some distinction through presence of French substitute member who spoke as equal with forceful and constructive logic in attempting to hold Soviets to their obligations.

1. Project for return of Germans in Denmark met with Soviet insistence that priority be given to completion of transfers from Poland, Czechoslovakia, Hungary, Austria (my telegram 2740, November 27¹⁵). Telegram from LaGuardia¹⁶ was read alluding to unjustifiable burden on Denmark resulting from presence of refugee Germans and message was referred to PW-DP Directorate for reply. Soviet member defeated efforts of United States, British and French members that advanced or concurrent planning be undertaken for return of Germans from Denmark which they asserted merited equal priority with Poland, Czechoslovakia, Hungary and Austria. Coordinating Committee finally approved recommendations (1) and (2) of PW DP Directorate mentioned in reference telegram and decided recommendation (3) be referred to Legal Directorate for clarification of term "non-Germans".¹⁷ United States member made statement for record that he regarded "German civilian internees" as including Germans formerly domiciled east of Oder-Western Neisse line. Coordinating Committee further instructed PW DP Directorate to take all necessary measures for speediest implementation of Control Council plan for transfer of German populations.

¹⁵ Not printed, but see footnote 17, below.

¹⁶ Fiorello H. LaGuardia, Director-General of UNRRA.

¹⁷ The three recommendations, as reported in telegram 2740, read as follows: "(1) that transfers of Germans from Czechoslovakia, Austria, Hungary and Poland will continue; (2) that all Germans formerly residing in one of four occupation zones who fled Germany as well as all released German prisoners-of-war, German civilian internees and obnoxious Germans will be accepted in Germany at rates and time decided by Commander of Zone to which such persons must return; (3) entry into Germany will be prohibited to all non-Germans, except Allied personnel, regularly accredited missions or other persons admitted with concurrence respective Zone Commander." (840.48 Refugees/11-2746)

2. Coordinating Committee was called upon to draft reply to inquiry from ACC Austria pending since February regarding disposition of "Volksdeutsche" from Yugoslavia, Rumania and Bulgaria now in Austria. Soviet member attacked French for refusing to accept such Germans into their zone under quota of 150,000 expellees which they had agreed to receive from Austria. Substitute French delegate, General Bapst, declared obligation extended only to persons of German nationality and he inquired what international commitment obligated France to receive persons from Bulgaria, Yugoslavia and Rumania who either possessed nationality of these countries or were stateless and although of German descent were not of German nationality. Coordinating Committee referred to Legal Directorate nationality question of Germans involved.

HEATH

740.00119 Control (Germany)/12-646

Memorandum by the Assistant Secretary of State (Hilldring) to the Secretary of State

WASHINGTON, December 6, 1946.

The Counselor of the Danish Legation ¹⁸ has handed to me a note ¹⁹ dated November 21 referring to his Government's desire to repatriate to Germany the 200,000 German refugees who have been in Denmark since the end of the war. Specifically the Danes now ask that, pending a general settlement of the problem, the U.S. zone accept 12,000 of these refugees. The Danish note mentions that recently the British and French have agreed to accept in their zones a similar number (12,000) from Denmark.

I believe that more detailed background on this problem was sent to you several days ago in a memorandum ²⁰ for your use when you see the Danish Foreign Minister.

I understand that you may have already discussed this question with the Danish Foreign Minister. In any case I think you should know that I gave the Danish Counselor a sympathetic hearing and that I informed him that I would be glad to recommend that the U.S. authorities accept in the U.S. zone the 12,000 refugees requested by the Danes. I also pointed out that the main problem confronting the Danes was the disposition of the large number of the refugees in Denmark who came from east of the Oder-Neisse line. I reminded

¹⁸ Povl Bang-Jensen.

¹⁹ Not printed.

²⁰ See the memorandum by Mr. Hickerson, November 25, p. 189.

him that this problem was one which the Russians and the British were more directly concerned with than the U.S. authorities.

I imagine you have discussed the problem of the German refugees in Denmark with General Clay. We are getting a pretty bad press reaction in Denmark as a result of our present refusal to accept in the U.S. zone more than the exact number of refugees who were domiciled in that zone. I appreciate the U.S. zone is already over-crowded but 12,000 is not a large number and the goodwill which we would obtain in Denmark seems to me to offset the physical difficulties of making room for these people in our zone.

Unless I hear from you to the contrary I shall recommend to General Clay that he take steps to admit a total of 12,000 German refugees from Denmark in the U.S. zone.

J. H. HILLDRING

SWNCC 46 Series: Telegram

The Joint Chiefs of Staff to the Commanding General, United States Forces, Austria (Clark)

CONFIDENTIAL

WASHINGTON, 6 December 1946.

WAR 87199. Following is text of telegram S-3796 September 17, 1946 from USFET:

"Reurad WX 89544 of 20th December 1945.²¹

"Subject is emigration from the U.S. Zone of Germany of Soviet nationals of Mennonite persuasion.

"1. There are in the U.S. Zone of Germany between 5-6000 displaced Soviet nationals of Mennonite persuasion, of whom 6-700 are registered for and receiving United Nations displaced persons care and treatment. The majority have not registered because they fear forcible repatriation.

"2. The Mennonite Central Committee, an American voluntary agency, has offered to sponsor the emigration of these particular displaced persons at their expense to such countries as Paraguay and Canada, in both of which countries there are successful Mennonite settlements. This agency is currently concluding an administrative contract with UNRRA to work among these people.

"3. Since the inauguration of the emigration program to the United States, a procedure has been established for exit from the Zone for emigration purposes. Persons are not presented to visaing authorities or otherwise documented for emigration purposes until a security screening has taken place, and in cases of emigration to Central and South American countries the approval of the political adviser has been obtained.

"4. The Soviet Repatriation Mission, this Headquarters, recently protested the emigration of certain of their nationals to the United

²¹ Not printed; this telegram transmitted the text of the directive cited in footnote 60, p. 152.

States on grounds that they were subject to forcible repatriation. When queried on the matter the State Department responded to their Immigration Liaison Officer, this Headquarters, as per State Department's cable number 239 dated 25 July 1945 to Vance from Haering,²² that persons of Soviet nationality not subject to forcible repatriation were eligible for emigration to the United States.

"5. On the assumption that the Soviet Repatriation Mission is likely to continue to protest the emigration of their nationals from the Zone, it is requested that authorization be given this Headquarters to arrange for the emigration of those Soviet nationals who leave the Zone under the sponsorship of an accredited agency and who do not, in the opinion of this Headquarters, fall within the terms of the Yalta Agreement as being subject to forcible repatriation as per your WX-89544 of 20 December 1945."

To the above the following reply has been made to USFET:

"Authorization requested in 5th paragraph your number S-3796 September 17 granted."

840.4016/12-1346 : Telegram

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

CONFIDENTIAL

Moscow, December 13, 1946—3 p. m.

PRIORITY

[Received December 13—2:24 p. m.]

4387. Text of letter from Dekanozov²³ dated Dec 10 follows:

"Mr. Durbrow²⁴ in his letter of Aug 21 of this year²⁵ informed me that Govt of the USA wished to complete repatriation of any remaining persons in shortest possible period and that for the completion of the repatriation of Soviet citizens commander of armed forces in Austria was prepared to give permission to Soviet Repatriation Mission to enter American zone of Austria. Three and a half months have already passed since the date of the above assurance, but according to information received by the Ministry, Soviet representatives up to the present have not been admitted by American authorities for the carrying out of the work assigned to them in the repatriation of Soviet citizens located in American zone of Austria. According to latest communications, the representatives of American command in Austria continue to delay solution of this question stating that question of admission of Soviet representatives into American zone of Austria can not be considered until Dec 15, 1946.

"As you will recall, during our meeting with you on Nov 18 of this year the question of the unsatisfactory progress of repatriation of

²² Reference apparently in error.

²³ Vladimir Georgyevich Dekanozov, Deputy Minister for Foreign Affairs of the Soviet Union.

²⁴ Elbridge Durbrow, Counselor of Embassy, Moscow.

²⁵ Not printed.

Soviet citizens from the American zones of occupation in Germany was touched upon by me. At that time you expressed readiness to advise your govt to instruct the appropriate American authorities in these zones to permit Soviet representatives to visit the camps in which Soviet citizens were located in order to carry out repatriation work among these citizens.

"Taking into consideration the situation which has developed, and bearing in mind your readiness to render the necessary assistance in speediest solution of this important problem, I express hope that measures will be taken by you leading to issuance of necessary instructions to representatives of the American Military Commission in Austria to permit the entry of Soviet repatriation representatives into American zone of occupation without delay in order to carry out necessary work, and also to assure the establishment of necessary conditions which would make it possible to successfully carry out the work connected with return to the homeland of Soviet citizens located in American zone of Austria."

SMITH

800.4016 D.P./12-13 : Telegram

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

CONFIDENTIAL

Moscow, December 13, 1946—4 p. m.

PRIORITY

[Received December 13—12: 52 p. m.]

4388. Personal attention Matthews²⁶ from Smith: My immediately following [*preceding*] quotes letter just received from Dekanozov on Soviet Repatriation Mission to Austria. Note his statement that American Command in Austria continues to delay solution and cannot consider until December 15.

On November 19 I wrote you generally as follows:

"Dekanozov referred again to displaced persons question, and I was surprised at bitterness he showed. Really believe we can, without weakening our position, do something to relieve the tension, and I strongly recommend that Soviet representatives be authorized again to visit camps which house individuals whose origin is in territory now a part of Soviet Union whether we consider these people to be Soviet citizens or not.

"Soviet officials who make visit should be authorized to present Soviet case, and given facilities to receive prospective immigrants and answer questions. At end of visit, those who wish to immigrate to Soviet Union should be moved to staging area in preparation for return trip.

"Know this has been done before, but believe that even though it constitutes annoyance to occupation authorities it should be repeated. Capital is being made here that it is anti-Soviet propaganda which is discouraging these individuals, particularly Balts, from returning to Soviet Union. Doubt further proffers by Soviet representatives

²⁶ H. Freeman Matthews, Director of the Office of European Affairs.

would produce much result, but it would place us in stronger position if they were permitted to repeat effort. Same applies to Austria. Will you let me know at earliest opportunity what you decide to do about this?"

It would help me immeasurably if I could give Dekanozov prompt and definite information on this subject which is really engendering bitterness in Soviet FonOff. Let me know particularly facts about Austria.

SMITH

740.00119 Control (Germany)/12-646 : Telegram

The Secretary of State to the United States Political Adviser for Germany (Murphy)

SECRET

WASHINGTON, December 19, 1946—7 p. m.

3008. For Murphy and Clay from the Secretary and Hilldring. You recall problem repatriation German refugees in Denmark was discussed in New York with Danish Foreign Minister who presented *Aide-Mémoire*²⁷ urging solution broad problem. Rasmussen was given sympathetic reply but informed main problem involved Soviets and British who under 4 power agreement were obligated receive refugees previously domiciled Poland and area east of Oder-Neisse.

Danish Legation here has presented note containing more specific request that US zone accept total 12,000 to match Brit Fr offer whereby each accepts similar number. We appreciate US zone not obligated accept such number and that it has already received more than its share refugees from other areas. We also realize overcrowded conditions US zone, food situation, etc., do not favor reception additional refugees who probably in better circumstances in Denmark. Taking all this into account we nevertheless reluctantly have reached conclusion on grounds of national policy that steps should be taken at once to placate Danes. It is particularly important right now to retain and do everything possible to improve Danish goodwill. This objective we feel has overriding importance at this time. To serve purpose intended no time should be lost and we urge you reconsider question, reporting soon as possible whether US zone will receive 12,000 refugees from Denmark. We would have no objection if in working out details with Danes you subsequently informed them actual movement of refugees must be postponed until spring on grounds transfers in winter could not be accomplished in orderly and humane manner. [The Secretary and Hilldring.]

BYRNES

²⁷ Not printed.

740.00119 Control (Germany)/12-2146: Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

SECRET

BERLIN, December 21, 1946—7 p. m.
[Received December 21—2: 59 p. m.]

2970. For the Secretary and Hilldring. Have discussed your 3008, December 19, with Clay and McNarney emphasizing that the Department has in mind important consideration of policy going well beyond immediate question of German refugees in Denmark. Both point to adverse conditions of housing (apparently 2.4 persons per room), food and other essential features prevailing in US zone Germany. General Clay also emphasized principle involved incident to Control Council agreement of November 1945, which requires the UK and USSR to accept bulk of this batch of German refugees in UK and USSR zones of occupation according to place of their regular domicile. Under that rule majority would be repatriable in USSR zone. As Department has already been informed, US zone Germany already has approximately 731,000 refugees regularly domiciled in territory east Oder-Neisse.

General Clay understands, however, that your decision is based on considerations of a larger character. It is suggested that request for action desired be telegraphed to General Clay via War Department channels.²⁸

MURPHY

800.4016 DP/12-2646: Telegram

The United States Political Adviser for Austria (Erhardt) to the Secretary of State

TOP SECRET

VIENNA, December 26, 1946—10 a. m.
[Received 10: 18 a. m.]

1545. Ref Dept's 1074, and 1075 December 19.²⁹ Negotiations between General Clark and Soviet Commander in Austria³⁰ on question of Soviet repatriation mission successfully concluded December 21. Mission is to enter US zone of Austria and to carry on its task there in accordance with instruction mutually agreed by General Clark and Soviet Commander.

²⁸ Arrangements concerning the transfer of 12,000 German refugees from Denmark into the U.S. zone in Germany continued into the following year.

²⁹ Neither printed; these telegrams repeated to Vienna the texts of telegrams 4387 and 4388, December 13, from Moscow, pp. 194 and 195, respectively, and requested that the subject be discussed with General Clark (800.4016 DP/12-1346).

³⁰ Col. Gen. L. V. Kurasov.

Mission is being given full opportunity to persuade Soviet Nationals to accept repatriation and will receive cooperation of appropriate US representatives. It will have privilege of interviewing Soviet Nationals both in DP camps and in communities distributing Soviet literature in the camps, broadcasting by radio news, and info concerning activities of mission establishing a collection point for individuals desiring to be repatriated and transmitting mail from Soviet DP's to relatives in Russia.

Long delay in solution of this question not viewed here as being attributable to US element. General Clark has repeatedly expressed his readiness to permit entry into US zone of a Soviet repatriation mission provided Soviet Commander would accept certain conditions concerning the conduct and procedure by which the mission would be guided during its visits in US zone. Until very recently the Soviets have not been disposed to agree to such conditions.

At the same time General Clark has insisted that there must not be a repetition of the difficulties which were experienced with the Soviet mission that operated in US zone from January to April and that was expelled from zone by General Clark because its members persisted in carrying on unauthorized intelligence activities and otherwise engaging practices which had no relation to the work they were supposed to be accomplishing. In one instance a group was apprehended in American uniforms impersonating American Military Police. (See USFA's P-1666 and P-1667, January 25, 1946.³¹)

Repeated Moscow as 66.

ERHARDT

800.4016 D.P./12-2546

*The Ambassador in the Soviet Union (Smith) to the Deputy Minister
for Foreign Affairs of the Soviet Union (Dekanozov)*

Moscow, December 26, 1946.

DEAR MR. DEKANOZOV: In reply to my communications regarding the repatriation of Soviet nationals from the United States zones of Germany and Austria, I am informed that the United States Military Headquarters in Germany has re-emphasized by telegram its previous directive ³² ordering United States Military Commanders to facilitate

³¹ Neither printed here. Telegram P-1666 reported on the incident wherein four members of the Soviet Repatriation Mission, posing as American soldiers, were caught in the act of forcibly attempting to kidnap an Austrian civilian living in Salzburg. As a result the Soviet authorities were asked by General Clark to withdraw the remainder of the Mission of which the four were a part. Telegram P-1667 indicated that this information should be passed on to the State Department. (Department of the Army files).

³² Dated January 4, 1946.

the contact of Soviet officials with persons of Soviet, Baltic, and Ukrainian origin in displaced persons assembly centers, as well as the use therein of Soviet films and newspapers. The intention is to facilitate Soviet officials in their efforts to persuade inmates to return to their former domiciles. The directive of United States Military Headquarters further provides that Soviet repatriation officials, upon their request and accompanied by an United States officer, may visit any displaced persons camp containing or alleged to contain Soviet nationals.

For your information, the provision which requires an accompanying United States officer has been instituted solely for the purpose of guarding against demonstrations or threats by any anti-Soviet elements while the Soviet official is performing his duties. United States Military authorities in Frankfurt and Berlin have instructed all military personnel concerned to be constantly alert to prevent and stop anti-repatriation activities or the harboring of quislings in displaced persons camps.

I am, my dear Mr. Dekanozov,

Sincerely yours,

W. B. SMITH

AGREEMENT OF THE UNITED STATES, THE UNITED KINGDOM, AND FRANCE TO PUBLISH A SERIES OF VOLUMES OF DOCUMENTS ON GERMAN FOREIGN POLICY, 1918-1945

[Continued from *Foreign Relations*, 1945, volume III, pages 1099 ff. In an *aide-mémoire* of March 7, 1946, the Department of State informed the British Embassy that the United States Government was prepared to enter into preliminary discussions suggested by the British Government on February 13 with regard to the "proposal for official publication under quadripartite auspices of an authoritative collection" of German Foreign Office documents and other German political documents. The *aide-mémoire* further stated that in view of the "importance that this Government attaches to the objective publication of the German political documents so as to forestall any subsequent publication of a tendentious nature by German sources," the Department was ready, if a quadripartite publication did not prove feasible, "to consider joint British-American publication of these documents, or, if need be, independent publication." (840.414/2-1346)

Further discussions took place, and on May 29, 1946, Under Secretary of State Acheson and other officials approved a memorandum recommending affirmative answers to the following questions: "1. Does the Department favor proceeding with the publication of German diplomatic documents concerning such matters as Soviet negotiations with Nazi Germany in 1939 over the possible strong objections of the Russians? 2. Is the Department prepared to support a policy of complete disclosure of German diplomatic documents even though some of them such as the Bullitt correspondence may prove to be somewhat embarrassing to this Government?" (862.414/5-2847)

A paper entitled "Proposals for Publishing German Official Papers agreed at Anglo-American Meetings held at Foreign Office, London, June 11-18, 1946" was signed on June 19 by E. Wilder Spaulding, Chief of the Division of Research and Publication, Department of State, and E. J. Passant, Librarian of the Foreign Office. It set forth in detail the scope and conditions of the project and stated that "the work shall be performed on the basis of highest scholarly objectivity." (862.414/6-1946)

For text of a press release of October 3 describing a program of documentary publication by the Department of State under the direction of Raymond J. Sontag, see Department of State *Bulletin*, Octo-

ber 13, 1946, p. 690. A statement on British plans for publication was made in the House of Commons on January 22, 1947, by the Parliamentary Under-Secretary of State for Foreign Affairs, Christopher Paget Mayhew.

By *aide-mémoire* of April 3 and May 2, 1947, the French Embassy informed the Department of State that the French Government agreed to participate in the project on the terms given in the Department's note of March 20, 1947. (862.414/4-347, 5-247) Similar correspondence took place between the Governments of France and the United Kingdom.

For additional information on the origins and development of the project and the principles governing the selection and editing of documents, see the Prefaces to the various volumes in the series *Documents on German Foreign Policy, 1918-1945*, published at Washington by the Government Printing Office and at London by Her Majesty's Stationery Office.]

IMPLEMENTATION OF THE SAFEHAVEN PROGRAM; NEGOTIATION OF ACCORDS WITH SWITZERLAND AND SWEDEN ON LIQUIDATION OF GERMAN EXTERNAL ASSETS IN THOSE COUNTRIES¹

800.515/6-346

Mr. Randolph Paul, Special Assistant to President Truman, to the President

WASHINGTON, June 3, 1946.

DEAR MR. PRESIDENT: I have the honor to submit to you a report on the negotiations between the Delegations of the United States, the United Kingdom, and France, on the one hand, and the Swiss Delegation on the other, on the subject of German external assets in Switzerland. These discussions in which I participated with my colleagues, Mr. F. W. McCombe, representing the United Kingdom, and Mr. Paul Charqueraud, representing France, covered the period between March 18 and May 26, 1946.

In the accord signed in Washington and dated May 25, 1946,² the Allied objective of eliminating German assets in Switzerland which might be used in waging a future war has been achieved. To this end procedures have been agreed upon for the liquidation of German property by a Swiss agency which will work in close cooperation with a Joint Commission on which the Governments of the United States, the United Kingdom, France, and Switzerland will be represented. The settlement not only provides that information will be exchanged between the Swiss agency and the Joint Commission, but also that the Joint Commission will be able to pass on the qualifications of purchasers of German property.

The proceeds of the liquidation of German property in Switzerland are to be divided equally between Switzerland and the Allies. The exact amount of the German property will be finally determined by the authorities set up to handle this problem. The United States will receive 28 percent of the proceeds allocated to the Allies under

¹ For previous documentation on implementation of the Safehaven Program and U.S. concern over enemy attempts to secrete funds and other assets in neutral countries, see *Foreign Relations*, 1945, vol. II, pp. 852 ff.

² For text of the Accord and Annex, see Department of State, *Treaties and Other International Acts Series* No. 5058; *United States Treaties and Other International Agreements*, vol. 13 (pt. 1), p. 1118.

this settlement, in accordance with the Paris Reparation Agreement.³

The Swiss Government will pay 250 million Swiss francs in gold in settlement of the claims of the Allied Nations signatory to the Paris Reparation Agreement and their banks of issue for restitution from Switzerland of monetary gold. The gold will go into the gold pool established by the Paris Reparation Agreement.

I hope that the agreement which has been reached will be quickly and fully implemented on both sides. For our part, a heavy responsibility will fall upon the American Legation in Bern. I am sure that you will agree that adequate personnel should be recruited for this important work.

In closing, I should like to mention the able assistance which has been given to me by officers of the State and Treasury Departments in the negotiation of this accord. Without the efficient aid of the State Department's Division of Economic Security Controls and the Treasury's Foreign Funds Control, these discussions could not have been satisfactorily concluded.

Respectfully yours,

RANDOLPH PAUL

[Enclosure]

*Report by Mr. Randolph Paul Concerning Allied-Swiss Negotiations
on German External Assets in Switzerland*⁴

SECTION I

BACKGROUND OF NEGOTIATIONS

The problem of German external assets, including assets in the neutral countries, has been of long concern to the Allied Governments. In August 1944, the 44 United Nations represented at the Bretton Woods Conference adopted Resolution VI, calling upon the neutral governments to take all necessary steps within their respective jurisdictions to: (1) immobilize looted assets; (2) uncover and control enemy property; and (3) hold German assets for the disposition of the post-hostilities authorities in Germany. (See Appendix A for text of Bretton Woods Resolution VI.⁵) Subsequently, in February 1945, prior to the cessation of hostilities, the Governments of the

³ Reference is to the Agreement on Reparation from Germany which entered into force January 24, 1946; for text, see Department of State, *Treaties and Other International Acts Series No. 1655*, or 61 Stat. (pt. 3) 3157. For related documentation, see *Foreign Relations*, 1945, vol. III, pp. 1357-1506, *passim*.

⁴ None of the appendixes referred to in this Report are printed herein.

⁵ For text, see *Proceedings and Documents of United Nations Monetary and Financial Conference*, Bretton Woods, New Hampshire, July 1-22, 1944, Department of State publication 2866 (Washington, Government Printing Office, 1948), vol. I, p. 939.

United States, United Kingdom, and France sent a special mission (commonly referred to as the Currie Mission) to Switzerland to secure Swiss cooperation in immobilizing enemy property within its jurisdiction. (See Appendix B for text of agreement between Currie Mission and adopted legislation to provide for the return to its rightful owners took specific measures to block German assets within its jurisdiction and adopted legislation to provide for the return to its rightful owners of looted property found within its jurisdiction. (See Appendix C for text of decrees of Swiss Federal Council relating to Safehaven problems, etc.)

The importance with which the Allied Governments viewed German external assets, especially in the neutral countries, was emphasized in the Potsdam Declaration of August 2, 1945, issued by the governments of the United States, United Kingdom, and Union of Soviet Socialist Republics. Articles 3 and 4 of this Declaration provided that the Allied Control Council for Germany should exercise control over and have the power to dispose of German external assets not already under the control of the United Nations. In addition to allocating the disposition of German external assets, the Potsdam Declaration provided that the United States, United Kingdom, and other appropriate members of the United Nations, exclusive of the Union of Soviet Socialist Republics, would derive reparation payments from German external assets in neutral countries. (See Appendix D for text of Potsdam Declaration.⁷)

On October 30, 1945, pursuant to the Potsdam Declaration, the Allied Control Council for Germany issued Law No. 5. One of the primary objectives of this vesting decree was to promote "international peace and collective security by the elimination of the German war potential." (See Appendix E for text of Law No. 5.⁸)

In February 1946, the Swiss Government was invited to send a delegation to the United States to discuss with representatives of the governments of the United States, United Kingdom, and France, questions arising out of Law No. 5 as it related to German external assets in Switzerland and the Principality of Liechtenstein. The representatives of the United States, United Kingdom, and France were also acting on behalf of the governments of Albania, Australia, Belgium, Canada, Denmark, Egypt, Greece, India, Luxembourg, Norway, New Zealand, the Netherlands, Czechoslovakia, Union of South

⁶ For an exchange of notes with annexes regarding this agreement, see *Foreign Relations*, 1945, vol. v, pp. 785-792.

⁷ See *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 1499.

⁸ See *Official Gazette of the Control Council for Germany*, No. 2 (November 30, 1945), p. 27.

Africa, and Yugoslavia. (See Appendix F for text of note to Swiss Government.)

The Swiss Foreign Office was advised informally that the discussions in Washington would deal with: (1) the marshalling and liquidation of German assets in Switzerland and the utilization of the proceeds from the liquidation for reparation purposes; (2) procedures for the return to rightful owners of looted property, including gold looted by the Germans which might have found its way into Switzerland. In addition, the Allied Governments indicated that after these basic objectives had been attained they would take up with the Swiss Delegation questions relating to the Proclaimed and Statutory Lists,⁹ the status of Swiss assets blocked in the United States and other Allied Nations, and Swiss claims against Germany.

SECTION II

PERSONNEL OF ALLIED AND SWISS DELEGATIONS

United States. In February 1946. Mr. Randolph Paul was designated Special Assistant to the President in charge of the Allied-Swiss negotiations for the United States Government. For two years during the war Mr. Paul was General Counsel of the Treasury Department and Acting [Assistant] Secretary of the Treasury in charge of Foreign Funds Control. Mr. Paul was chiefly assisted in the negotiations by representatives of the State Department including Mr. Seymour J. Rubin, Deputy Director of the Office of Economic Security Policy; Mr. Walter S. Surrey, Chief of the Division of Economic Security Controls; Mr. Daniel J. Reagan, Counselor for Economic Affairs, American Legation, Bern; Messrs. Harry Conover, Morton Bach, and Karl Hapke, Economic Analysts, American Legation, Bern; Mr. Albert H. Robbins, American Embassy, London; and by representatives of the Treasury Department including Mr. Orvis A. Schmidt, Director of Foreign Funds Control; Mr. Joseph B. Friedman, Assistant General Counsel; Mr. James H. Mann, Treasury Representative, American Legation, Bern; Mr. Melville E. Locker, staff member of the General Counsel's Office of the Treasury; and Mrs.

⁹ 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 original proclamation was made by President Roosevelt on July 17, 1941; additions and deletions were made as circumstances required. 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.; *ibid.*, 1945, vol. II, pp. 827 ff. Documentation for the period after 1941 on application of the Proclaimed List in the Western Hemisphere is contained in bilateral compilations concerned with Axis influence in certain countries of Latin America in the *Foreign Relations* series. The Statutory List was the British counterpart of the Proclaimed List.

Rella R. Shwartz, Chief of Enforcement Division, Foreign Funds Control. Mr. Irving H. Sherman and Mrs. Virginia M. Mannon served as consultants. The Departments of State, Treasury, and Justice made additional technical assistance available to Mr. Paul.

United Kingdom. Mr. F. W. McCombe, Chief of Charitable Institutions, was head of the delegation from the United Kingdom. Mr. McCombe, who had been in the British Embassy in Washington during the greater part of the war, working on economic warfare problems, was assisted by Mr. Albert Frost of the British Embassy in Washington.

France. Mr. Paul Charqueraud was head of the delegation from France. He was Director of the Blocus Division of the Foreign Office and served as French representative on the Currie Mission. Mr. Charqueraud was assisted by M. Emile Guionin of Blocus, and Messrs. Marcel Vaidie and Bernard Peyrot des Gachons of the French Embassy in Bern.

Switzerland. Mr. Walter Stucki, Chief of the Division of Foreign Affairs, Federal Political Department, was head of the Swiss Delegation. Mr. Stucki was assisted by M. Eberhard Ernst Reinhardt, Chief of Federal Administration of Finance; M. Alfred Hirs, Director General, Member of Directorate, of Swiss National Bank; M. Max Schwab, Director, Chairman of Board, Swiss Office of Compensation; Professor Dietrich Schindler, Legal Consultant, Federal Political Department; M. Reinhardt Hohl, Chief of Claims and Foreign Interests Section, Federal Political Department; and a group of technical experts. Professor William Rappard was adviser to the Delegation.

SECTION III

DEVELOPMENTS DURING NEGOTIATIONS—MARCH 18—APRIL 17, 1946

Allied Opening Statements. The Allied-Swiss negotiations were conducted in Washington. The first plenary session was held on March 18, 1946. In his opening statement Mr. Paul advised the Swiss that:

1. The dual objectives of the negotiations were to eliminate the German war potential in Switzerland, and to make all German assets in Switzerland available for reparations.

2. The Allies in no way questioned the principle of neutrality and were fully cognizant of Switzerland's difficult position during the war.

3. The Allies sought complete cooperation of the Swiss in making German property and German assets available for reparation and reconstruction in such a manner as to eliminate the use of German assets in Switzerland for future war or aggression. In no way was neutral property nor assets of Switzerland or her nationals encompassed within the Allied objectives.

The opening statements of Messrs. McCombe and Charqueraud underscored Mr. Paul's remarks. In addition, Mr. Charqueraud referred to the problem of looted property, including gold. (See Appendix G for texts of Allied opening statements.)

Swiss Opening Statement. In his opening remarks Mr. Stucki stated that:

1. Switzerland's war record during the war years was above reproach.

2. Switzerland had long opposed Naziism.

3. The Swiss opposed application of Law No. 5 to Switzerland as an act in contravention of Swiss sovereignty. If the Hitler Government had made such a request of Switzerland before the outbreak of the war, or during the war, the Swiss Government would not have honored it. The legal status of the Allied Control Council in Germany was no different than the legal status of the Hitler Government of Germany.

4. Under the Swiss constitution the Swiss had no right to expropriate any assets in Switzerland nor to hand them over to a third party. Looted property, however, could be returned to lawful owners.

5. If it were possible to find a solution that would take into account national and international law, as viewed by the Swiss Government, the Swiss "would be most happy and very ready to cooperate with all good will toward this realization." (See Appendix H for text of Mr. Stucki's opening statement.)

Allied Answer to Swiss Legal Arguments. During the first week of negotiations the Swiss dealt almost exclusively with their view of the legal obstacles to the application of Law No. 5 to Switzerland. On March 19, the Allied Delegations set forth their views on this legal question in a memorandum to the Swiss as follows:

1. The Allied Control Council for Germany constituted the present *de facto* government of Germany.

2. The only legal act necessary on behalf of the Swiss Government was recognition of the binding effect of Law No. 5 in Switzerland under accepted principles of comity and international law.

3. The Swiss fear that *bona fide* refugees from Germany would be covered by the terms of Law No. 5 was unjustified. Article 3 of Law No. 5 made the law applicable only to assets owned by German nationals who enjoyed full rights of German citizenship under Reich law at any time since September 1, 1939, and who at any time since that date had been in the territory then under control of the Reich Government. Accordingly *bona fide* refugees in Switzerland who were deprived of their citizenship by the Nuremberg laws, or political refugees whom the German Government might have deprived of their citizenship, were specifically excluded from the effects of Law No. 5.

4. Law No. 5 did not request the Swiss Government to give extra-territorial effect to a confiscatory law. It provided that the question of compensation to Germans whose property was covered by the decree

was a matter to be settled by the Allied Control Council. In this connection, it was the intention of the governments of the Allied Delegations to recommend to the Allied Control Council that compensation in reichsmarks be paid to persons affected by Law No. 5. Moreover, by virtue of the current importation of foodstuffs into Germany by the Allied Nations, over-all compensation to Germany was in effect being made.

5. The implementation of Law No. 5 by the Swiss would not violate the principles of neutrality. International law encouraged recognition in any jurisdiction of a duly authorized government and of the laws of a foreign government. Reference was made to the action of the United States Government in connection with the decrees issued in 1940 by the Royal Netherlands Government-in-exile and the Norwegian Government.

6. The Swiss had no basis upon which to make an analogy between the Hitler regime and the Allied Control Council. Account must be taken not only of the character of the government now making the request, but also the use to which the Allied Control Council intended to put the assets. (See Appendix I for text of Allied note.)

First Swiss Proposals. On March 21, after a day's consideration of the Allied memorandum of March 19, the Swiss submitted the following proposal:

1. The Swiss Government would, through appropriate measures, liquidate all property in Switzerland owned by Germans in Germany.

2. The assets derived from the liquidation would be earmarked for Swiss claims against Germans in Germany.

3. To provide the Swiss with a legal basis for effecting this plan, the Allied Control Council should assume the liability to collect in reichsmarks debts owing to Swiss nationals by Germans in Germany. These reichsmarks would be devoted to compensating Germans whose property or assets in Switzerland were liquidated pursuant to the Swiss proposal. (See Appendix J for text of Swiss proposal.)

Allied Reply to First Swiss Proposal. The Allied Delegations refused to accept the Swiss proposal. In a memorandum on March 22, their objections were summarized as follows:

1. The Swiss proposal requested the Allies to direct their objectives to the single purpose of making the Allied Control Council a collection agency for the sole benefit of the Swiss claimants against a bankrupt Germany, even including those claimants whose claims arose through assisting Germany during the war.

2. The Swiss proposal ignored all aspects of the security objective. It indicated no willingness to provide for Allied-Swiss cooperation to realize this objective.

3. Implicit in the Swiss proposal was a recognition that there were no constitutional difficulties involved in Swiss liquidation of German assets in Switzerland, which could not be overcome if compensation in reichsmarks were paid to German owners and creditors whose property was covered by Law No. 5.

In the same memorandum the Allied Delegations outlined a plan to further constructive discussion of the problems, proposing that:

1. German assets as defined in Law No. 5 should be liquidated by an agency to be designated by common agreement between the Swiss Government and the three Allied Governments.

2. Proceeds of liquidation should be deposited in a special account in the Swiss National Bank.

3. The sum so deposited should be transferred to the three Allied Governments on their request, subject to deductions of proper Swiss collection expenses.

4. Agreement on the above should become effective at the time that the proper Allied authorities provided compensation in reichsmarks to Germans whose property would be liquidated, with the exception of war criminals, etc. (See Appendix K for text of Allied memorandum of March 22.)

Swiss Reaction to Allied Proposal. The Swiss reaction to this Allied proposal indicated that the reasons for the Swiss failure to comply with the Allied requests were reasons of expediency and not of law. The Swiss immediately agreed to waive their claims against Germany arising out of advances made by Switzerland to Germany during the course of the war. They intimated, however, that other Swiss claims would entirely exhaust any funds which might arise out of liquidation of German property in Switzerland. In the light of the Allied memorandum, they indicated that they could not accept the Allied proposal, but would look to international arbitration for the solution of the problem. (See Appendix L for report of conference of March 22.)

In a subsequent memorandum of March 25, the Swiss pointed out that:

1. They would be willing to keep the Allied Governments fully advised of measures taken by the Swiss in ferreting out German assets, although they would not permit administrative activities of foreign officials on Swiss soil.

2. The only manner in which German assets in Switzerland could be liquidated and turned over to the Allied Control Council would be for the Allies to turn over Swiss assets in Germany to Switzerland on the basis of a "capital clearing."

3. In no event could the Swiss enter into an agreement which would provide for German assets in Switzerland to be devoted to reparations. They considered that participation in such a program would be contrary to all principles of neutrality. (See Appendix M for conference of March 25, including text of Swiss memorandum of March 25.)

Establishment of Technical Committees. On March 25, it was agreed that progress of the negotiations would be improved if committees were established to deal with particular problems. Three committees were therefore established: (1) a Committee on Procedures, to determine procedures for liquidating German assets in Switzerland;

(2) a Committee on Claims, to consider Swiss claims against Germany; and (3) a Committee on Gold, to discuss principally the status and treatment of the looted gold in Switzerland. Several meetings of these committees were held during the week of March 25.

The activities of the committees and further over-all discussions were unexpectedly suspended because of Mr. Stucki's departure for Switzerland on March 31 to report to his government and receive new instructions.

On March 29, prior to Mr. Stucki's return to Switzerland, the Allies summed up their position in a memorandum stating that:

1. The word "reparations" was apparently being misunderstood by the Swiss. The Swiss were not being asked to participate in a punitive program, but rather in a program of reconstructing the damage and losses suffered during the war. The Allies recognized that Swiss nationals suffered losses, but the Allied losses were more extensive in character and included damages directly attributable to the war, from which the Swiss had escaped.

2. To remove any criticism that they were attempting to invade Swiss sovereignty, the Allies proposed that the liquidation of German interests be handled by a Swiss agency which would cooperate with a joint Swiss-Allied commission. Disputed questions were to be referred to arbitration.

3. The Allies could not recognize the various categories of Swiss claims against Germany. They proposed that the only way Switzerland could now secure any compensation for her claims was to agree to settle the matter with the Allies on a basis consistent with Germany's status as a bankrupt nation.

4. The Allies were prepared to agree to "retrocede" to Switzerland a percentage of the proceeds resulting from the liquidation of German assets in Switzerland.

5. The first \$25,000,000 collected from the liquidation of German assets was to be turned over to the Inter-Governmental Committee on Refugees, in accordance with the Paris Reparation Agreement, to be devoted to the relief of non-repatriable victims of Nazi action.

6. The Swiss regulations and public declarations with respect to looted property should be applied to gold. At least \$200,000,000 worth of gold transferred by Germany during the war to institutions in Switzerland was loot. (See Appendix N for text of Allied memorandum of March 29.)

Subsequently, on March 31, a supplemental memorandum was presented to Mr. Stucki. It included technical facts with respect to looted gold in Switzerland. After discounting certain classes of Swiss claims against Germany such as, for example, the German deficit in the Swiss-German clearing, the memorandum proposed the allocation to Switzerland of 20 percent of the proceeds of liquidation of German assets in Switzerland plus a 2 percent collection fee. (See Appendix O for text of Allied memorandum of March 31 on gold and percentages.)

Swiss Second Proposal. Mr. Stucki returned to Washington from Switzerland on April 9. He first communicated with the Allied Delegations on April 11 in a letter which summed up the current Swiss position on the issues being negotiated:

1. The Swiss Government did not recognize that Law No. 5 gave the Allies any legal claim for the surrender of German assets in Switzerland.

2. The Swiss considered inequitable the Allied proposal that Switzerland participate to the extent of 20 percent in the proceeds of liquidated assets. They again recommended that the issue be submitted to an international court of arbitration.

3. The Swiss characterized as incorrect the Allied estimates and conclusions with respect to looted gold in Switzerland. The Swiss National Bank was innocent in connection with its purchases of gold from the Germans during the war. The question of restoring possibly looted gold to the legitimate owners could only be decided by the Swiss Federal Tribunal.

4. Despite the above, the Swiss Government was willing to cede to the Allies, for the rehabilitation and reconstruction of Europe, a percentage of the proceeds of the assets liquidated in Switzerland *belonging to Germans residing in Germany*. In addition, the Swiss Government agreed to submit to the Swiss Parliament a proposal to make available to the Allies a part of the gold which the Swiss National Bank acquired from Germany after February 23, 1944, the date on which Switzerland received notice of the Declaration on Gold Purchases. (See Appendix P for text of Declaration on Gold Purchases of February 22, 1944, to which all United Nations subscribed.¹⁰) These Swiss concessions, however, were contingent upon the unblocking of Swiss assets in the United States and the termination of continued discriminations against Switzerland. (See Appendix Q for text of Mr. Stucki's letter of April 11.)

Allied Reply to Swiss Second Proposal. On April 12, on behalf of the Allied Delegations, Mr. Paul replied to Mr. Stucki's letter of April 11, pointing out that:

1. German assets in Switzerland were German assets and not Swiss assets. The present government of Germany had the right to immobilize the foreign assets of persons and institutions subject to German jurisdiction.

2. Referring the matter to arbitration would not provide the practical measures for meeting with the problems at issue. It would merely cause a deterioration of German assets which had to be liquidated, and possibly prolong measures which the Allies would be required to maintain to insure that no German assets failed to be uncovered.

3. The requirement that the Swiss agree to make a portion of the proceeds, derived from the liquidation of German assets, available to the Allied Governments was not one of law, as the Swiss Delegation

¹⁰ For text of the U.S. Statement on Gold, see circular airgram, February 22, *Foreign Relations*, 1944, vol. II, p. 213.

itself had already conceded, but one of expediency to be decided as a political act by the Swiss Government itself.

4. The United States Government agreed that upon the successful conclusion of the present negotiations with Switzerland, it was prepared to discuss procedures for the unfreezing of legitimate Swiss assets in the United States. The Allied Delegations agreed to examine further the economic controls which might be presently affecting Switzerland. These controls were matters of domestic law. Each country had the right to forbid its nationals to have financial or commercial dealings with persons who gave aid and comfort to the enemy.

5. To assist in the speedy resolution of the questions at issue, the Allied Delegations recommended that drafting committees be set up to work out appropriate agreements. (See Appendix R for text of Mr. Paul's letter of April 12.)

On April 17, Mr. Stucki replied to Mr. Paul's letter of April 12 indicating that:

1. The Swiss were willing for the present to waive further legal discussions, but that they might feel obliged to return to their proposal for arbitration of the main issues.

2. They had never maintained that German assets in Switzerland were Swiss and not German.

3. They could in no way admit that foreign assets should be liberated without parallel repatriation of Swiss assets in the corresponding countries.

4. They considered that they had been discriminated against by the continued application of the freezing control to Swiss assets in the United States and by the continued application of the Statutory and Proclaimed Lists.

5. They were willing to proceed immediately with the drafting of an agreement along general lines, but preferred that all technical points be negotiated and concluded in Switzerland. (See Appendix S for text of Mr. Stucki's letter of April 17.)

Negotiations with Respect to Looted Gold in Switzerland. It will be recalled that in a memorandum of March 31 the Allied Delegations furnished the Swiss with certain facts upon which the Allies based their conclusions that at least a minimum of \$200,000,000 worth of gold looted by Germany was transferred to Switzerland during the course of the war. On April 4, in Mr. Stucki's absence from Washington, Professor Rappard, Special Adviser to the Swiss Delegation, addressed a letter to Mr. Paul requesting further detailed information on the question of looted gold in Switzerland. (See Appendix T for text of Professor Rappard's letter of April 4.)

In a letter of April 9, Mr. Paul replied to Professor Rappard. Mr. Paul did not answer specific questions raised by Professor Rappard, but he pointed out that:

1. None of the information requested by the Swiss Delegation with respect to the gold problem had any relevance to the acceptance by the

Swiss of the principle advocated by the Allied Delegations that the Swiss should restore to the Allies looted gold which was acquired from Germany.

2. The Allied Delegations considered as looted gold all gold acquired by Germany under conditions such as those set forth in the United Nations Declaration of January 5, 1943. (See Appendix U for United Nations Declaration of January 5, 1943, Regarding Forced Transfers of Property in Enemy-Controlled Territory.¹¹)

3. In the event Switzerland agreed to restore looted gold to the Allies, appropriate arrangements could be made for the protection of the Swiss Government. (See Appendix V for text of Mr. Paul's letter of April 9.)

On April 13, the Swiss Delegation submitted a memorandum on the looted gold problem to the Allied Delegations. This memorandum, among other things, stated that:

1. The Swiss estimated the legitimate pre-war gold reserves of Germany at \$450,000,000 (1,800,000,000 Swiss francs). This figure was to be contrasted with the Allied estimate of \$160,000,000 as the legitimate pre-war gold reserves of Germany.

2. Switzerland transferred a considerable portion of the gold she received from Germany to third parties.

3. Switzerland did not have concrete information on the German looting of gold.

4. The Swiss did not consider that the Belgian gold they purchased from the Reichsbank was looted gold. (See Appendix W for text of Swiss memorandum of April 13.)

On April 17, 1946, the Allied Delegations submitted to the Swiss Delegation comments on the Swiss memorandum of April 13. The Allied memorandum reiterated the view, expressed in Mr. Paul's letter of April 9, that Switzerland must accept the principle of turning over to the Allies looted gold which the Swiss had accepted during the war, and further noted that:

1. The Swiss estimate of the legitimate pre-war gold reserves of Germany was incorrect.

2. Switzerland was responsible for all gold shipped to her from Germany. The fact that some of this gold may have been sold to third parties did not relieve the Swiss of their responsibility.

3. Switzerland could not plead that she was ignorant of the looting tactics of the Germans. The neutrals were on notice as early as January 5, 1943, of Allied concern with German looting of property and what constituted looted property. The Allies could not accept the date February 23, 1944, as the definitive date for determining what constituted looted gold.

4. The Allies could not accept the Swiss view that the Belgian gold was not looted. (See Appendix X for text of Allied memorandum of April 17 on gold.

¹¹ Text is printed in *Foreign Relations*, 1943, vol. I, p. 443.

On April 20 the Swiss Delegation replied to the Allied memorandum of April 17, in a note setting forth that:

1. The statements and figures in their memorandum of April 13 were correct.

2. Swiss purchases of gold during the war conformed to the laws of neutrality.

3. The Czechoslovakian and Austrian gold could not be considered as looted gold, since the Allies themselves did not question these acquisitions when they were made.

4. Neither the date February 23, 1944, nor any other date was decisive as to whether Switzerland should surrender gold.

5. Switzerland could never recognize the Belgian gold which it purchased as looted gold.

6. The Swiss Delegation was under instructions to state "finally and categorically" that neither the Federal Council nor the Swiss National Bank had a legal or moral obligation to restore gold to the Allied countries. If the Allies rejected the Swiss offer, i.e., their verbal offer of \$25 million of gold as a contribution for the reconstruction of Europe, then the matter would have to be referred to a Swiss tribunal. (See Appendix Y for text of Swiss memorandum of April 20.)

On April 23 the Allied Delegation replied that under the circumstances set out in the Swiss note they could not accept the statements made by the Swiss Delegation in its memorandum of April 20, and that they considered no Swiss tribunal competent to decide the issue. (See Appendix Z for Allied memorandum of April 23.)

In discussing this memorandum with the Swiss Delegation, the Allied negotiators stated that Switzerland was liable to restore to the Allies approximately \$130,000,000 in gold. The Allied records revealed that at least this amount of the Belgian gold, which was looted from France by the Germans, was transferred by Germany to Switzerland during the war.

On April 24 Mr. Stucki, replying to the Allied note of April 23, insisted that the Swiss courts were competent to consider the issue. In addition, he stated that the figure (\$130,000,000) lay beyond every possibility of the Swiss Government and the Parliament. In this connection he referred again to his earlier proposal which in effect indicated that the Swiss Government might be willing to recommend to the Swiss Parliament that it approve a voluntary gold contribution to the Allies for rehabilitation purposes. (See Appendix AA for text of Mr. Stucki's letter of April 24.)

Swiss Proposal of Withdrawal of Black List. On April 17, 1946, the Swiss Delegation submitted a memorandum to the Allied Delegations requesting withdrawal of the Proclaimed and Statutory Lists and List of Enemies (Black List) in the light of the following:

1. The lists were injurious to the Swiss economy. Maintenance of the lists would undoubtedly increase unemployment and might provoke political and social unrest.

2. The Swiss Government, throughout the war, strictly conformed to international law, including the Hague Convention, and required of all its nationals strict observance of commercial treaties concluded between Switzerland and the Allies, including those which limited Swiss freedom of trade. Swiss nationals acted within the framework of Swiss legislation, even if they did contribute through exportations to the German war effort.

3. From 1940-1944, the export of war materials to Germany admittedly increased. However, shortly after the outbreak of war, at the urgent request of the British and French Governments, Switzerland suspended its regulations prohibiting the export of arms and munitions. As a neutral, Switzerland could not suspend its Arms Embargo with respect to the Allies and maintain it with Germany.

4. The procedure of listing individuals and firms, because of their relation with Swiss nationals already listed, was irreconcilable with Swiss sovereignty.

5. The "black lists" had lost their reason for existence with the end of the war. During hostilities, they were incompatible with international law; today they constituted an unjustifiable violation of these principles. (See Appendix BB for text of Swiss memorandum of April 17 on withdrawal of Black List.)

SECTION IV

DEVELOPMENT LEADING TO AGREEMENT—APRIL 17—MAY 26

Subsequent to April 17 the Swiss and Allied Delegations proceeded with the drafting of a proposed agreement, and on April 17 and 18 the Delegations exchanged preliminary draft accords. However, the negotiations and further work by the Drafting Committee were interrupted on April 23 due to a difficulty in arriving at a decision on two basic points: (1) the percentage of German assets which the Swiss should receive in satisfaction of their claims against Germany; and (2) the amount of gold which Switzerland should restore to the Allied nations as a result of her acquisitions of looted gold from Germany during the war. This interruption was confirmed by an exchange of letters between Mr. Paul and Mr. Stucki. (See Appendix CC for text of letters of April 24 of Mr. Paul and Mr. Stucki.)

Between April 23 and May 2 Mr. Stucki had no contact with the Allied Delegations. However, during this period Mr. Bruggmann, the Swiss Minister to the United States, conferred at various times with Mr. Paul; Assistant Secretary of State Clayton; Secretary of the Treasury Vinson; and officers of the Department of Justice, looking toward a settlement of the Swiss-Allied negotiations.

During this period Mr. Bruggmann addressed a letter to Mr. Clayton reiterating the Swiss views on the Belgian gold question. (See Appendix DD for text of Mr. Bruggmann's letter of April 30.)

On May 2 Mr. Clayton replied to Mr. Bruggmann's letter, pointing out that the information in Mr. Bruggmann's letter had already been given to the Allied Delegations by the Swiss Delegation. Furthermore, Mr. Clayton re-affirmed the rights of the Allied Governments to question the validity of Swiss rights to property acquired from Germans which the Germans had requisitioned from other countries. (See Appendix EE for text of Mr. Clayton's letter of May 2 to Mr. Bruggmann.)

Between April 23 and May 2 the Allied Delegations gave further study to the Swiss observations concerning the amount of looted gold for which Switzerland was liable. The Allied Delegations concluded that for purposes of these negotiations they might exclude Austrian gold from the category of looted gold. On this basis the Allied Delegations revised downward their estimates of the amount of looted gold transferred to Switzerland. However, the Swiss Delegation took the position that Switzerland could not be held liable to restore the entire amount of looted gold which was transferred from Germany to Switzerland, since a portion of this amount was merely deposited in Switzerland and subsequently transferred from Switzerland to third countries pursuant to orders of the Reichsbank, as depositor. The Swiss admitted, however, that they had purchased \$88 million of gold traceable originally to Belgium from Germany during the war. But in no event would they concede that they were liable to restore this amount of gold to the Allies.

On May 2, Mr. Stucki re-entered the negotiations and proposed to meet the two basic points at issue as follows: A 50-50 split on the proceeds of the German assets in Switzerland and a payment of 250 million Swiss francs, or approximately \$58.14 million, in settlement of the gold question. In view of the fact that this proposition was made to the Allied Delegations as the final offer of the Swiss Government, the matter was referred by Mr. Paul, for the United States Delegation, to the Secretaries of State and Treasury for their recommendations and by the British and French negotiators to their respective governments. Mr. Paul also sought the advice of Senator Kilgore, Chairman of the Subcommittee on War Mobilization of the Senate Committee on Military Affairs.

Secretary of the Treasury Vinson, Assistant Secretary of State Clayton, and Senator Kilgore were each of the view that the United States Government should accept the Swiss offer. They did not believe that an agreement with the Swiss, which would secure wholehearted support by the Swiss of the Allied economic security objective, should be jeopardized for the sake of a few more dollars. Moreover,

to obtain a few more dollars it would be necessary to continue war-time restrictions at a time when antagonism was increasing everywhere against such controls. The French and British Governments apparently shared the same views, since the Delegations of those governments were authorized to accept the Swiss offer. The French Delegation attached to its acceptance the condition that Italy and Austria should not share in the gold received from Switzerland. After consultation, the Delegations of the United States and the United Kingdom accepted this condition, on the proviso that Italian and Austrian rights should in no way be jeopardized in the final understanding.

In view of these recommendations, on May 21 Mr. Paul delivered a note to Mr. Stucki accepting the Swiss offer of one-half of the proceeds of the liquidated German assets and 250,000,000 Swiss francs in settlement of the gold claims of the governments for whom the Allied Delegations were acting. In accepting the offer the Allied Delegations stated that:

1. The Swiss should permit the Allies to draw advances immediately to be devoted to the rehabilitation and resettlement of non-repatriable victims of German actions.

2. Property within Switzerland of victims of Nazi action, who had since died and left no heirs, was to be put at the sole disposal of the Allied Governments.

3. Official German property to which the Allies took title by virtue of the Act of Surrender was not subject to the 50-50 division which would be applied to other German assets to be liquidated pursuant to the proposed agreement with the Swiss.

4. They assumed that the Swiss Government would submit to the Allies detailed information covering gold deposited by Germany in Switzerland for transfer to other countries, and would furnish the Allies with other information to assist them in tracing gold which might have been looted by the Germans. (See Appendix FF for text of letter from Mr. Paul to Mr. Stucki of May 21.)

On May 22, Mr. Stucki replied to Mr. Paul, acknowledging acceptance by the Allies of the final Swiss offer. In this letter he made the following additional points, some of which raised further questions to be resolved in the negotiations:

1. The Swiss disagreed with the Allied definition of the German assets subject to the agreement.

It will be recalled that in Mr. Stucki's letter to Mr. Paul, dated April 11, Mr. Stucki stated that the Swiss Government was willing to cede to the Allies a percentage of the proceeds of the assets liquidated in Switzerland *belonging to Germans residing in Germany*. The scope of the German property which the Swiss intended to cover by their proposal differed from the scope of German property as defined by the Allies. In the first Allied draft accord of April 17, the "Ger-

man property", which was the subject of discussion, included not only all property owned or controlled by Germans residing in Germany, but also "all property owned or controlled by any person of German nationality outside of Germany, including Switzerland." The latter expression was to apply to persons who had enjoyed full rights of German citizenship under Reich law at any time since September 1, 1939, and who at any time since September 1, 1939, had been in any territory under the control of the Reich Government, but it was not to apply to citizens of any country annexed by Germany since September 31, 1937. The expression was also to include any persons who the four Governments agreed should be repatriated to Germany because of their activities on behalf of the Third Reich. It was not to apply to the property of *bona fide* German refugees.

2. Further details would have to be discussed with respect to the type of additional gold information the Swiss were to furnish the Allied Governments.

3. Switzerland was prepared to make certain advances to the Allies from the account of their share in the liquidation proceeds to be used immediately for the rehabilitation of victims of Nazi action.

4. The Swiss reserved comment on the Allied proposal that the property within Switzerland of victims of Nazi action, who had since died and left no heirs, be placed at the sole disposal of the Allied Governments.

5. Switzerland disagreed with the opinion that the Allies acquired title to official German property in Switzerland as a result of the Act of Surrender. (See Appendix GG for text of Mr. Stucki's letter of May 22.)

SECTION V

FINAL AGREEMENT

On May 26, 1946, the final agreement with the Swiss was signed. It consisted of an Accord, an Annex, a gentlemen's agreement, and an exchange of letters between the Swiss Delegation and the Allied Delegations.¹² The Accord provided that:

1. *German Property covered by Agreement.* The Swiss Compensation Office would investigate and liquidate all property in Switzerland which was (a) owned or controlled by Germans in Germany; and (b) owned or controlled by persons of German nationality who were to be repatriated.

2. *Compensation to Owners of Liquidated Property.* Germans whose property was liquidated would have a right to compensation in German money. Switzerland would furnish out of funds available to it in Germany one-half of the German money necessary for this purpose.

3. *Joint Commission.* The Swiss Compensation Office would investigate and liquidate German property in cooperation with a Joint Commission composed of representatives of the United States,

¹² Exchange of letters not printed; for citation to text of Accord and Annex, see letter dated June 3, from Mr. Randolph Paul to President Truman, p. 202.

British, French and Swiss Governments. Decisions of the Swiss Compensation Office were to be subject to review on request of the Joint Commission as well as private persons.

4. *Apportionment of Liquidated German Assets.* The proceeds of the liquidated German property should be divided on a 50-50 basis by the Swiss and Allied Governments. The Swiss Government would bear the cost of administration and liquidation of German property.

5. *Swiss Contribution to Allied Gold Pool.* The Swiss Government would make available to the three Allied Governments 250 million Swiss francs payable on demand in gold in New York. In return the Allied Governments agreed to waive in their name and in the name of their banks of issue all claims against the Swiss Government and the Swiss National Bank in connection with gold acquired during the war from Germany by Switzerland.

6. *Removal of Economic Restrictions on Switzerland.* The United States Government would unblock Swiss assets in accordance with procedures to be established immediately.

The Allied Governments would discontinue without delay the "black lists" as they applied to Switzerland.

7. *Interpretation of Accord.* Differences of opinion with regard to the interpretation of the Accord might be settled by arbitration.

8. *Effective Date of Accord and Annex.* The effective date of the Accord and Annex was to be the date on which the Accord and Annex were approved by the Swiss Parliament.

The Annex elaborated on the matters covered by the Accord, defining in greater detail (a) the procedures to be employed by the Swiss Compensation Office in cooperation with the Joint Commission in uncovering and liquidating German property in Switzerland; (b) the method for compensating owners of liquidated property; (c) organization and functions of the Joint Commission; (d) conditions under which German property would be sold; (e) methods for arbitrating differences between the Swiss Compensation Office and the Joint Commission. In addition the Annex provided that:

1. *Financial Assistance to Non-Repatriable Persons.* The three Allied Governments might draw immediately up to 50 million Swiss francs upon the proceeds of liquidation against their share of liquidated German property. This advance was to be devoted, through the Inter-Governmental Committee on Refugees, to the rehabilitation and resettlement of non-repatriable victims of German action.

2. *Patents, Trademarks, and Copyrights.* Pending multilateral arrangements, no German-owned patent in Switzerland should be sold or transferred without the concurrence of the Swiss Compensation Office and the Joint Commission. Moreover, no German-owned trademark or copyright should be sold without the concurrence of the same authorities.

3. *Property of the German State.* The provisions in the Accord and Annex did not cover property of the German State in Switzerland, including property of the Reichsbank and the German railroads. Under the Gentlemen's Agreement there was an understanding that:

(a) The Swiss Compensation Office would dismiss personnel, regardless of position, from business enterprises to be liquidated, if the Swiss Compensation Office and the Joint Commission agreed that these

employees were a threat to security objectives; and (b) Allied personnel would be available to assist in some of the investigations to be conducted by the Swiss Compensation Office.

In their letters to Mr. Stucki the Allies:

1. Agreed to furnish the Swiss Government before January 1, 1948, lists of persons of German nationality who were neither residents of Switzerland nor domiciled in Germany, whose property would remain blocked pending their repatriation or the decision of the competent government against their repatriation.

2. Suggested that a simple and inexpensive procedure be established for the restitution of property taken from victims of German exploitation.

3. Reserved (a) the rights which they claimed over property of the German State in Switzerland, and (b) the right to request the Swiss Government to reconsider the provision of the Accord by which sums payable through the German-Swiss clearing were not to be regarded as German property.

In his several letters to the Allies Mr. Stucki:

1. Asked special protection of Swiss interests and property in the territories in which the three Allied Governments exercised supreme authority.

2. Stated that the Swiss Government would examine (a) the question of taking appropriate steps to insure that unsecured creditors of Germans whose property was to be liquidated should not be paid from the proceeds of liquidation, and (b) the matter of putting the proceeds of property in Switzerland of heirless victims of German aggression at the disposal of the Allies for relief and rehabilitation purposes. (See Appendix HH for texts of Accord, Annex, Gentlemen's Agreement, and Letters.)

[Negotiations between the United States, the United Kingdom, France, and Sweden concerning German external assets in Sweden and related questions began in Washington on May 29 and culminated in an Accord on July 18, 1946. For text of this Accord, see Department of State, *Treaties and Other International Acts Series No. 1657*, or 61 Stat. (pt. 3) 3191. For text of the Agreement between the United States and France, July 18, on the allocation of the proceeds of German assets to be received from Sweden as a result of the Swedish-Allied Accord of July 18, see Department of State, *Treaties and Other International Acts Series No. 1731*, or 61 Stat. (pt. 4) 3840. An article by Mr. Seymour J. Rubin, Deputy Director of the Office of Economic Security Policy, Department of State, and Chief of the United States delegation for the Allied-Swedish negotiations, commenting on the Accord and the discussions leading thereto, is printed in the Department of State *Bulletin*, July 27, 1947, page 155.]

PARTICIPATION BY THE UNITED STATES IN THE WORK OF THE UNITED NATIONS RELIEF AND REHABILITA- TION ADMINISTRATION (UNRRA)

[Documentation concerning United States relations with other countries on subjects pertaining to UNRRA is indexed under the individual countries. For documentation relating to handling of displaced persons, repatriation, and transfer of populations, see pages 128 ff. The position of the United States with regard to assumption by the United Nations of certain of UNRRA's functions after the termination of UNRRA is summarized in *Yearbook of the United Nations* (United Nations, 1947), pages 71-72, 155-164; for further references, see *ibid.*, page 988.

Unpublished material in the Department of State on United States participation in UNRRA is located principally in the 840.50 UNRRA decimal file. Published information on the Fourth (March 15-30), Fifth (August 5-17), and Sixth (December 10-14) UNRRA Council sessions may be found in the *Journals* for the respective sessions. UNRRA's official history is contained in George Woodbridge, *UNRRA: The History of the United Nations Relief and Rehabilitation Administration*, 3 volumes (New York, Columbia University Press, 1950).]

**AGREEMENT BETWEEN THE UNITED STATES, FRANCE,
THE NETHERLANDS, AND THE UNITED KINGDOM
FOR THE ESTABLISHMENT OF THE CARIBBEAN
COMMISSION**

[The Agreement was opened for signature at Washington October 30, 1946, and entered into force August 6, 1948. For text see Department of State, Treaties and Other International Acts Series No. 1799, or 62 Stat. (pt. 3) 2618.]

UNITED STATES INTEREST IN MEASURES FOR THE CONTROL OF THE DANUBE RIVER AND OTHER QUESTIONS INVOLVING EUROPEAN INLAND WATERWAYS

740.00119 Council/1-2146: Telegram

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

SECRET

LONDON, January 21, 1946—6 p. m.

[Received 9:34 p. m.]

719. This is Delsec 144 from Dunn¹ for Matthews² Radius³ and Collado.⁴ US draft directives on satellite treaties submitted at September CFM (Conference of Foreign Ministers) meeting proposed that international agreements for control of the Danube should be confirmed by the peace treaties. Reinstein⁵ informs me no specific proposals have been developed in the Dept because of uncertainty as to whether waterways question was discussed at Moscow conference.⁶ I understand the matter was not discussed. I should appreciate receiving as soon as possible Dept suggestions as to specific proposal which delegation should put forward on the Danube in the treaty discussions. We will also need to have specific suggestion regarding free port facilities for Bulgaria on the Aegean (see Reinstein's memo of December 29 to Radius⁷). [Dunn.]

WINANT

¹ James Clement Dunn, Assistant Secretary of State, Deputy to the Secretary at the Council of Foreign Ministers in London.

² H. Freeman Matthews, Director, Office of European Affairs.

³ Walter A. Radius, adviser on inland transport in the State Department; adviser on technical problems, US Delegation, 1st part, 1st session of the General Assembly, United Nations, London.

⁴ Emilio G. Collado, Deputy (Financial Affairs) to the Assistant Secretary of State for Economic Affairs (Clayton).

⁵ Jacques J. Reinstein, Economic Adviser to the U.S. delegation to the Council of Foreign Ministers in London.

⁶ The waterways question was not discussed at the Moscow Conference. For documentation on the Moscow Conference of Foreign Ministers, December 16-26, 1945, see *Foreign Relations*, 1945, vol. II, pp. 560 ff.

⁷ Not printed.

840.811/1-2546 : Telegram

The Counselor of Mission in the Office of the United States Political Adviser for Austria (Gray) to the Secretary of State

SECRET

VIENNA, January 25, 1946—7 p. m.
[Received January 26—9: 18 a. m.]

118. Pass to War Dept., Remy A-4392, October 26.⁸ Following is text of resolution adopted by Allied Council January 22:

"The Allied Council agrees that the Commander in Chief will draw the attention of their respective governments to the advantages that would accrue if these governments would authorize their representatives in Vienna to seek a solution of the question of a rapid resumption of navigation on the Danube, and to make, without delay, proposals towards finding a provisional 'modus vivendi'."

This resolution adopted without discussion by AC and Executive Committee on basis of report by Quadripartite Transport Division following letter from Austrian Minister of Transportation pointing out importance of rapid resumption of navigation on Danube. Report expressed hope that proposals for resumption of traffic would be made before winter ends.

We will proceed in accordance with existing instructions in Department's 174, October 9⁹ and 250, November 8¹⁰ if and as soon as other three members particularly Soviet member receive similar instructions permitting them to do so. (In this connection see my 117, January 25, 6 p. m.⁸) Will any further instructions be issued to Representative Clark¹¹ on basis of above resolution?

Sent Department as 118, repeated Berlin as 14, London as 11, Paris as 20, Moscow as 8.

GRAY

740.00119 Council/1-2146 : Telegram

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

SECRET

WASHINGTON, January 26, 1946—8 p. m.

914. Secdel 114. For Dunn from Matthews, Radius and Collado. Reurtel 719 Jan 21 Delsec 144. Dept suggests that US proposal on

⁸ Not printed.

⁹ Not printed; in this telegram the Department suggested that "an Interim Austrian Danube Control Organization be established at the earliest possible moment by the Control Council or by arrangement among the zonal commanders concerned with Austrian portion of Danube." (840.811/10-945)

¹⁰ Not printed; in this telegram the Department asked for details regarding nationality of vessels under US control, adequacy of supply of Soviet barges, and demand for waterway equipment in Hungary, Czechoslovakia, and Yugoslavia (840.811/10-2645).

¹¹ Gen. Mark W. Clark, Commanding General, US Forces in Austria: US Military Commissioner for Austria; US Member of the Allied Council for Austria.

Danube issue in satellite peace treaty discussions should take form of general statement that "navigation on rivers of international concern should be free and open on terms of entire equality to nationals, vessels of commerce, and goods of all members of the United Nations."

Despite draft directive submitted at Sept Council of Foreign Ministers,¹² Dept does not now favor confirming particular international waterway regime in peace treaties.

Dept does not believe it desirable to raise issue of an International Danube Administration at this time which would involve taking stand as between British and French position (non-riparian representation) on one hand, and Russian position (exclusively riparian representation) on other. To obtain recognition of freedom of navigation and non-discriminatory treatment principles by satellite and major nations would be best contribution that US could make.

Dept recognizes danger that general statement of principle in peace treaties, such as suggested above, will not of itself carry assurance of adequate implementation. It is hoped of course that adequate implementation can be effectuated through UNO.

Dept's position in event issue should be precipitated between British and French and Soviets has not been determined. Further instructions will follow as soon as possible.¹³

Dept also believes that general principle should be incorporated in the peace treaties that "interior areas should be assured freedom of access and transit to desirable and convenient port facilities." Instructions on particular application of this principle to Bulgaria will follow. [Matthews, Radius and Collado.]

BYRNES

840.811/1-2346 : Telegram

The Secretary of State to the United States Political Adviser for Austria (Erhardt)

SECRET

WASHINGTON, January 30, 1946—6 p. m.

85. Dept wishes to call attention to position which it requested its delegation in London to take with regard to Danube in satellite peace treaties. It has asked delegation to sponsor only a general statement that "navigation on rivers of international concern should be free and open on terms of entire equality to nationals, vessels of commerce and goods of all members of the United Nations." Dept is specifically requesting London delegation not to confirm particular kind of Danube Commission either on temporary or permanent basis in peace treaties.

¹² *Foreign Relations*, 1945, vol. II, pp. 132-134.

¹³ Telegram 85, *infra*.

Dept does not believe it desirable to raise issue of permanent International Danube Administration at this time which would involve taking stand as between British and French position (non-riparian representation) on one hand, and Russian position (exclusively riparian representation) on other. To obtain recognition of freedom of navigation and non-discriminatory treatment principles by satellite and major nations would be best contribution that US could make.

Dept recognizes danger that general statement of principle in peace treaties, such as suggested above, will not of itself carry assurance of adequate implementation. It is hoped of course that adequate implementation can be effectuated through UNO.

While it is understood that urtel 118 Jan 25 applies to resumption of military traffic on Danube on temporary basis Dept wishes to be sure that issue of non-riparian representation on permanent regulatory commission is not prejudiced one way or other.

Sent to Vienna repeated to London for Dunn, Blaisdell and Russell.¹⁴

BYRNES

840.811/2-1446 : Telegram

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

RESTRICTED

LONDON, February 14, 1946—5 p. m.

[Received 11:28 p. m.]

1874. For Moats¹⁵ from Radius. After discussions with Rainey¹⁶ and McClure,¹⁷ as well as Blaisdell and Russell, following approach to Rhine problems appears best way to achieve substance desired under another form than IRNA proposals:

1. Uniform instructions would be sent to three zonal military authorities explaining policy of interzonal cooperation on Rhine, to be implemented through tripartite traffic and engineering committees at Duisburg and Eltville. Three waterways chiefs would establish policies, to be carried out by full-time deputies on each committee fully authorized to arrange operations of craft, equipment and services on Rhine and connecting waterways in their respective zones in accordance with committee decisions. Committee members would be

¹⁴ Presumably Thomas C. Blaisdell, chief of the US mission for economic affairs in London, and Ruth B. Russell, economic analyst at the US Embassy in the United Kingdom.

¹⁵ Helen M. Moats, Special Assistant, American Embassy, London.

¹⁶ Froelich G. Rainey, Senior Economic Analyst, detailed to International Rhine Commission.

¹⁷ Wallace McClure, Senior Economic Analyst, detailed to International Rhine Commission.

expected to present unified position when dealing with other riparian states on IRWC in matters of international concern.

2. Other riparian states would be requested to send representatives to IRWC fully authorized to make similar arrangements for Rhine and connecting waterways under their jurisdiction. This would overcome present problem of having such representatives on IRWC inadequately authorized to carry out decisions regarding necessary international coordination, and would avoid difficulties involved in establishing new organization. ECITO and CRC representation could continue but be formalized as proposed in ECITO council resolution. (Embassy's telegram 1198, January 31 to Dept; repeated to Paris as 77, to Berlin as 118.¹⁸)

3. Ronald¹⁹ indicated British have also been working out similar approach which would involve minimum necessary formalization of IRWC. They are also trying to work into plan some way to encompass any necessary work on priorities for which French wanted separate committee. Ronald thought Charqueraud²⁰ would be favorable to idea. At Foreign Office meeting scheduled for today to discuss these questions, he will indicate our views and later report developments to us.

Sent Department as 1874; repeated to Paris as 122 and to Berlin as 184. [Radius.]

WINANT

840.811/2-2046 : Telegram

The United States Political Adviser for Austria (Erhardt) to the Secretary of State

SECRET
URGENT

VIENNA, February 20, 1946—1 p. m.
[Received February 20—12:38 p. m.]

243. Re restitution Yugoslavian and Czechoslovakian vessels held by American forces, our last instructions are Department's 206, October 24, authorizing movement downstream to carry out restitution policy and Department's 404, November 15 to Belgrade,²¹ to notify Yugoslavian Government that authorities in US zones have been so instructed. Similar instructions USFA are WARX 85965 from JCS.^{21a}

¹⁸ Not printed.

¹⁹ Sir Nigel Bruce Ronald, Acting Assistant Under Secretary of State for Foreign Affairs.

²⁰ Paul H. Charqueraud.

²¹ Neither printed.

^{21a} For text, see *Foreign Relations*, 1945, vol. III, p. 1427.

Return of these vessels has not been processed here for two reasons:

1. We anticipated events and conditions regarding Russian attitude against free navigation on Danube which have been largely confirmed in interim.

2. Movement past Tulln physically impossible.

Czechoslovakians have exerted no pressure locally and appear not over-anxious for return of their vessels at this time (see also last sentence Praha's 582, November 15, warning against Soviet requisitioning, and Budapest's telegram, January 30, repeated Vienna as 33, reporting Czechoslovakian proposal to acquire Hungarian ships without reference to their own ²²).

Yugoslavians have pressed for restitution their ships. While it appears possible that they would remain under Yugoslavian flag if returned to them, it is evident from all reports that Yugoslavian shipping is actually under Russian domination and control and it appears likely that return of Yugoslavian ships would operate to extend and strengthen Russian grip on river.

Subsequent events have tended to confirm estimate of the position (see my 559, December 12 ²³) ; (referred to favorably in Department's 362, December 14 and Moscow's 4299, December 28 ²²) in which the vessels in American hands are regarded as possessing bargaining power vis-à-vis the Soviets' fundamental objective of [*objection to?*] free navigation on Danube. Russian anxiety to obtain release of American-held ships and to "own" the river has been evidenced in the DDSG case (numerous recent telegrams on this case) and conspicuously, among others, is Budapest's telegram, January 28, repeated to Vienna as 30.²³

Recent exchanges between USFET and USFA have brought out that former was processing restitution of Yugoslavian and Czechoslovakian vessels and suggested that USFET process also those in Austria. USFA did not concur on ground that political implications on the Danube were involved with which USFET might not be familiar. The question of responsibility for operation and control of all vessels in both countries in our zone has been raised and is under discussion.

Majority of Yugoslavian and Czechoslovakian vessels is in Bavaria and Rainey, Berlin, advises that RD and R, Germany, has processed claims and is about to relinquish title under WARX 85965 and that

²² Neither printed.

²³ Not printed.

Berlin has received specific instructions in Department's 167, January 19,²⁴ to restitute (see also Berlin's 15, February 9 to Department²⁴).

Believe desirable treat question uniformly in Berlin and Vienna and with consideration to larger political aspect of Russian domination Danube Basin through control of river. Due to mild winter, work on clearing Tulln bridge has proceeded and channel will probably be opened soon.

Sent Department as 243; repeated to London for Radius as 27, to Praha as 9, to Berlin as 26 Belgrade.

ERHARDT

740.00119 Council/2-2646 : Telegram

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

TOP SECRET

WASHINGTON, February 26, 1946—2 p. m.

1791. Reurtel 719 (Delsec 144) Jan 26. For Dunn, Reinstein and Radius. Dept submits as statement of policy on Danube principles set forth below pursuant to Deptel 914 Jan 26:

"1. US should support re-establishment of general principle of freedom of commerce and navigation on Danube River in satellite peace treaties.

"2. US should use this policy as to Danube River, in so far as possible, to promote principles of freedom of commerce and navigation in East-Central Europe and to support political independence of peoples of this region.

"3. For your own information it is not our intention to seek permanent membership on a Danube Commission, but we should state our position without prejudice to Anglo-French position.

"4. US should seek to implement this long-range policy and to support commercial interests of states not represented on the Commission through its position on Economic and Social Council of UNO, which is to coordinate specialized agencies of United Nations, and through UNO itself.

"5. In addition to its long-term interest under Paragraph 1 above, US should seek immediately, on *ad hoc* basis, freedom of navigation on Danube River, either through temporary commission, or through US membership on Allied Control Council, or through direct government-to-government negotiations, in view of its role as occupying power in Austria and Germany."

While instructions are for US delegation negotiating peace treaties, they are repeated for information to Vienna, Berlin, Budapest and Bucharest.

BYRNES

²⁴ Not printed.

740.00119 Control (Austria)/2-2246

The Department of State to the British Embassy

MEMORANDUM

Reference is made to the British Embassy's *Aide-Mémoire* of February 22, 1946 no. 1139/2/46²⁹ regarding the resumption of navigation on the Danube.

The United States is willing to associate itself with the United Kingdom in parallel instructions to their respective Ambassadors in Moscow on the following points.

1. The re-establishment of the general principle of freedom of commerce and navigation on the Danube River on terms of entire equality to nationals, vessels of commerce and goods of all members of the United Nations.

2. The establishment of a provisional Danube Commission to be composed of representatives of the Union of Soviet Socialist Republics, the United States, the United Kingdom and France in their respective roles as occupying powers together with such riparian governments as have been recognized by the four major powers.

The United States will immediately instruct its Ambassador to the Union of Soviet Socialist Republics in accordance with the foregoing.

The United States is not prepared to discuss the subject of a permanent international commission for the Danube at this time.

WASHINGTON, March 15, 1946.

840.811/3-1646 : Telegram

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

TOP SECRET

WASHINGTON, March 16, 1946—2 p. m.

486. AC in Austria adopted following resolution in its meeting Jan 22:

"The Allied Council agrees that the Commanders-in-chief will draw the attention of their respective governments to the advantages that would accrue if these governments would authorise their representatives in Vienna to seek resolution of the question of a rapid resumption of navigation on the Danube and to make without delay proposals towards finding a provisional *modus vivendi*."

On Feb 22 this Govt received *Aide-Mémoire*²⁹ from Brit Embassy Washington requesting this Govt to join with UK in approaching Sov Govt regarding resumption of navigation on Danube and establishment of provisional commission.

²⁹ Not printed.

You are therefore instructed to approach Sov Govt simultaneously with Brit Ambassador on following points:

1. Reestablishment of general principle of freedom of commerce and navigation on Danube River on terms of entire equality to nationals, vessels of commerce and goods of all members of United Nations.

2. Establishment of provisional commission to be composed of representatives of USSR, US, UK and France in their respective roles as occupying powers, together with such riparian govts as have been recognized by four major powers.

Is understood UK will immediately instruct its Ambassador at Moscow similarly.

For your own information, but not for Sov Govt it is not our intention to seek permanent membership on a Danube Commission but we should state our position re temporary commission without prejudice to Anglo-French views on a permanent commission. Except to state that it is not prepared to discuss issue of permanent commission US is therefore not commenting on following point in British *Aide-Mémoire*:

"It would be understood that after the peace treaties had been signed with all ex-enemy riparian states, a conference would be held to draw up a definitive statute for the Danube and to establish a permanent international commission."

British *Aide-Mémoire* states that "if the Soviet Government should agree in principle to the establishment of a provisional commission, His Majesty's Government proposes to suggest that a meeting should be held in Vienna of representatives of the Governments concerned (i.e. the United Kingdom, the United States, the Union of Soviet Socialist Republics, and France and such riparian governments as have been recognized by the four major powers) to draw up the terms of reference of the provisional commission."

Sent to Moscow, repeated to Vienna, London, Paris, Praha, Belgrade, Bucharest and Budapest.

BYRNES

840.811/3-1546: Telegram

*The Secretary of State to the United States Political Adviser for
Germany (Murphy)*

RESTRICTED

WASHINGTON, March 21, 1946—6 p. m.

720. For Rainey from Radius. For your info War Dept has transmitted message to Clay⁸⁰ along following lines which Radius dis-

⁸⁰ Lt. Gen. Lucius D. Clay, Deputy Military Governor, US zone of occupation in Germany; US member, Coordinating Committee, Allied Control Council for Germany; Commanding General, Office of Military Government of the United States for Germany.

cussed with you: State desires development of closer interzonal coordination in problems involving Rhine traffic and better arrangements for handling problems between zones and other riparian states. Believe previous ECITO proposal re IRNA too formalized, too rigid and deficient on interzonal arrangements.

Therefore suggest that US, British and French zonal authorities cooperate on establishment of tripartite interzonal traffic committee whose respective representatives would be able to deal authoritatively with Rhine traffic problems; be fully authorized to make arrangements for operation of watercraft equipment and service under jurisdiction of each zone; and represent German Rhine in dealing with representatives of other riparian states on international problems on interim Rhine Working Committee. Unified interzonal position desirable in dealing with other riparians. ECITO and CRC also to be represented on IRWC. US zone authorities to keep War Dept informed. (Reur 788, Mar 15.³¹)

Sent to Berlin repeated to London for Blaisdell and Russell and Paris for Merchant. [Radius.]

BYRNES

840.811/3-1646: Telegram

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

TOP SECRET

WASHINGTON, March 28, 1946—8 p. m.

572. Deptel 486 Mar 16. UK parallel action on approach to USSR re resumption of navigation on Danube will be delayed. French have requested preliminary conversations looking toward identical tripartite approach on subject. Dept will keep you informed.

Sent to Moscow rptd to Vienna, London, Paris, Praha, Belgrade, Bucharest and Budapest.

ACHESON

740.00119 Council/3-1346: Telegram

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

TOP SECRET

WASHINGTON, March 28, 1946—8 p. m.

2760. For Dunn and Reinstein. Reurtel 2964 Mar 13, Delsec 1270; ³¹ Deptel 1791 Feb 26. You are correct in assuming Dept is not disposed to press for particular type of treaty regime i.e. riparian as against non-riparian or vice versa—in satellite peace treaties.

³¹ Not printed.

Dept agrees USDel should not support British position that satellites (and presumably Austria) should be required to agree to adopt whatever arrangements may in future be agreed upon for control of Danube once they are no longer enemy states. US views incorporation of Danube provisions not as penalty to be imposed upon defeated nations but as method of supporting political independence of peoples of this region. Furthermore we see no reason for referring in peace treaties to reestablishment of prewar arrangements but you should not oppose decision either way.

Dept desires following language be included in treaty :

1. Navigation on Danube River, its navigable tributaries and connecting canals shall be free and open on terms of entire equality to nationals, vessels of commerce and goods of all nations.

2. Sanitation, police and other regulations pertaining to Danube River system shall be just and reasonable.

3. No impediments to navigation shall be placed in main channels of waterways in question or along their shores. Riparian states shall be under obligation to remove any existing obstacles in main channels lying within their jurisdiction or to permit international authorities which may be set up for any waterway flowing through their territory to do so in their stead.

4. Tolls and all other charges shall be levied only for purpose of defraying cost of maintaining and developing waterway in commercially navigable condition. No tolls shall be levied for navigation of any part of naturally navigable waterway. All charges shall be made without discrimination against nationals, vessels of commerce and goods of any nation and must be posted in public places.

5. Austria (or whatever satellite country is in question) shall have equal status with other member states in establishment and operation of any temporary or permanent international regime for Danube River.

Should above provisions be too detailed and specific, you may drop points (2), (3) and (4) either before presentation or as negotiating move.

In addition to above provisions relating specifically to Danube, it would be desirable to incorporate following language with regard to rates on all surface transportation in appropriate section of commercial policy provisions :

1. Transportation charges shall be reasonable as to rates and method of application, non-discriminatory, and should be so fixed as to facilitate international traffic. No transit charge shall be levied except to defray expenses of supervision and administration entailed by transit traffic concerned.

For your information, in addition to efforts to incorporate provisions in peace treaties, Dept has approached Soviets re Danube in connection with billion-dollar loan negotiations and consideration

is being given to a US, UK and French approach to Moscow urging Soviets to implement resolution of Jan 22 of AC in Austria. (Dep-tel 486 Mar 16 to Moscow rptd to London)

In addition a proposed revision of JCS directive on restitution to German and Austrian ACS so as to withhold restitution of Danube River craft in US zones until Danube is opened to navigation is under consideration.

Sent to London repeated to Vienna, Paris, Praha, Moscow, Belgrade, Budapest, and Bucharest.

ACHESON

840.811/3-1546 : Telegram

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

WASHINGTON, April 4, 1946.

1523. For Merchant,³³ McClure and Rainey. Instructions CRC meeting Apr 10. Numbered points follow paragraph numberings in your 1256 Mar 15.³⁴

2. US is definitely interested in promoting maximum possible traffic and shipment of goods on Rhine for relief purposes and rapid improvement of economic conditions in neighboring countries during 1946 navigation season. US is therefore disposed to consider any reasonable proposals presented by others at forthcoming meeting of CRC in this connection, always bearing in mind, however, its own and others responsibilities for effective military government in Germany under Potsdam agreement.

US continues to believe that a strengthened IRWC with fully authorized representatives from tripartite zonal transport authorities and from riparian states the simplest and most effective medium for dealing with all Rhine traffic arrangements. For this purpose, US has held conversations with Brit and French during past month and has issued directive to Clay. (ReDeptel 720 Mar 21). It hopes also that riparian states will be agreeable to authorizing their representatives with IRWC to make binding arrangements re traffic control and movement throughout Rhine.

3. US is inclined to look with disfavor upon setting up separate priorities committee for regulation of shipment of commodities. It

³³ Livingston T. Merchant, Economic Counselor in the American Embassy in Paris.

³⁴ Not printed. This telegram reported the details of the agenda of the meeting of the Central Rhine Committee at Strasbourg of April 10, 1946 (840.811/3-1546).

favors allowing strengthened IRWC to handle commodity priorities as well as shipping, if it can do this satisfactorily. Alternatively, US is prepared to agree to ECITO discharging function re shipment priorities, if others concur and ECITO is in position to do so. (Reur 66 Brussels Jan 19).³⁵ Dept foresees difficulties in pooling of barges, tugs, etc. along lines of French suggestion due to requirements of military. On this general subject of CRC agenda Dept is prepared to give delegation free hand to discuss proposals presented by other governments. Reference should be made to Dept before taking final stand upon any proposal other than indicated above.

4. US sees no objection to supplying of vessels along lines of Resolution 2 Jan Brussels CRC meeting (reur 400 Jan 24³⁶).

5. No objection is seen to victualling arrangement along lines of Brussels Resolution 3. Delegation may discuss any arrangement which does not conflict with rights or duties of US military zonal authorities. Matter should be discussed fully with US liaison officers. US approves resolutions adopted by CRC subcommittee on international control card (reur 55 Frankfurt Feb 19), and by CRC financial subcommittee re supply and payment (reur 1151 Mar 9).³⁷

6. US favors early completion Rhine craft census, and hopes there may be cooperation among all parties and zonal authorities toward this end.

7. Dept has no information re attitude of US zonal authorities concerning international passports for boatmen. Confer with US liaison officers and Transport Directorate OMGUS and Advise Dept.

8. US favors publication of police regulations for Rhine navigation including preparation and release of English translation. US believes that one of most useful functions of CRC can be active publication program re Rhine navigation and engineering affairs. (Urtel 1277 Mar 16 noted.³⁵

9. As emphasized before, US hopes Eltville Committee will be able to secure genuine collaboration between engineering forces of tripartite group, and will cooperate closely with Technical Committee of CRC. US believes regular review of Eltville proposals by Technical Committee is a desirable procedure before proposals are executed. This will give CRC full information re work projected and permit it to offer suggestions based on its experience and broader concern while projects are still in formative stage.

³⁵ Not printed.

³⁶ Not printed. In this telegram Mr. Caffery reported the details regarding limitations of fuel supplies for vessels and provisions for boatmen (840.811/1-2446).

³⁷ Neither printed.

US approves adoption by CRC of resolutions recommended by Technical Committee Mar 1. (Reur no. 75 Mar 5 Frankfurt.⁴⁰)

US hopes that more can be done by way of combining German organizations within zones so that there may be a larger measure of international cooperation. Dept has no objection to German secretariat drawn from Wasserstrassendirektion groups at Eltville if this is all that can be achieved as hinted in your 50 Feb 16 Frankfurt.⁴⁰

10. No objection is seen to CRC approval of road bridge at Maxau.

11. Establishment of suitable courts for determination of navigation cases desirable at early date. On the whole, resolution proposed in Duisburg Committee appears satisfactory to Dept. It should be discussed with proper representatives of OMGUS and US zonal authorities. Assume that civil navigation courts have been or will be reestablished in Netherlands, France and Switzerland. Arbitration system suggested by Secretary-General of CRC appears to involve unnecessary departure from traditional Rhine system and likelihood of complications re enforcement both in occupied territory and riparian states.

It is desirable that riparian states agree if possible to give Rhine shipping courts competence of prewar navigation courts (see Articles 33-40, Mannheim Convention), subject to changes proposed in Articles 54-65 of 1936 draft Revised Rhine Convention (See Padel-ford Rhine Documents Annex 4). Particularly desirable that parties agree CRC should resume former functions as appeals tribunal.

Essential that there be agreement among zonal authorities and riparian states on navigation and police regulations, and their promulgation, before courts are established. New regulations were adopted in 1939 by Rhine states (See Rhine Documents, Annex 5). Resolution no. 2 proposed to Duisburg Committee should be supported, and CRC should likewise call on riparian states to reaffirm binding force of these regulations. It might also be advantageous for CRC to invite tripartite authorities to give full force and effect to these regulations at earliest possible date.

In conclusion, US hopes that present session of CRC will be marked by harmonious endeavor on part of all to use powers and influence of CRC to greatest extent possible to promote freer and more extensive navigation upon Rhine. With food, agricultural, manufacturing and transportation conditions being what they are in Europe it is imperative that facilities and available equipment on Rhine and adjoining waterways be used to utmost this year. US hopes that military restrictions may be reduced to minimum compatible with effective

⁴⁰ Not printed.

discharge of responsibilities, and that any shipping not urgently needed by zonal authorities for transport of military supplies may be utilized for relief and commercial transport. Finally, US suggests that CRC undertake at an early date studies looking to drafting of new convention for international regime of Rhine. On basis of prewar experience this will require extensive work. Consequently it should be begun soon.

Attention is called to fact that copies of minutes and relevant papers of Jan CRC meeting have not yet been received. Dept needs full documentation of CRC regularly and as soon after release as possible.

Sent to Paris repeated to Berlin for Murphy and London for Blaisdell and Russell.

ACHESON

864.811/4-1846

Memorandum by the Assistant Secretary of State (Clayton) to the Secretary of State

[WASHINGTON,] April 18, 1946.

Subject: Danube Negotiations

Problem.

The British and French Governments have requested that the Danube problem be placed on the agenda at the Foreign Ministers meeting in Paris ⁴¹ and that the United States take the initiative in proposing the establishment of a provisional regime for the Danube composed of the USSR, the UK, France, the US and the riparian states. In this approach, the UK and France have recommended that the United States not base its claim for participation on its position as an occupying power as this principle might prejudice British and French participation in a permanent regime.

Discussion

The policy of the State Department with respect to the Danube has been set forth in CC-93a attached hereto as Annex I. The Department's position with respect to a provisional regime for the Danube is set forth in CC-94 attached as Annex II. The Department's position with respect to treaty provisions for the Danube is set forth in the Department's telegram 2760 of March 28 to London for Mr. Dunn attached as Annex III.⁴²

⁴¹ The Danubian problem was not formally considered at the Second Session of the Council of Foreign Ministers; for documentation on this session see volume II.

⁴² Annex III not attached here, but for text of telegram 2760 of March 28, see p. 232.

In these documents the Department's position has consistently been that:

(1) US claims participation in a provisional regime for the Danube on the basis of our position as an occupying power.

(2) US supports the reestablishment of permanent international river commissions to guarantee the general principles of freedom of commerce and navigation for international waterways but does not seek permanent membership on specific river commissions on which the United States is not a riparian country.

(3) US should seek to implement this long-range policy and support the commercial interest of non-riparian states in general through the United Nations machinery.

(4) US should state its long-range objectives without prejudice to the Anglo-French claim for participation on European waterways commissions as non-riparian states.

In light of the above policy, this Government has been unwilling to take the initiative with respect to the establishment of any particular river commission although at Potsdam and again at the Council of Foreign Ministers meeting in London last September, the US delegation did propose the acceptance of general principles to govern waterway regimes and proposed the establishment of emergency regimes for European waterways.

It is clear from the above statements and from the positions taken by the British and French that there is a difference in the long-range objectives of the United States on one hand and the British and French on the other with respect to European waterways and also that these positions might vary even with respect to the establishment of provisional regimes which might very well set precedents for permanent regimes.

In light of these fundamental differences between the United States and the Anglo-French positions it would be most unwise for the United States to take the initiative in proposing the solution to either the provisional or the permanent regime questions prior to the establishment of a full and complete agreement with the British and French as to details of the proposed principles to cover both a provisional and a permanent regime. Since the United States does not intend to seek permanent membership on the operating commissions, our taking the initiative on the waterways commissions could easily put this country in the position of being the champion of the British and French position vis-à-vis the Soviets over an issue in which this Government itself is not the directly interested party.

In light of the above considerations, it is believed that the United States should actively advocate the principle of the establishment of international waterway regimes and should indicate its desire to participate in any provisional regimes in which our interests as an

occupying power are concerned. It should not take the initiative on behalf of the British and French for proposed specific arrangements. Thus by giving support to the principles and avoiding taking sides on the riparian vs. non-riparian issues, the United States might well be in a position to effectuate a compromise agreeable to both the Soviets and the British and French.

Recommendations

It is recommended that:

(1) The British and French Governments be informed that we are not in a position to take the initiative on the Danube question in the forthcoming Paris meetings.

(2) We should carefully explain to the British and French the reasons for this decision and indicate a willingness to discuss with them the fundamental differences in our positions with a view towards endeavoring to reconcile such differences and work out the possible proposals which might be acceptable to all four major powers.

[Annex I]

February 18, 1946

CC-93a

THE POLICY OF THE UNITED STATES REGARDING INTERNATIONAL REGULATION OF THE DANUBE RIVER .

(Approved by the Coordinating Committee on February 18, 1946 with the understanding that no instructions with regard to this policy statement should be sent from the Department without prior approval of the Committee.)

The Problem

The problem of the policy of the United States regarding international regulation of the Danube is three-fold in character:

1) Should the United States, in conformity with its traditional policy as to international waterways in the Western Hemisphere, seek to re-establish the principle of freedom of commerce and navigation on the Danube River in the satellite peace treaties, relying on its position in UNO to implement the general principle; or,

2) Should the United States, as a participant in the affairs of Europe after the withdrawal of military forces (assuming this to be the Department's policy) favor the establishment of a Danube Commission or Commissions with non-riparian as well as riparian representation, implying, as this does, a similar position for the international waterways of the Western Hemisphere;

3) Should the United States be concerned in the conflict between the policy of the Soviet Union as to riparian control of the Danube River and Anglo-French treaty rights?

Recommendations

1. The United States should support the re-establishment of the general principle of freedom of commerce and navigation on the Danube River in the satellite peace treaties.

2. The United States should use this policy as to the Danube River, in so far as possible, to promote the principles of freedom of commerce and navigation in East-Central Europe and to support the political independence of the peoples of this region.

3. The United States should not seek permanent membership on a Danube Commission, but should state its position without prejudice to the Anglo-French position, which rests on treaty rights (1856, 1878, 1919, 1921), to which the United States is not a party.

4. The United States should seek to implement this long-range policy and to support the commercial interests of non-riparian states in general through its position on the Economic and Social Council of UNO, which is to coordinate the specialized agencies of the United Nations, and through UNO itself.

5. In addition to its long-term interest under Paragraph 1 above, the United States should seek immediately, on an *ad hoc* basis, freedom of navigation on the Danube River, either through a temporary commission, or through U.S. membership on the Allied Control Council, or through direct government-to-government negotiations, in view of its role as an occupying power in Austria and Germany.

*Discussion**A. Implications of the Recommendations*

The question now before the United States, essentially, is whether this Government should seek permanent representation on a Danube Commission involving, as this does, the principle of non-riparian membership, to which the Soviet Union is opposed. The question may be considered as a part of the larger issue of the participation of the United States after the withdrawal of the occupational forces, or it may be considered as an aspect of the policy of the United States regarding all international waterways. The two larger policies are not necessarily contradictory. Active participation by the United States in the management of post-occupation Europe might imply our representation on such an important regulatory body as the Danube Commission, although not necessarily so. Such representation, however, would be in direct conflict with the traditional policy of the United States, which has favored riparian representation on the international waterways of this hemisphere.

Would the United States be justified in agreeing to a temporary commission composed of representatives of the riparian states (Czechoslovakia, Hungary, Yugoslavia, Bulgaria, Rumania and the Soviet

Union) and one representative each of the United States, Great Britain and France as members of the Allied Control Councils for Germany and Austria? In such a commission Great Britain, France and the United States would have no national representation as such, but would secure protection of their military interests on the Danube for the occupation period.

If Great Britain and France insist on the principle of non-riparian representation, either on the short or long term view, on the basis of their treaty rights, it is probable that the Soviet Government will continue to oppose it and, in fact, to control the Danube River in co-operation with Rumania, Bulgaria, Hungary, Yugoslavia and Czechoslovakia, as under the reorganized Danube Commission of 1940. It is in connection with this conflict between Soviet and Anglo-French policy that the United States may be forced to take a position. In the course of negotiations concerning the ownership of Danube ship lines in Austria, for example, this issue may lie implicit throughout, and may become explicit in the final stages. The issue is even more directly involved in the Balkan peace treaties. The Department may wish to formulate what it regards as an equitable and stable resolution of this conflict, if necessary after consultation with the British and French Governments, and be prepared to play a constructive part in its settlement. This may merely be a question of appropriate strategy in presenting the Departments views to the other governments.

B. Arguments in Behalf of Recommendations

The interests of the United States in the promotion of peace and the economic development of the Danube region, in this particular instance, should rest on the re-establishment of the principle of freedom of commerce and navigation not on the permanent participation of the United States in a Danube Commission, insistence on which would merely stimulate difficulties with the Soviet Government, without achieving any desirable objectives.

The historic policy of the United States in the Western Hemisphere, as well-illustrated in the instances of the Great Lakes-St. Lawrence Waterway and the Rio Grande, has been to accept international waterway commissions composed only of riparian states. While tradition need not be a determining factor, departure from the historic American policy as to riparian control of international rivers in the Western Hemisphere might logically give some justification for a possible Soviet demand for a *quid pro quo* in the Western Hemisphere. Although the traditional policy of the United States precludes this government, in principle, from supporting the Anglo-French position, it would not prejudice the case of the United Kingdom or France or

prevent the United States from playing a constructive role in resolving the conflict.

There is no fundamental reason, however, why the United States should become a permanent member of a Danube Commission, any more than a member of other European international river commissions, even though it might desire temporary participation as an occupying power. For example, the United States has joined the Central Commission of the Rhine on a temporary basis, although it was not a member of this Commission before the war, and does not expect to be a member after the withdrawal of the occupation forces. The primary interest of the United States in the organization of such a commission at this time is to promote the reestablishment of free navigation and the orderly utilization of the Danube River. In this connection it is well to recall that the United States, Great Britain and the Soviet Union at the Yalta conference in February 1945 jointly declared "their mutual agreement to concert during the temporary period of instability in liberated Europe the policies of their three governments in assisting the peoples liberated from the domination of Nazi Germany and the peoples of the former Axis satellite states of Europe to solve by democratic means their pressing political and economic problems."

Withdrawal of direct participation after the period of military occupation and failure to insist on permanent membership in a Danube Commission do not imply in any way withdrawal from the affairs of East-Central Europe or any other part of Europe. The United States can exercise its influence concerning the Danube River through the instrumentality of the United Nations and through the appropriate specialized agencies with which it is assumed the Danube Commission would be affiliated.

C. *Pertinent Data*

1. *History of International Regulation of the Danube*.—Since 1856 the Danube River has been subject to international regulation in which both riparian and non-riparian powers have participated. A European Commission was established for the purpose of freeing the Danube mouth and adjoining seas from various obstacles as a preliminary to reopening Danube navigation. When the European Commission had finished its work, its duties and powers were to be transferred to the Riparian Commission to be established for the entire navigable Danube. Russia was a party to these arrangements until 1918 when, through the loss of Bessarabia, it ceased to be a Danube riparian power and was excluded. The Treaty of Versailles of June 28, 1919 gave to non-riparian states broad privileges of navigation in the particular rivers recognized as having an international character. However, the acquisition by certain non-riparian Euro-

pean powers of a right to participate in the administrative control of rivers was merely an incident in the attempt of the Principal Allied Powers to re-establish, in essence, the situation which had obtained since 1856, so far as the Danube was concerned. In August 1938, however, Rumania obtained a virtual sovereign control over the maritime Danube and the European Commission, to all intents and purposes, became purely advisory in character. In March 1939 Germany and Italy adhered to the August 1938 arrangement concerning the Danube. In the fall of 1940, following the reacquisition of Bessarabia, the Soviet Union joined with Germany and Italy, and the riparian states, in the abolition of the International Commission of the Danube, which had been established in 1919-21, and in reorganizing the European Commission to the exclusion of Great Britain and France, and the European Commission was restricted, in principle, to the riparian states.

2. *The Position of the Soviet Union.*—Like Imperial Russia, the Soviet Union attaches great importance to the Danube River and closely identifies its position concerning the Danube with its policy in the Black Sea and the Turkish Straits. The Soviet Government takes the position that the pre-war International and European Commissions of the Danube, re-establishment of which is advocated by the United Kingdom, were founded upon treaties framed after the defeat of Russia in 1856 or the exclusion of Soviet Russia in 1919. Following a conference of riparian states on September 5, 1940, in Vienna, which did not include a representative of the Soviet Government, Germany announced the abolition of the International Commission of the Danube. The Soviet Government, which had advised the German Government in September 1940 that it must participate in the decision of all Danube questions, on joining the new Danube Commission stated categorically that the Danube Commission should be composed exclusively of riparian states and that neither Great Britain nor France should, therefore, have any place on such a commission. Failure of Germany and the Soviet Union ultimately to agree concerning the nature of Soviet control at the mouth of the Danube in December 1940 brought the first fissure in German-Soviet collaboration based on the nonaggression treaty of August 23, 1939.

The Soviet authorities indicated unpreparedness to discuss the problem of the Danube at the Potsdam Conference in July 1945. At the meeting of the Council of Foreign Ministers in September 1945 at London, Foreign Commissar Molotov presented a proposal that regulation of the Danube (as well as that of the Elbe and Oder) should be lodged with the supreme commander or commanders having jurisdiction over the river during the period of military occupation. A firm stand was taken at this time against a civilian commission which might interfere with military plans.

At the present time the Soviet Union has *de facto* control over the Danube from Linz to Constanza. There is no reason to believe that the Soviet Union has changed or is inclined to alter its position either as to non-riparian representation on a Danube Commission or as to control at the mouth of the Danube.

3. *The Position of Great Britain and France.*—Although France was unable to make its voice heard in the fall of 1940, Great Britain vigorously protested on October 27, 1940, against the organization of a new Danube Commission and advised the Soviet Government that it could not recognize any agreement whatever which might violate existing treaties and that it would reserve all its rights. Both France and Great Britain are now reasserting their rights to participation in the control and administration of the Danube River, based on the treaties of Paris (1856), Berlin (1878) and Versailles (1919) and the Paris Statute of 1921.

4. *The Policy of the United States.*—At the Potsdam Conference President Truman expressed the desire to see temporary international commissions established for the Danube and other European international rivers. At the London Council of Foreign Ministers in September 1945 Secretary of State Byrnes proposed establishment of a temporary Danube Commission to provide cooperative action in opening the river for movement of relief supplies. This Commission was to be made up of Danube riparian governments, including the U.S.S.R., and the states participating in the military occupation of Austria—Great Britain, France and the United States. In an address in New York on October 28, 1945, President Truman stated his belief “that all nations should have freedom of the seas and equal rights to the navigation of boundary rivers and waterways and of rivers and waterways which pass through more than one country.” This statement was repeated in the annual message to the Congress on the State of the Union on January 21, 1946. It should be noted that the President has never taken a stand on the issue of riparian or non-riparian representation with regard to the permanent international river regimes in Europe. It is precisely the latter issue which is before the Coordinating Committee for recommendation.

[Annex II]

March 12, 1946

CC-94

RESUMPTION OF NAVIGATION ON THE DANUBE

On February 18, 1946, the Coordinating Committee approved Document CC-93 [CC-93a] (The Policy of the United States Regarding International Regulation of the Danube River) with the understand-

ing that no instructions with regard to this policy statement should be sent from the Department without prior approval of the Committee. On February 21, 1946 the Secretary's Staff Committee approved a telegram for Mr. Dunn quoting the policy statement in CC-93a. In accordance with the understanding reached by the Coordinating Committee in approving CC-93 [CC-93a], this document (CC-94) presents for the Committee's approval a draft reply (Annex II) to a British *aide-mémoire* (Annex I)⁴³ requesting a joint United States-United Kingdom approach to the Union of Soviet Socialist Republics on the subject of resumption of navigation on the Danube.

Problem

To reply to a British *Aide-Mémoire* (see Annex I) requesting a joint United States-United Kingdom approach to the Union of Soviet Socialist Republics on the subject of resumption of navigation on the Danube.

Recommendations

1. That United States should join with the United Kingdom in instructions to their respective ambassadors at Moscow urging the Union of Soviet Socialist Republics to agree to:

a. The re-establishment of the general principle of freedom of commerce and navigation on the Danube for the nationals, the vessels of commerce, and goods of all members of the United Nations; and

b. The establishment of a provisional international Commission for the Danube.

2. Specifically, that the attached proposed reply to the British *Aide-Mémoire* (see Annex II) be approved and

3. That the attached proposed instructions to the United States Ambassador to the Union of Soviet Socialist Republics (see Annex III) be approved.

Discussion

Subsequent to the Coordinating Committee approval of document CC-93 [CC-93a] on February 18, 1946, ("The Policy of the United States for International Regulation of the Danube River"), the Department received the attached *Aide-Mémoire*, February 22, 1946 from the British Embassy.⁴⁴ In accordance with the Coordinating Committee's request that no instructions with regard to this policy statement should be sent from the Department without prior approval of the Committee, the proposed reply to the British *Aide-Mémoire* is submitted for Coordinating Committee concurrence.

⁴³ Neither annex attached here; but see text of Department's memorandum of March 15 to the British Embassy, p. 230.

⁴⁴ Not printed.

A paraphrase from General Clark's (United States representative on the Allied Council for Austria) most recent communication to the Department indicates that local approaches to the solution of this problem through the Allied Council have been exhausted.

Following is paraphrase of the appropriate sections of General Clark's P-3605, February 26, dealing with the Danube question:⁴⁵

The Soviets have acquired control of the Danube in Hungary and Rumania through recent agreements concluded with those countries establishing joint shipping interests. Soviet intention to extend this control of the Danube to include Austria is made evident by their recent seizure of the property of the DDSG in their zone in Austria except for the funds deposited in the Vienna bank and the boats and docking facilities in Linz and Passau. The Soviets control the north bank of the Danube between Enns and Passau and have full control of the river in Austria from Enns to the Hungarian border. They have already effectively blocked the river at Enns, but the United States has no way of blocking the river between Enns and Passau. Consequently, the Soviets have nominal control of the Danube from Passau through Austria, Hungary and Rumania to its mouth in the Black Sea.

All efforts to date to bring about any settlement of traffic on the Danube have been blocked by the Soviets. I am convinced that no progress can be made on this subject inasmuch as this waterway is too vital to the economic life of the Danubian countries.

In this telegram General Clark reviews the whole situation existing in Austria and concludes that little can be accomplished toward discharging the responsibility of the United States toward Austria until the four powers represented in the Allied Council adopt a uniform policy to carry out their agreed intentions. At the present time, the efforts of the United States, Great Britain and France are blocked by the Soviet veto power in the Allied Council, and the three states can do nothing to oppose any policy which the Soviet Government chooses to adopt, even though it may be contrary to the policy of the three Western states. General Clark concludes that this does not increase the prestige of the Allied powers, and it certainly does not contribute to the fulfillment of our international objectives.

The government-to-government approach appears to be the next logical step. Inasmuch as the United Kingdom has approached the United States and France for united representations at Moscow, is believed desirable to cooperate.

It is, of course, the Department's policy not to seek permanent membership on a Danube Commission, and the United States proposed reply stops short of this step which is mentioned in the British *Aide-*

⁴⁵ The full text of telegram P-3605 is printed on p. 312.

Mémoire but is not directly tied to the immediate request for joint action.

While it is unrealistic to expect a favorable reply on the part of the Union of Soviet Socialist Republics, it is believed important to continue to press for the principle of freedom of navigation and commerce on rivers of international concern in accordance with point 7 of the President's Foreign Policy Statement to Congress in his message of January 21, 1946:

"We believe that all nations should have the freedom of the seas and equal rights to the navigation of boundary rivers and waterways and of rivers and waterways which pass through more than one country."

840.811/5-146: Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

SECRET

BERLIN, May 1, 1946—4 p. m.
[Received May 1—2: 17 p. m.]

1143. For Radius from Rainey. Reference your cable 982, April 26, 5 p. m.⁴⁶ In our discussions leading to preparation of paper on policy recommendation for Danube March 22, we did not contemplate US initiative in bilateral negotiations with Soviet. Information at that time indicated that Soviet representatives would approach US representatives in Vienna to discuss some practical solution for movement of Danube traffic under control of US and Soviet forces. Soviet position at Council of Foreign Minister in London last September that control of waterways was a concern of the respective zone commanders has been reaffirmed at meetings of Transport Directorate, Berlin, with regard to Rhine and Elbe. It is our understanding that Soviet takes some [*same*] position in regard Danube and that they are strongly opposed negotiations with French and British who do occupy areas bordering Danube.

We appreciate the advisability of taking no action which might prejudice French and British interests on Danube or their participation in a permanent Danube regime, but believe that they realize the frontier between US and Soviet forces will remain "frozen" unless agreement is reached between the two occupying forces concerned. This is implied apparently in London's discussion reported in London's cable 4302, April 18.

Representatives Transport Division Berlin agree that establishment of interim traffic committee is most important step to initiate

⁴⁶ Not printed.

free movement on Danube as recommended in our paper. Recommended temporary Danube conservancy commission is less significant at this time and might be omitted from US-Soviet discussion if you believe that bilateral establishment of such a body might prejudice French and British participation in some future Danube Commission. However, US-Soviet discussions limited to that stretch of the river where occupying forces are contiguous could result only in opening the Danube in Austria and Germany. This would not permit significant Danube traffic and probably would sacrifice the present US bargaining position. Therefore, believe that any negotiations with Soviets at this time should concern traffic on entire river.

Reference your paragraph 4, Transport Division Berlin assumes that former enemy vessels are captured enemy equipment. They now fly US flag as property under control of US Forces and therefore Transport Division believes that there is no possibility of claims against US Government in event of loss or damage. At present each vessel on Danube flying US flag has at least one member of US Armed Forces aboard. On Rhine and at Bremen German ships operated without US personnel aboard fly the international "C". It is not clear under present instructions whether these Danube vessels could move under US flag without US personnel. Will investigate further. We assume vessels would be operated by national crews and by [apparent garble] companies as at present on Rhine and Danube.

In view of discussion in London and possible discussions meeting Paris, suggest you request me report Washington for consultation to discuss this Danube matter in greater detail before I leave service. [Rainey.]

MURPHY

864.811/5-246

*The United States Political Adviser for Germany (Murphy) to the
Director of the Office of European Affairs (Matthews)*

[BERLIN?] May 2, 1946.

DEAR DOC: I presume that at some point in the Paris meetings the question of Danube navigation will be considered. With this in mind, the following view of the current problem as we see it from Berlin may be helpful.

As you undoubtedly know, there are some 500 vessels of all types now anchored in the U.S. Zone in Germany in the neighborhood of Passau. In addition, there are some 350 in the U. S. Zone, Austria, in the neighborhood of Linz. These vessels in the U. S. Zones, Germany and Austria, represent about $\frac{1}{3}$ of the pre-war Danube fleet

and we understand that current construction resulted in maintaining approximately the same number throughout the war. Therefore, on the Danube in countries under domination of the Russians, there are approximately 1600 vessels of all types compared with approximately 850 in zones under the control of the U. S. However, all reports from the Danube area indicate that the Soviets have removed to Russian rivers a large number of barges and tugs, so that at present there is a critical shortage of vessels, and particularly tugs, on the Danube below Vienna. So far as we know, all shipping on the Danube below Vienna is under the direct control of the Soviets. Moreover, they have formed shipping companies in Hungary and Yugoslavia at least, which are jointly owned by nationals of these countries and the Soviet Government.

No Danube traffic whatever is moving between the Soviet and U. S. Zones of occupation in Austria. Officially, traffic between the two zones is said to be impossible because the destroyed bridge at Tulln above Vienna prohibits the passage of vessels. Actually, vessels can pass this bridge and the obstruction could have been removed several months ago if either U. S. or Soviet forces wished to do so. Very few vessels have passed from Linz to Vienna and some of these have been fired upon by Soviet Forces.

During the Council of Foreign Ministers in September, Secretary Byrnes directed a telegram to the U. S. Forces in Austria and Germany, instructing them to withdraw all Danube ships under the control of U. S. forces into Bavaria and to withhold any restitution of these vessels pending some agreement with the Soviets. In January 1946, instructions were forwarded from State and War to restore and restitute Czech and Yugoslav vessels at once, and we gathered that the Department had decided not to make an issue of Danube shipping at that time. However, military and State Department representatives, both in Austria and Germany, dragged their heels and Erhardt cabled the Department urging that restitution be delayed until some working agreement had been reached with the Soviet occupation forces providing for free navigation on the Danube. After the Soviet forces in Austria had seized the offices of the first Danube shipping company (British Sector of Vienna) the attitude of the Department apparently stiffened, and new orders were forwarded through the War Department to withhold restitution of vessels belonging to countries under Soviet domination. Reports from Yugoslavia, Hungary, and Czechoslovakia indicate that the owners of vessels do not wish to have them returned at this time, even though the governments of those countries have pressed for restitution.

In March, Soviet transport representatives made an indirect approach to U. S. Transport representatives in Vienna, apparently with

the idea of arranging some working agreement with the U. S. forces which would permit traffic throughout the entire stretch of the Danube and which also might lead to the restitution of some vessels, particularly tugs, from the U. S. Zones to Czechoslovakia, Yugoslavia, Hungary, etc. In other words, there is every indication that the Soviets were not happy about the frozen frontier on the Danube and were having their own traffic difficulties in areas under their control. With this development in mind, Colonel Holmer, Deputy Director of Transport, OMGUS, and Rainey of my office, together with Lt. Col. Tunold, Director of Transport Division USFA and McIvor of Erhardt's office, worked out the attached paper recommending certain practical steps to be taken when and if the Soviets openly approached our representatives in Vienna. They felt that any agreement in principle which might be reached between the four powers at the Paris Conference or by direct intergovernmental negotiations must necessarily be reinforced by a very practical working relation with the Soviets in order to assure unrestricted traffic. Moreover, they assumed that the Soviets would discuss the Danube only with U. S. representatives and not with the French and British. You may recall that the Soviet reply to Secretary Byrnes's plan for international control of waterways proposed at the September Council of Foreign Ministers was to the effect that control of waterways was a concern of the respective Zone Commanders. This attitude has been reaffirmed in relation to the Rhine and Elbe at Transport Directorate meetings in Berlin. The Soviet attitude, opposing French and British participation in any control of the Danube, is apparently based on the fact that neither of these countries occupies territory on the Danube—and further on a basic opposition to French and British representation on any re-established Danube commission.

The paper of recommendations referred to above was approved by myself and General Clay, together with the Directors of Transport and Restitution Division in OMGUS, and returned to Vienna. We have not yet heard whether representatives concerned in USFA also concur in the recommendations. In the meantime, the paper was forwarded to the Department for comment. The cabled reply⁴⁸ would seem to indicate that the Department is not prepared to take the initiative for bilateral negotiations with the Soviets to establish some sort of control over the entire course of the Danube, at least not without obtaining concurrence from British and French. Moreover, there seems to be some question about deferring restitution of Danube watercraft until some satisfactory regulatory body is established for the entire length of the Danube.

⁴⁸ Telegram 982 to Berlin, April 26, 1946; not printed.

This hesitation on the part of the Department seems somewhat inconsistent with the statement of policy on the Danube forwarded from the Department to diplomatic and military missions during February, and we are therefore uncertain as to the basic issue. Is the Department prepared to withhold restitution of Danube vessels until some working agreement is reached with the Soviets, and is the Danube to become an issue in the settlement of peace treaty provisions?

We understand that it would be undesirable to take any action which might prejudice the French and British position in regard to some future international Danube commission, and we recognize their special interests in Danube navigation. However, we believe they realize the necessity for bilateral negotiations between U. S. and Soviet occupying forces to open the entire river for navigation. Their interests surely will not be lost sight of in the event of such negotiations, nor would their future participation in international control of the river be prejudiced. Just now the most urgent problem is to get some sort of agreement with the Soviet occupying forces which will permit the safe movement of ships on the river. We believe this can be done only through bilateral agreement with the Soviets which would protect vessels of the riparian states from seizure by Soviet military forces.

Control by the Soviets of all Danube navigation from the Austrian border to the Black Sea is now reported to be complete. The same domination, through "joint companies" or seizure of ex-enemy craft, would undoubtedly be extended to include Austria, if it were not for the presence of U. S. forces above Linz. In actual fact, then, there is unilateral control of the major part of the river. Certainly it would be unrealistic to expect a change in the present trend toward complete Soviet domination of the entire river, with consequent exclusion of French and British interests, unless the U. S., as the one other occupying power on the Danube, takes a very firm stand in opposition. Because the Soviets have removed from the Danube a substantial number of vessels, particularly tugs, those 800 vessels held by the U. S. forces constitute greater bargaining power than originally believed, and the most important factor in negotiations with the Soviets. If the withholding of these vessels causes the Soviets to discuss some agreement with the U. S., then our cooperation should be based flatly on (1) free movement for vessels of all nationalities, (2) U. S. representation on a traffic body to insure that vessels are not seized and that shipping companies, not yet absorbed by the Soviet system, may operate under U. S. protection. There could be no actual freedom of movement unless U. S. and Western European personnel, as well as vessels under the U. S. flag, are permitted to operate

throughout the length of the river. Of course these qualifications alone, in any Soviet-U.S. agreement, cannot effectively counteract Soviet domination of the Danube unless other and more far-reaching political changes take place in the Danube basin, but they should be basic in any temporary plan to initiate traffic.

Sincerely,

ROBERT MURPHY

[Enclosure]

March 22, 1946.

MEETING ON DANUBE NAVIGATION

AGREED JOINT OMVGUS-USFA POLICY WITH REGARD TO DANUBE NAVIGATION

1. *Restitution*

There shall be no restitution of floating equipment in American hands on the Danube before the establishment through bilateral (Soviet-American) negotiations of bodies to control conservancy and traffic from the Black Sea to Regensburg.

2. *Freedom of Movement*

Agreement shall be reached through bilateral negotiation to permit free movement of all ships and personnel, when under the protection of the flags of the member nations, throughout the course of the Danube in accordance with regulations established by an Interim Traffic Committee. International traffic on the Danube shall not be restricted by excessive or prohibitive tariffs, tolls regulations, licensing fees or other restrictive measures. No ship operating in the pool or under the authority of the Danube Conservancy Commission as defined in paragraph 3, below, shall be subject to seizure. Agreement on these principles is a prerequisite to the establishment of the temporary control bodies outlined in paragraph 3, below, and to the utilization of American held vessels as outlined in paragraph 4, below.

3. *Temporary Control Bodies*

It is proposed to set up two separate bodies for control of conservancy on the Danube and traffic thereon.

a. *Temporary Danube Conservancy Commission*

The first body shall be a temporary Danube Conservancy Commission composed only of representatives of the riparian nations with a United States member representing Germany. This body will deal solely with conservancy measures on the entire river and the allocation of means for the maintenance of the navigable channel.

b. *Interim Traffic Committee*

The second body will be an Interim Traffic Committee composed of representatives of the riparian nations. The United States will act

for Germany. All vessels shall be pooled and operated under a traffic authority established by the Interim Traffic Committee. This traffic authority shall be composed of the Association of Danube Shipping Companies as established prior to 1938. The question of ownership of any vessel shall not be affected by its entry into the operations of the pool, but shall be subject to later determination. All income shall be paid into a common fund to be held in each country in the currency of the country in which such income is received. All necessary operating expenses shall be paid out of the common funds held in the country in which the expenses are incurred. When the question of ownership has been settled and when international exchange has been reestablished, the remaining common fund shall be distributed on an earned work basis after the expenses paid out have been adjusted.

4. Utilization of American Held Vessels

All boats now in American hands which were formerly owned by an enemy power shall operate under the American flag. These vessels shall operate without American guards.

Ships will only be released to the pool from American possession as traffic requirements indicate the necessity therefore and then only for operations upon the Danube.

5. Alternate proposals:

a. The above proposal would be made initially to the Russian element in Vienna. Failing their willingness to discuss it at the Vienna level, it shall be referred to Washington for discussion with the Soviet Government.

b. In the event of Soviet refusal locally to permit reestablishment of river-length navigation, it will be proposed to the Soviets that we will furnish assistance in clearing the Tulln Bridge at an early date, provided they would agree to permit free navigation between Regensburg and Vienna.

740.00119 Council/4-2446 : Telegram

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

SECRET

WASHINGTON, May 4, 1946—6 p. m.

2113. Secdel 205. Dept wishes to call your attention to Vienna's 604 Apr 24 repeated to Paris as 72⁴⁹ and perceives no objections to Erhardt's recommendations concerning DDSG and Danube question. Recommendations, however, should be considered in light of Deptel 982 Apr 26 to Berlin repeated to Paris as 1910.⁵⁰ If you concur you

⁴⁹ Not printed; in it Erhardt recommended certain minimum requirements regarding the release of US-held ships to a proposed Austrian-Soviet steamship company (740.00119 E W/4-2446).

⁵⁰ Not printed, but for summary of this telegram, see p. 250, last paragraph.

may wish to instruct Erhardt to proceed in Vienna on lines he suggests and consider possibility of discussing provisional working agreement concerning Danube as suggested in Vienna's recommendation.

Sent to Paris as 2113 Secdel 205, repeat to London as 3740 Vienna as 448 and Moscow as 837.

ACHESON

840.811/5-1446

*Memorandum of Conversation, by the Adviser on Inland Transport
(Radius)⁵¹*

SECRET

[PARIS,] May 9, 1946.

Subject: International Control and Resumption of Traffic on the Danube and Rhine Rivers.

Participants: M. Alphand	} French Ministry of Foreign Affairs
M. Lebel	
Mr. Merchant	
Mr. Radius	
Mr. Rainey	
Mr. Unger	

Note: The following memorandum covers only that part of the conversation which dealt with the Danube.

Mr. Radius reviewed several conversations held in London and Washington recently on the subject of an international regime for the Danube River. He pointed out that the United States does not seek permanent membership on any commission which may be established and that his Government's interest in participating even on a temporary basis is primarily to assist in the establishment of an international body which will assure freedom of navigation on the river. Such participation by the United States could be based either on our position as a victorious power or as an occupying power in Austria.

The United States does not feel itself in a position to take the initiative in advocating the representation of France and Britain on a permanent Danube commission. That Government wishes, however, to proceed with negotiations in such a way that the position taken by it in regard to the Danube regime should not prejudice the long run desire of both the French and British Governments to play a full and permanent part on any commission. The implications as to Russian participation on the Rhine if the United States were to base its position on its status as a victorious power were discussed. On the other hand, basing the United States position on the status of an occupying power implies an end of participation at the end of occupation; this

⁵¹ Copy transmitted to the Department in despatch 5121, May 14, 1946, from Paris; received May 23.

might make it difficult for the French and British to maintain permanent participation.

It was accepted as improbable that any favorable developments on the Danube question would occur at the present meetings of the Foreign Ministers and for the time being a direct approach to the problem appears to be ruled out.

M. Lebel indicated general agreement with the views set forth by Mr. Radius. He said that the French had in mind only two bases on which they might claim immediate French participation on a regulatory body for the Danube: (1) possession by them of barges on the Danube and (2) the Vienna quadripartite agreement of January 22⁵² concluded by the occupying powers.

In respect to the first point the French mentioned that, of the total Danube fleet, about 5 to 6 percent was held pre-war by a French company and 3 percent by a British company. At present the French barges are located principally in the lower course of the river in the neighborhood of Braila and Galatz and, although in Russian hands, are gradually being restored to French possession. These barges are not in movement at the present time. A few French barges are also reported to be in the United States Zone. As in the period before the war the crews of the barges in the lower river are mostly Rumanian with only a few French officials in Braila representing the company's interests. The French company, the SFND, is financed to the extent of about 85 percent by the French Government.

The January 22 resolution taken by the Austrian Allied Commission and signed, among others, by Marshal Konev was considered by M. Lebel to be a second possible basis for opening discussions on quadripartite supervision of river traffic. While it is difficult to predict whether these discussions would eventually lead to French and British participation in a subsequent, more permanent organization, they could probably at least start traffic moving. This approach would also not prejudice relations with the U.S.S.R. vis-à-vis the Rhine.

On the basis of his experience of the last few months, Mr. Rainey said that it is felt in Austria that today there is no further practical possibility of quadripartite action on Danube matters. The agreement of January 22, referred to in the preceding paragraph is a dead issue. He reported, however, that the Soviet representatives in Vienna had approached the U.S. representatives to discuss means of getting traffic on the river moving again. Since at the moment the Americans and the Russians are in physical possession of all the Danube facilities it was thought that such discussion might be fruitful if it were

⁵² See telegram 486, March 16, to Moscow, p. 230.

confined to direct operating arrangements and if care were taken not to prejudice the form of any eventual international commission. As a condition to any U.S. agreement with the Russians Mr. Rainey added, periodic mutual inspection on any part of the river would have to be permitted and guarantees against seizure would be required.

The French representatives, especially after Mr. Rainey had described the attitude prevailing in Austria concerning the January 22 agreement, were in accord that such discussions today provided the best opening. It would of course be desirable if any resultant agreement could include provisions for the freedom of navigation. Moreover, if the United States-Russian conversations should prove fruitful, French and British representatives might also seek to participate in any arrangements which are made in order to get their barges into movement again.

There followed a brief discussion of other factors which may have a bearing on French and British participation on a future Danube commission. It was recognized that the principle of riparian participation would not include the French and British on the basis of their zones of occupation. M. Alphand thought, however, that there was considerable validity to an argument that stressed the importance of the Danube to the French and British zones, the transportation networks of which are almost entirely tributary to the Danube route. While attaching only moderate importance to the point, M. Alphand also mentioned the established pre-war rights of the French and British to participate in control of the Danube.

At the present time by far the largest part of the lower Danube fleets is in Russian hands either directly, through Russian participation in the Rumanian and Hungarian navigation companies or through Russian influence in Yugoslavia. It appears to be the intention of the U.S.S.R. to secure a virtual monopoly of Danube navigation and to this end they have recently approached the Austrian Government. The Austrian DDSG which handled 35 percent of the Danube traffic before the war has been the subject of Inter-Allied discussions recently but any effort to reconstitute the company even on a basis of handling only Austrian traffic has been impeded by the attitude of the Czechoslovaks and Yugoslavs. These countries appear to associate the company with the Hapsburg period of Danubian domination. It was M. Lebel's feeling that it would be most desirable if the company could be fully reconstituted, carrying more than just the Austrian traffic, and thereby providing Austria with some vitally needed foreign exchange.

In connection with long-run developments M. Lebel mentioned the "Hitler" Danube-Rhine canal which, according to his information, could be completed within three years' time and would be able to

carry barges up to a thousand tons. The implications of this information, he thought, might have some influence on the Russian attitude about the use of the lower Danube. It was also suggested that in their position on the Straits the British have a bargaining point which might assist in changing the present Russian Danube policy.

In conclusion there was agreement that no general overall agreement on the Danube regime should be sought at the moment. Instead it appeared best to proceed step by step, starting with the prospective U.S.-Russian discussions which look toward some purely operating arrangements. As witnessed by the letter to the Secretariat of the Allied Commission from the Austrian Minister of Transport, it is vital to the Austrian economy at the present time that free movement on the river be resumed, if only within Austria itself.

840.811/5-2046 : Telegram

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

SECRET

PARIS, May 20, 1946—7 p. m.
[Received 9:59 p. m.]

Subject: Central Rhine Commission

2456. From Merchant and Radius for Cook⁵³ and Fussell.⁵⁴ Re-Deptel 1756, April 19.⁵⁵ In agreement with British and French Foreign Offices we propose the following text of invitation to the Governments of Belgium, Holland and Switzerland to join in strengthening the Rhine Interim Working Committee. Please notify U.S. Missions in Brussels, The Hague and Bern to transmit the following agreed text simultaneously in concert with their French and British colleagues:

"The Central Rhine Commission has succeeded in establishing satisfactory arrangements for dealing with engineering questions on the Rhine by the setting up of its technical committee at Eltville, in liaison with the Tripartite Rhine Engineering Committee representing Germany.

"Rhine traffic questions have so far been handled by the Interim Rhine Working Committee which was established at Duisburg at the invitation of the British military authorities in September 1945. This committee was adequate in the early days when traffic was beginning to revive. The committee is composed of representatives of the British and the United States zones and representatives of the Rhine Missions sent by France, The Netherlands, Belgium and Switzerland.

⁵³ Richard F. Cook of the Office of Transportation and Communications.

⁵⁴ Frances R. Fussell of the Office of Transportation and Communications.

⁵⁵ Not printed. In this telegram the Department informed the Embassy that it had approved the draft of a joint invitation to the Dutch, Belgian, and Swiss Governments. (840.811/4-346)

"In the interests of the more effective coordination of traffic on the Rhine while emergency conditions last, the Governments of France, the United Kingdom and the United States invite the blank government to join in strengthening the Rhine Interim Working Committee. It is proposed that this name should be changed to Temporary Committee for Rhine Traffic and that it should be composed of accredited representatives of the Governments of Belgium, France, The Netherlands and Switzerland, and of the French, British and United States occupation zones of Germany, who would be empowered to take decisions on matters within their competence. German interests on the Rhine will be represented by the appropriate authorities of the three zones. The European Central Inland Transport Organization and the Central Rhine Commission would be invited to be represented at all meetings of the organizations. Its scope would include all traffic on the Rhine. Its terms of reference would include:

- (1) Assessment of traffic capacity of waters within its jurisdiction.
- (2) To receive traffic forecasts and effect any necessary coordination of operating.
- (3) To ensure the execution of agreed traffic programmes.
- (4) To provide the means for discussion of freight rates, charges and conditions of carriage for international traffic with due regard to other forms of transport.
- (5) To represent the operating aspect in any discussion on currency and other clearing arrangements." [Merchant and Radius.]

CAFFERY

840.811/5-2046: Airgram

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

PARIS, May 20, 1946.

[Received May 28—10:31 a. m.]

Subject: Tripartite Traffic Operating Committee for the Rhine in Germany.

A-708. On May 17, 1946, representatives of the three Western Zones of occupation in Germany met at Duisburg. The purpose of the meeting was to discuss the establishment and organization of a Tripartite Traffic Operating Committee for the Rhine in Germany. Present for the U.S. Zone were Lt. Col. C. R. Clemens, Chief, Rhine Waterways Organization, OMGUS; Major R. M. Fulton, U.S. Representative, Rhine Interim Working Committee; and Mr. R. S. McClure, U.S. Department of State. The French and British Zones were represented by their respective chiefs of IWT, accompanied by their advisers.

Representatives of the three Zones agreed in principle that the formation of a Tripartite Traffic Operating Committee for the Rhine in Germany is desirable.

Methods of control and operation in the three Zones were examined and it was found that in the British and U.S. Zones the methods of

control and of operation were very similar. On the other hand, it was found that in the French Zone these were quite different. In the British and U.S. Zones, control of traffic and navigation facilities is in the hands of the military authorities with actual operation of the fleets in the Zones being the responsibility of Centralized German organizations known as Transport-Zentrale. In the French Zone, however, the use of German Rhine craft has been requisitioned by Zone authorities and assigned by these authorities to a government-sponsored shipping combine known as "La Communauté Française pour la Navigation Rhénane." The Communauté both controls and operates the French Zone fleet as well as the French national fleet, although the German owners retain nominal title to the craft. (See Frankfurt's No. 239 to the Department, May 2, 1946 and Paris' No. 2219 to the Department May 8, 1946.⁵⁶)

Methods of amalgamating these two different systems were explored at this meeting, and it was agreed to propose the following: (Concise.)

"(a) That the U.S., French and British German Rhine fleets be put under the common control of a Tripartite Traffic Operating Committee for the fulfillment of the German traffic programme and without regard to the sizes of the zonal Rhine fleets.

"(b) On the operating side the U.S. and British Zones agreed to propose the establishment of a Bipartite controlled German Rhine operating organisation. The German Rhine fleet in the French Zone is operated by the Communauté Française.

"The whole German Rhine fleet would therefore come under the common control of a Tripartite Traffic Operating Committee, and the actual operation of the craft would come under two controls, namely

"The Communauté Française and

"A Bipartite controlled German Rhine operating organisation."

Meanwhile, M. Lebel of the French Foreign Office had arranged a meeting on May 20, 1946, to discuss various questions regarding Rhine arrangements. The proposals arising from the Duisburg meeting on May 17 were discussed at this meeting, the U.S. group consisting of L. T. Merchant, W. A. Radius, R. S. McClure and A. P. Muelberger. The French are in agreement on these proposals, stipulating that their agreement is provisional pending decisions concerning reparations and size of inland fleet to be allowed Germany for minimum economy requirements.

It should be noted that French are concurring in these proposals in spite of their disapproval in principle of centralized German traffic organization. They fear that such an organization will permit Germans to regain ascendancy in Rhine shipping.

⁵⁶ Neither printed.

It had been agreed at the Tripartite discussions to meet again on May 29, 1946 in Duisburg, to see whether definite agreement on the above proposals were possible. The French, however, are asking that this meeting be postponed one week.

Repeated to London and Berlin.

CAFFERY

840.811/4-1846

The Department of State to the British Embassy

MEMORANDUM

The Department of State refers to the British Embassy's *Aide-Mémoire* of April 18, 1946⁵⁷ expressing the hope that the United States would take the initiative at the Paris Peace Conference in regard to the international river conventions. The reasons why the United States would be unable to do so were explained by Mr. Radius of the Department to a representative of the Embassy on April 19. The principal concerns of this Government were that there appeared to be basic differences in the views of the three governments on these problems and that there had been insufficient informal discussions on the subject with a view to reconciling such differences.

It was pointed out that there were at least four bases upon which a request for non-riparian representation on temporary or permanent regulatory commissions could rest:

(a) On the basis of rights carried forward from prewar treaty regimes (It was noted that the United States had no such rights.);

(b) On the basis of occupying powers (It was noted that the United Kingdom had declined to accept this alternative.);

(c) On the basis of special interest (It was noted that this was not an appropriate or convincing argument upon which to rest a case.);

(d) On the basis of victorious powers insuring the peace (It was noted that this was an acceptable position for the United States provided it applied to all international waterways in Europe. This would involve a thorough consideration of the principle of representation on the Central Rhine Commission no less than on a prospective Danube regime.).

It was not known on what basis the United Kingdom or France would rest their cases. The United States believes that the pattern established for provisional regimes will affect the pattern of the permanent regimes and that, therefore, the detailed proposals should be carefully developed simultaneously with the development of general principles, in advance of a tripartite approach to the Soviet Government.

⁵⁷ Not printed.

The Department would be willing to discuss these matters informally with the United Kingdom and French representatives in Washington.

WASHINGTON, May 21, 1946.

840.811/6-1546 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

SECRET

BERLIN, June 15, 1946—6 p. m.
[Received June 16—8:18 a. m.]

1514. Reference Paris 2819 dated June 12 [11], 1946.⁵⁸ I have discussed with General Clay contents of reference telegram outlining certain fears of French, Belgians and Dutch that United States position in Control Council might restore German Rhine cartel at their expense. Obviously we have no such intent as we expect reasonably free competition. We would, however, be opposed to French action in placing German barges under French operation and to all intents and purposes under French ownership. If Germany is de-industrialized it is obvious it must be left other means of livelihood. Operation of barges under International Rhine Control can hardly be regarded as war potential. It is, however, a major business in which Germans excelled. Its financial returns are essential to a balanced export-import program. My [*Any?*] transfer of barges was not a part of reparations program. Any loss of revenue from such operations would increase our own financial liability and would result only from commercial desire and not destruction of war potential. If similar procedure will be followed in other competitive fields such as textiles, pharmaceuticals, etc., Germany would find itself with nothing to export but coal and in the light of the experience of the past months would have much difficulty collecting for the coal.

Sent Department as 1514, repeated to Paris as 158.

MURPHY

740.00119 EW/6-2046 : Telegram

The Acting Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

SECRET

WASHINGTON, June 20, 1946—noon.

770. Dept has received note from Czech Embassy dated June 5⁵⁹ requesting restitution of 43 Czech vessels in the possession of US mili-

⁵⁸ Not printed; in this telegram Mr. Merchant reported on the meeting of the Central Rhine Commission and the Duisburg Committee in which French, Belgian, and Dutch representatives expressed apprehensions over Germany's re-emergence as a predominant Rhine shipping power (840.811/6-1146).

⁵⁹ Not printed.

tary authorities on upper Danube between Linz and Regensburg. Current US policy is to defer restitution of all Danubian vessels pending outcome of negotiations on resumption of navigation in Vienna. Dept believes these vessels have a bargaining power vis-à-vis Soviets. Czech representative on ECITO has indicated informally no need for immediate restitution and that major concern is that craft be maintained in good condition pending ultimate return.

Dept interested your view on (a) Czech control of barges if returned; (b) probable use to which they would be put (i.e. coal movement Bratislava to Vienna, or on lower Danube?); (c) evidence that Czech supports US view of freedom of navigation. Info your despatch 653 March 25⁶⁰ very helpful. Sent to Praha; repeated to Vienna, and Moscow.

ACHESON

740.00119 EW/6-2446: Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

SECRET

PRAGUE, June 24, 1946—5 p. m.

[Received 8:15 p. m.]

1122. ReDeptel 770, June 20. In my opinion:

1. The Czechoslovak control of any Danubian barges which might be returned at this time would be purely nominal. I believe Soviets would exercise effective control which Czechoslovak Govt would not dare challenge.

2. Having regard to the domination the Soviets are seeking to achieve over Southeastern Europe, it seems most likely that these barges would be put to whatever use best served Soviet purposes from day to day. As Czechoslovakia's coal production is insufficient for its own requirements, it is most unlikely that for a long time to come there will be any substantial quantities of coal to move from Bratislava to Vienna or on the lower Danube.

3. Aside from lip service there is no evidence that the Czechoslovak Govt supports US view of freedom of navigation on Danube or that Czechoslovak Govt would support this view in opposition to Soviet wishes.

Sent Dept 1122; repeated Vienna 48; Moscow 13; and USPolAd Berlin 66 in reply to its 1546 of June 19 to Dept; repeated Praha as 58.

STEINHARDT

⁶⁰ Not printed: it dealt with the transportation conditions on the Danube in Czechoslovakia (840.811/3-2546).

840.811/6-1946 : Telegram

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

RESTRICTED

WASHINGTON, June 26, 1946—6 p. m.

US URGENT

3089. For Merchant and McClure from Radius and Rainey. Reurtel 2974 June 19.⁶¹ Subject: Agenda CRC meeting July 1-July 7.

1.⁶² Re immediately following telegram. In view of position taken by US zonal representative in Duisburg meeting June 6 Dept recognizes difficulties faced by you in pressing for strengthened IRWC at this CRC meeting. However Dept maintains opinion that Tripartite Traffic Operating Committee should be formed on basis of compromise reached with French at Paris meeting of May 20. Difficulty of establishing workable IRWC without tripartite zonal agreement on German Rhine should be made clear to Colonel Neff with view to obtaining US zone support of agreement reached May 20.

In this connection you might reassure representatives of riparian states at this meeting that US has no intention of permitting re-emergence of German domination Rhine shipping. Such reassurance might follow tone of Merchant's discussions with Dutch and French representatives reported in your tel 2918 [2819] June 11.⁶³

2. Dept sees no objection to CRC representative attending meetings on Inland Navigation Committee of the Inter-Allied Reparations Agency. However, detailed discussions of complex question of surplus German Rhine vessels for reparations should be avoided pending decision by Control Council re German level of industry affecting inland shipping. A request for opinions of Deputy Military Governor in this matter has been forwarded by telegram. In this connection Dept agrees most desirable that ample consultation be afforded Dutch, Belgians and Swiss prior to any ACC decision in matters of Rhine shipping available for reparations.

3, 4 and 5. No comment.

Sent to Paris repeated to Berlin. [From Radius and Rainey.]

ACHESON

⁶¹ Not printed.

⁶² The numbering of this and subsequent paragraphs relates to the numbers of the agenda of the CRC meeting as outlined in telegram 2974.

⁶³ See footnote 58, p. 261.

840.811/6-1746: Telegram

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

RESTRICTED

WASHINGTON, June 26, 1946—6 p. m.

US URGENT

3090. For Merchant and McClure from Radius and Rainey. Reurtel 2924 June 17.⁶⁴ Dept is concerned by delay in creation of Tripartite Traffic Committee for Rhine occasioned by attitude of US zone representative at meeting of June 6. We feel that concessions made by French in meeting of May 20 attended by Lebel, French FonOff, Merchant, Radius, McClure and Muelberger representing US, indicate notable cooperation and that compromise plan for Tripartite Traffic Committee outlined in A-708 May 20 should be fully acceptable by US authorities.

French reluctance to participate in formation of German Rhine operating organization resulting from their formation of "La Communauté Française pour la Navigation Rhénane" is understandable in view of Control Council delay in decision re surplus of German Rhine vessels available for reparations and natural fear of reconstituted German Rhine monopoly through formation of combined German operating organization. Believe that French agreement participate in tripartite Traffic Operating Committee made up of three zonal representatives will effectively coordinate German Rhine traffic program without complete pooling of German vessels and will lead to more practical working arrangements.

Does final paragraph your 2924 June 17 indicate that US Transport Division Berlin has reversed instructions to Major Boyd permitting establishment of Tripartite Traffic Committee as agreed in meeting at Paris May 20? If so, this meets with Dept's full approval.

Sent to Paris repeated to Berlin and London. [From Radius and Rainey.]

ACHESON

740.00119 Control (Germany)/6-2646: Telegram

The United States Political Adviser for Austria (Erhardt) to the Secretary of State

SECRET

VIENNA, June 26, 1946—7 p. m.

[Received June 27—8:18 a. m.]

910. Text of proposals Danube traffic requested your 583, June 21⁶⁵ follows:

⁶⁴ Not printed.⁶⁵ Not printed; in it the Department requested the text of the proposals made to the Soviet Government regarding the opening of Danubian traffic (740.00119 Control(Germany)/5-2946).

"Agenda for informal meeting with Soviets 16 May 1946.

- (1). That commercial traffic be resumed on Danube from Regensburg to Black Sea and vice versa.
- (2). That security from seizure be guaranteed to all ships, their crews and their cargoes.
- (3). That all vessels on Danube be allowed to sail under flag they are flying at present time (Yugo and Czecho vessels under their own flag).
- (4). That no excessive duties, tolls fees or other impediments be imposed on vessels or cargoes thereon that will hinder free commerce.
- (5). That all ships at present on Danube be pooled and vessels be supplied from the pool according to needs.
- (6). That the pool be managed by the companies that have vessels therein and under general supervision by USSR and USA elements as representing the powers directly responsible for control of zones on river.
- (7). That the management of pool be charged with instituting rates and general traffic regulations which shall be uniform.
- (8). That information be exchanged freely on conditions of navigation and responsibility be undertaken for river maintenance and navigation items over the whole length of river."

Soviets have not responded. Believed due to coming discussions in Paris and connected with increasingly apparent Soviet press campaign throwing blame to Western Allies especially US for failure resume river traffic. American authorities here have not taken further initiative due to Department's desire caution and imminent discussions Paris.

ERHARDT

840.811/6-3046 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

RESTRICTED

BERLIN, June 30, 1946—midnight.

US URGENT

[Received July 1—9:35 p. m.]

1632. Deptels 1414 ⁶⁶ and 1415 ⁶⁷ June 26 have been discussed with Gen Clay and Transport Division and I feel impelled to express concern at the Dept's apparent inclination to attach greater importance to Rhine transport problem (which we feel is no longer of immediate and critical urgency) than to the truly pressing problem of central administrative machinery which is here involved and on which the French attitude has blocked all progress.

Instructions to OMGUS representative at Duisburg conference June 6 were based primarily upon view that compromise proposal

⁶⁶ Same as telegram 3089 to Paris, p. 263.

⁶⁷ Same as telegram 3090 to Paris, p. 264.

under consideration ran counter to whole principle we have been fighting for—namely, the necessity of German central administrative machinery (in this instance in transport field) as provided in Potsdam Agreement. We feel strongly that to yield here as proposed would prejudice our whole position on central administrative agencies and only serve to strengthen French intransigence on this question and perhaps in other directions as well.

As for Rhine transport problem, Transport Division feels, generally desirable though French participation in Duisburg committee as well as strengthened IRWC would be, that real urgency has definitely receded as far as Rhine traffic situation is concerned. Available barges are now much in excess of cargo to be moved: at Duisburg on one day last week there were 265 barges awaiting cargo. A Dutch trade delegation recently in Berlin showed more concern about Rhine cargoes than any other problem. All this would appear to indicate that Rhine transport bottleneck has been cleared, at least for present, and that with over 1,500,000 tons barge capacity under British-American control as against some 100,000–150,000 under French, we are not in position necessitating yielding to French or Dutch on this matter.

We are in fact much concerned at increasing evidence that French, Dutch and Belgians are aiming at a permanent, drastic reduction in German Rhine fleet, removal of such equipment as reparations, and securing for themselves a dominant, if not monopoly, position in German import and export movements via Rhine. This seems to us to run counter to the level of industry and reparations plans, and to imply a further reduction in German ability to meet its own import needs—with consequent increased reliance on occupying powers.

We believe that our representative should go to the IRWC meeting with instructions to agree to a program of closer collaboration only on a basis which adequately safeguards legitimate German interests, and is consistent with principles we stand for as occupying power.

To Dept as 1632, repeated to Delsec and Paris as 180.

MURPHY

740.00119 Council/7-1346: Telegram

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

SECRET

WASHINGTON, July 13, 1946—6 p. m.

3436. Secdel 473. Subject is Czech, Yugo, Hungarian, Rumanian Danube River Craft.

1. In Jan ACC Ger reached agreement on general restitution United Nations property removed from such nations to Ger during occupation. Incident to this Agreement and previous JCS directive

(WARX 85965)^{67a} Nov 1945 which instructed OMGUS and USFA to restitute such UN property, Czech and Yugo crews, upon invitation from OMGUS and USFA took possession of some craft. Vessels were immovable at that time.

In Mar Hungary and Rumania, among others, were brought under restitution program by JCS directive WARX 99226. Also in Mar JCS directive WARX 82436 instructed OMGUS and USFA to suspend restitution barges pending further instructions. This directive based on view that Czech, Yugo, Hungarian, and Rumanian barges constituted bargaining lever vis-à-vis Soviets in US attempts to open Danube to safe and free navigation. Transfers to owning govts were suspended and permission to move vessels on which Czech and Yugo crews were already present was denied.

2. Since Mar Czechs, Yugos and Hungs have insistently requested return of barges. Protests have taken form of notes to Govt, notes to and calls on American missions in Belgrade and Praha, official press charge in Belgrade, and representations to American military authorities. Yugo charges in particular have become quite heated culminating in FonOff note of July 4 stating Yugos resolved refer to international authority matter unjustified retention Yugos barges by US Govt unless within reasonable time Yugos restitution mission Frankfurt reports possible all Yugos vessels sail unhindered to Yugos ports (Belgrade's tel 653, July 6⁶⁸). Anti US press particularly in Yugo, and Austria have had field day over this alleged manifestation of US indifference to transport crises of Danubian countries. US replies to note representation ranged from statement matter would be investigated to fol Dept instruction to Embassy, Belgrade:

"US Govt recognizes in principle that property of this nature should be returned to rightful owners. There are, however, various problems involved in implementation of this policy for which satisfactory solutions must be found and to which consideration is currently being given."

US has not explicitly stated to Soviets, Czech, and Yugo that restitution is being withheld pending agreement with Soviets which establishes freedom of movement of vessels on Danube without danger of seizure.

However memorandum handed by Acting Secretary to Hungarian Prime Minister⁶⁹ on June 14 stated: "The US military authorities have been directed to defer restitution of commercial inland water craft on Danube pending the outcome of discussions which are cur-

^{67a} *Foreign Relations*, 1945, vol. III, p. 1427.

⁶⁸ Not printed.

⁶⁹ The Hungarian Prime Minister. Ferenc Nagy, was in Washington on an official visit from June 11 to June 19. For documentation concerning his visit, see vol. VI, pp. 302-317.

rently taking place between them and Soviet authorities in Vienna with view towards establishing principles of freedom of movement of vessels on Danube under flags which they now fly without danger of seizure." Hung PriMin's comments this provision are contained in Budapest's 1210, June 29 [28] rpt to Paris as 221.⁷⁰

3. Fol is text in full of Murphy tel to Dept of June 28:

"Yugoslav Military Mission has presented communication to Control Council asking for restitution of Danube barges in US zone. Communication lists steps taken in attempt to have craft restored and gives statement of Yugoslav war losses and contribution to war effort. Asks Control Council to take steps to effect their restitution.

Paper will be discussed shortly in RDR directorate. Dept will realize possibility of acrimonious debate. Urgent comments desired."

4. Since Danubian negotiations now underway in Paris, it is suggested you advise Clay of position to take in forthcoming sessions. If you decide on frank statement along lines last two sentences para 2, above, suggest you point out that interim proposals for opening safe Danube traffic presented informally to Soviets on May 16 has not received reply. Vienna cable to Dept summarizing proposals is reptd as Part 2 this message.

5. In connection Vienna cable, note that item (3) should be changed to permit all vessels except Ger to sail under their own flag, since upon acceptance of agreement by Soviets, US would restitute Hungarian and Rumanian as well as Czech and Yugo vessels.

[Here follows Part 2, same as Vienna cable 910, June 26, 7 p. m., printed on page 264.]

6. Dept not certain Secdel is informed re these negotiations which were directed to narrow point of resumption river traffic under conditions of safety and did not purport to replace discussion river regimes. Secdel may wish to refer to this US approach and, in view of Soviet press campaign, might wish to make knowledge of approach public.

7. Fol. is rept of Berlin tel to Dept dated June 19 for ur info:

"OMGUS personnel returning from Czechoslovakia where they attended ceremonies celebrating restitution of property from US zone Ger indicate that US prohibition to restitution of barges to Czechoslovakia causing adverse political developments there and seem to feel that conditions which led to this prohibition have substantially changed insofar as Czechoslovakia is concerned.

Suggested that Praha and Vienna inform Dept and Berlin of any recent developments bearing on problem."

Sent to Secdel, Paris, rptd to USPolAd, Berlin 1516, AusPolAd, Vienna 651.

ACHESON

⁷⁰ Vol. VI, p. 316.

740.00119 Control (Austria)/7-2546

*The United States Political Adviser for Austria (Erhardt) to the
Secretary of State*

SECRET

No. 1508

VIENNA, July 25, 1946.

[Received August 7, 1946.]

Subject: Announcement by USFA on Danube Navigation

SIR: I have the honor to report an official release by USFA designed to offset the current campaign in the Soviet and Soviet controlled press.

As has been reported to the Department by this Mission and various others, the Soviet releases have sought to create the impression that the United States, by holding inactive in Austria and Bavaria the major part of the Danube fleet, is blocking the great and generous efforts of the Soviets to restore navigation and that in spite of the fact that commerce on the river is still very halting and inadequate in the lower reaches of the river and almost totally failing in Austria and Germany, the United States persists in holding back the needed vessels for the political purpose of forcing agreements which would open the way for imperialistic economic penetration by the Western capitalist states.

The truth is of course that the western elements of the Allied Commission in Austria, led by the American element, have made every effort since early autumn 1945 to work out a reasonable interim basis for resuming traffic, culminating in May 1946 in concrete American proposals for bilateral discussions (concurred in by the British and French) which the Soviets have ignored; that these efforts have been consistently thwarted by the Russians who even refused to discuss the matter on various pretexts and evasions; that river commerce in Austria was impossible until recently due to delays in clearing the wrecked bridge at Tulln; that these delays have been due in large part to Soviet inefficiency and refusal to cooperate with both the Austrian and American authorities concerned; that only about one-third of the original river fleet is in American hands and that if this now constitutes a majority it must be due to substantial removals to the Don and other Russian waters of the vessels the Russians found (which is known to be a fact); that while the Soviets have sought to establish services between their zone in Austria and Hungary, the effort has been so mishandled technically, diplomatically and in practical management that it has been a complete failure; that the genuine shipping entities, at least in Hungary, Czechoslovakia and Austria, have strongly expressed themselves that practical commercial traffic on the river is possible only under international guarantees and controls:

that Hungarian ship owners have asked us not to return their ships before Soviet occupation of Hungary is terminated; and finally that the complete Soviet economic domination of all the riparian states up to and including Hungary, and the current vesting by the Soviets of Austrian firms in Austria, together with the fact that they have kept the door closed tight to all non-riparian powers (including ourselves) on the river below Enns, Austria, results in the most complete unilateral economic penetration that can be imagined. It is believed self evident that the current press campaign is doubly stimulated, first to shift the blame for substantial and mounting public resentment and for the failure of the much publicized Soviet effort to restore and manage river commerce, and second to be timed for the current discussions in Paris.

The enclosed USFA release ⁷¹ appeared in the *Wiener Kurier* July 16 and was picked up by the *Wiener Zeitung*, *Kleine Volksblatt*, *Oberoesterreichische Nachrichten*, *Salzburger Volkszeitung*. It was also carried by the *Amerikanischer Nachrichten Dienst* (American News Service) and the British news review in English.

Respectfully yours,

JOHN G. ERHARDT

740.00119 Control (Germany)/7-2346 : Telegram

The Acting Secretary of State to the United States Political Adviser for Austria (Erhardt)

SECRET

WASHINGTON, August 1, 1946—4 p. m.

717. Reurtel 1022 July 23 ⁷² and 910, June 26, referring proposals on Danube traffic operating agreement submitted by US military to Soviet military Vienna May 16, 1946, Dept believes that item (3) should be modified to permit all vessels except German when restituted to sail under their own national flags in event of acceptance of operating agreement Soviet military. US is now committed to restitute Hungarian and Rumanian vessels in same manner as Zecho and Yugo. Therefore, in possible future Danube traffic discussions with Soviet occupation authorities you should clarify this point if possible before the issue is raised by Soviet representatives.

Repeated Paris, Secdel, and Berlin.

ACHESON

⁷¹ Not found attached to file copy.

⁷² Not printed.

740.00119 Council/8-2446 : Telegram

*The Acting Secretary of State to the Secretary of State*⁷³

SECRET

WASHINGTON, August 24, 1946—2 p. m.

US URGENT

4256. Secdel 743. Dept informed August 23 that on August 13 Yugoslavs requested that question of restitution of Danubian vessels be placed on ECOSOC agenda. Considerable attention focused on this question here as result of Moscow radio report August 22 which stated, erroneously, that matter had been referred to Security Council. When question arose in Acting Secretary's press conference the position was taken that this barge question was only one element in broader question of freedom of navigation on Danube and that US has been endeavoring to discuss Danube question with interested parties for long time.

In light of these developments it is suggested that Dept immediately issue press release summarizing efforts to get consideration of Danube question at Potsdam, at first CFM meeting, in peace treaties, and through bilateral negotiations with Soviet authorities in Vienna, such a statement to be followed by release of US proposals made to Soviets in Vienna early this year. (Refer USDel Memo from Clayton to Secretary of August 2.⁷⁴) With this record made publicly available, plus other factual information regarding actual conditions on the Danube, the US could then take the position that we would welcome additional consideration of the Danube questions in ECOSOC. The objective would be to broaden consideration from merely the 167 Yugoslav vessels as a restitution issue to the broad question of restoration of freedom of navigation on the Danube. Sent to Paris, repeated to Berlin and Vienna.

ACHESON

840.811/8-2046

The Department of State to the French Embassy

MEMORANDUM

The Department of State acknowledges the receipt of the memorandum No. 523 from the Embassy of France dated August 20, 1946.⁷⁴

⁷³ The Secretary was in Paris for the meeting of the Council of Foreign Ministers.

⁷⁴ Not printed.

in which the French Embassy transmits certain proposals regarding French participation in an American, British and French tripartite organization to insure effective control of the German Rhine fleet.

With reference to the Embassy's request that the United States Government support the adoption of measures itemized in the memorandum, as follows:

"1. Quantitative and qualitative limitation of the German fleet on the Rhine,

2. Removal of the said fleet from cartel control,

3. Authorization for that fleet to engage in international trade as soon as it has been reduced and removed from cartel control,

4. Increase of the French fleet by the allocation of German matériel as reparations,"

the Department of State believes that points 2, 3 and 4 as well as point 1 specifically concern the occupation authorities in Germany. The United States Government agrees with the French Government that it is the responsibility of the Allied Control Council in Berlin to reach a decision on a quantitative and qualitative limitation of the German Rhine fleet. Furthermore, when and if a decision is reached on a quadripartite basis that there is a surplus of German Rhine vessels over the minimum German requirements, the distribution of this surplus among reparation claimants should take place through I.A.R.A. as indicated in the Embassy's memorandum. Questions 2 and 3 above are considered specific concerns of the occupation authorities in areas contiguous to the Rhine, that is, British, French and United States military authorities.

The United States Government accepts the proposal of the French Government that these questions as a whole should be discussed in an informal meeting to include representatives of the French and British Foreign Offices and the United States State Department as well as representatives from the French, British and United States occupation zones in Germany, provided that, as the Department understands from discussions with the representative of the French Embassy concerning this memorandum, the French Government now accepts in principle the formation of a German administrative organization, under adequate tripartite control, to administer a combined German fleet. Such a meeting should serve for an exchange of views preceding French participation in the tripartite organization.

It is understood that German vessels from the French zone are now being returned from French national administration to French zone administration and therefore that pooling of German Rhine vessels under German administration and tripartite control is agreeable to

the French Government provided that adequate security and strict decartellisation of the fleet is arranged by the zonal authorities.

The inclusion of representatives from the Netherlands and Belgium in these discussions would appear to be premature at this time in as much as the coordination of traffic within Germany is a primary concern of the three occupying powers. However, when the three Governments have reached agreement on the tripartite organization, the United States Government believes that representatives of the three Governments should meet at some future date with representatives of the Netherlands and Belgium to discuss Rhine traffic matters which specifically concern those countries.

If the French Government prefers, the United States Government would be prepared to have these tripartite discussions held in Strassburg following the Central Rhine Commission meeting of October 11.⁷⁶

WASHINGTON, October 3, 1946.

740.00119 Council/10-346 : Telegram

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

SECRET

WASHINGTON, October 3, 1946—5 p. m.

US URGENT

5262. Secdel 1039. Discussions re Yugoslav and Czech requests for return Danube vessels began in plenary session ECOSOC Sept 27 and continued through two sessions Sept 28.⁷⁷ Both Yugo and Czecho delegates read statements indicting US for unjustified retention vessels urgently needed in Czecho and Yugo. Winant replied with agreed statement U.S. position. Greek delegate stated no arrangements had been made for return Greek vessels in Soviet zone, and proposed resolution for Council similar to those of Czecho and Yugo but directed at Sov Govt.

Sov delegate made lengthy statement attacking U.S. for unjustified retention vessels and for issuing what he termed "ultimatum" to Czecho and Yugo. Statement included line that conference in Vienna re operating arrangements not connected with restitution issue. Also referred to no internationalization American rivers. Urged Council

⁷⁶ In telegram 5276, October 3, the Department informed the Embassy in France of the contents of this note (840.811/10-346).

⁷⁷ For minutes of these sessions, see United Nations, *Report by the Economic and Social Council of the General Assembly*, Tenth Meeting, September 27, 1946, pp. 62-72; Eleventh Meeting, September 28, 1946, pp. 73-76; Twelfth Meeting, September 28, 1946, pp. 76-78; Twenty-first Meeting, October 3, 1946, pp. 152-155.

decision on restitution issue but denied right to act in calling Vienna conference by reason Art. 107 Charter.

French, Brit, Belgian, Lebanese, Greek, Canadian and Chilean delegates spoke in favor U.S. resolution re Vienna conference. Peruvian delegate expressed opinion none of resolutions presented were within competence ECOSOC. Debate on competence ECOSOC act on such questions ensued. Chairman Stampar⁷⁸ finally closed debate with statement Chair would entertain any proposal and bring question to vote in plenary session Council sometime during coming week.

In summary, Council now split along East West lines. If question had come to vote Sat, Dept. representatives present believe Yugo-Czecho and Greek resolutions would have been defeated, while U.S. resolution would have been passed. However, defeat Yugo-Czecho resolutions would not accurately reflect support U.S. position since some negative votes would have indicated only belief question was not within competence Council. Believe South American group would vote "No" on Yugo-Czecho resolution with some abstentions on U.S. resolution together with some approvals of it. French delegate was uneasy and uncertain re French vote.

Summary Danube negotiations in Paris would be helpful.

Please report local reactions resulting from U.S. position in ECOSOC and degree to which U.S. position is reported locally.

Sent Paris as 5262, repeated Vienna 890, Praha 1206, London 6963, Budapest 1020, Moscow 1754, Belgrade 660, Bucharest 642, Sofia 310.

ACHESON

840.811/10-946

*The Acting United States Representative at the United Nations
(Johnson) to the Acting Secretary of State*

No. 705

NEW YORK, October 9, 1946.

The Acting United States Representative to the United Nations presents his compliments to the Acting Secretary of State and has the honor to transmit herewith a telegram from the Secretary General of the United Nations dated October 8, 1946, requesting the Government of the United States to inform the Secretary General of its intention to participate in a conference of representatives from all States interested in international traffic on the Danube River, to meet in Vienna not later than November 1, 1946.

NEW YORK, October 9, 1946.

⁷⁸ Dr. Andija Stampar, Yugoslav delegate.

[Enclosure]

The Secretary General of the United Nations (Lie) to the Acting United States Representative at the United Nations (Johnson)

LAKE SUCCESS, NEW YORK, October 8, 1946.

M3581. Kindly bring following attention your Government.

Have honour inform you that Economic Social Council adopted 3 October following text resolution submitted by United States Delegation regarding international traffic on Danube River.

"In view of the critical limitations of shipping facilities on the Danube River which are adversely affecting the economic recovery of southeastern Europe the Economic and Social Council recommends that a conference of representatives from all interested States be arranged under the auspices of the United Nations to meet in Vienna not later than 1 November for the purpose of resolving the basic problems now obstructing the resumption of international Danube traffic and establishing provisional operating and navigation regulations. Interested States are the Riparian States, States in military occupation of riparian zones and any States whose nationals can demonstrate clear title to Danube vessels which are now located on or have operated prior to the war in international Danube traffic. As a basis for discussion in this projected conference of representatives from interested States the Economic and Social Council submits the following recommendations:

A That commercial traffic be resumed on the Danube from Regens[burg] to the Black Sea;

B That security from seizure be guaranteed to all ships, their crews and cargoes;

C That all Danube vessels except German be allowed to sail under their own national flag;

D That adequate operating agreements be arranged between the interested states as well as the national and private shipping companies under general supervision of the occupying powers to permit the maximum use of the limited shipping facilities;

E That information be exchanged freely on condition of navigation and that responsibility be undertaken for river maintenance over the entire length of the river."

According supplementary rule K of amended provisional rules procedure General Assembly requiring prior consultation members United Nations before calling international conference by Economic Social Council I have honour request your Government to inform me if it agrees meeting Danube conference and if willing participate therein.

TRYGVE LIE

740.00119 Council/10-1246 : Telegram

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

SECRET

WASHINGTON, October 12, 1946—1 p. m.

US URGENT

5502. Secdel 1112. Personal for Matthews⁷⁹ from Hickerson.⁸⁰ The action of the conference⁸¹ in approving by two-thirds majority clause in Rumanian and Bulgarian treaty providing for free Danube navigation and establishment of permanent Commission suggests possibility that we should take advantage of this development to settle Danube barge question, at least to the extent of returning Zecho, Yugo, Hungarian, Rumanian and Bulgarian vessels now held in US zone. It may be that we have extracted the maximum bargaining value from our retention and we could perhaps capitalize on return of barges to a greater extent now than we can at some later date. Winant tells me that our position in ECOSOC was none too popular and the favorable votes obtained with some difficulty. Furthermore, we are on the receiving end of considerable criticism in the press because of shortage transportation and need of barges whether or not Danubian agreement reached.

The restitution envisaged would still leave approximately 400 enemy vessels including Austrian under our control for use in later negotiations. Furthermore, Yugo assets now in US greatly exceed US claims and retention of Yugo vessels for this purpose is unnecessary as we could state that Yugo gold assets in US are being kept blocked against claims.

I realize that Soviets may eventually veto Danube clauses irrespective of conference rules thereby leaving us with a noble gesture and no result. Also this plan might be interpreted as a weakening of our general position and thereby affect the treaties. If there is danger of that, I would favor holding the barges until Hell freezes over. Frankly, however, in this question we have a bear by the tail and if we have exhausted bargaining power of barges we should be thinking of a satisfactory way to get out from under. Eur thinks this may be a good time and there may be no other opportunity for a long while. This telegram is a suggestion and not a recommendation since we here haven't the whole picture. If you agree and the Secretary approves we think action should be taken immediately. Because of President's previous interest, we would clear with him. [Hickerson.]

ACHESON

⁷⁹ H. Freeman Matthews, Director, Office of European Affairs, Political Adviser at the Paris Peace Conference.

⁸⁰ John D. Hickerson, Deputy Director, Office of European Affairs.

⁸¹ This is a reference to the Paris Peace Conference, July 29–October 15, 1946.

840.811/10-946 : Telegram

The Acting Secretary of State to the Acting United States Representative at the United Nations (Johnson)

WASHINGTON, October 16, 1946.

237. Reference your letter of October 9 No. 705 transmitting copy of telegram from Secretary-General concerning conference on Danube shipping. Please inform the Secretary-General that this Government agrees to the holding of such a conference and that it is prepared to participate therein.

ACHESON

840.811/10-2346 : Telegram

The Acting Secretary of State to the Minister in Austria (Erhardt)

SECRET

WASHINGTON, October 23, 1946—3 p. m.

957. Urtel 1345 Oct 11 ⁸² Dept has received telegram from Secretary-General United Nations quoting ECOSOC resolution calling for conference interested states under auspices UN to discuss provisional operating agreement for Danube and stating rules procedure require prior consultation members UN before calling such conference by ECOSOC. UN asks this Govt if it agrees to Danube conference and will participate. Dept naturally replying this Govt will participate.

Soviet representative ECOSOC indicated in speech before voting on this item USSR, Czecho and Yugo would not attend conference even though resolution was approved by Council. Therefore Dept assumes USSR, Czecho and Yugo will reply in negative to UN telegrams and conference will not be held.

Dept now considering subsequent steps in Danube controversy and will advise you soonest. Your views and comments welcomed.

ACHESON

Lot 54 D 211, Box 12726

Memorandum by the Assistant Chief of the Shipping Division (Railey) ⁸³

[WASHINGTON,] October 25, 1946.

SUGGESTED PROCEDURE IN DEALING WITH THE DANUBE ISSUE AT THE
FORTHCOMING MEETING OF THE COUNCIL OF FOREIGN MINISTERS

Briefly stated, I understand the basic policy of the United States in regard to the Danube to be as follows:

⁸² Not printed.

⁸³ Addressed to the Secretary and to the Under Secretary for Economic Affairs, Mr. Clayton.

This government insists upon the reestablishment of the general principle of freedom of commerce and navigation on the Danube through international agreement on the statute of the future International Commission for the Danube. This statute should insure freedom of transit as well as equal rights and equality of treatment for the nationals of any country wishing to participate in commerce on this waterway. In the discussions of the Peace Conference the United States has maintained that the U.S.S.R., U.S.A., U.K. and France together with the riparian states should participate in a conference to reestablish statute for the future International Commission of the Danube.

The State Department has maintained that the United States does not wish to participate as a permanent member of the International Commission for the Danube unless this is necessary in the interests of world peace. However, this position has never been stated publicly.

It may be that the principal objection of the Soviets to the clauses in the peace treaties calling for freedom of navigation on the Danube and for the convening of a conference to establish the statute of the Danube commission is based upon fear of U.S.A., U.K. and French representation on the permanent Commission. If this is true, then you may wish to use for bargaining purposes in the coming Council of Foreign Ministers meeting the statement that the U.S.A. does not insist upon representation in the permanent commission, but wishes to assure that the statute for the Danube contains adequate provisions to protect the interests of non-riparian states. Furthermore, in informal conversations representatives of both French and British Governments have indicated that the United Kingdom and France also will not insist upon participation in the permanent commission, provided they are included in the conference to set up statute for the commission and have the opportunity of approving such statute.

If you wish, representatives of the Department will check this suggested position with the United Kingdom and French Government prior to the Council of Foreign Ministers meeting, so that you would have three-power agreement on nonparticipation in the permanent commission to utilize in discussions at that meeting.

With such an agreement between the three western powers it may be that the Soviet representative will be in a position to accept the principle of freedom of navigation and Soviet participation in a conference of the four powers and the riparian states to reestablish the statute of the commission. If CFM principles prevailed, four-power approval of statute could be required, even though only riparian states sat on the Commission. In that event, the United States would maintain its principle, the vessels held in the United States zones of occupation could then be returned, and one of the most insoluble con-

troversies facing the CFM would be eliminated. Regardless of the outcome of the conference to establish the Danube statute, the United States would continue to press its long-range policy of freedom of navigation and to support the commercial interests of non-riparian states on the Danube through its representation in the United Nations.

840.811/10-2846 : Telegram

The Representative of the United States on the Economic and Social Council of the United Nations (Winant) to the Secretary of State

SECRET

NEW YORK, October 28, 1946—6 p. m.

URGENT

[Received 6:30 p. m.]

720. Regarding ECOSOC invitations to the Vienna Conference on the Danubian question, UN has received favorable reply from US, UK, and Greece, and negative reply from USSR and Yugoslavia. Negative reply expected from Czechoslovakia tomorrow. France has replied re-affirming support of free navigation on Danube but expressing unwillingness to attend conference in absence of Danubian states.

Secretary General will shortly communicate results of invitations to governments concerned and ask them whether in these circumstances they wish to hold conference.⁸⁴

WINANT

840.811/11-346

*Memorandum by the Secretary of State to President Truman*⁸⁵

WASHINGTON, November 1, 1946.

Subject: Danube river craft belonging to Czechoslovakia, Yugoslavia, Hungary, Rumania, Bulgaria and Austria now in United States Zones of Occupation in Germany and Austria.

As you are aware this Government has been retaining in its possession in United States zones of occupation in Germany and Austria a number of Danube barges and other river craft belonging to Czechoslovakia, Yugoslavia, Hungary, Rumania, Bulgaria and Austria. We

⁸⁴ These replies were transmitted by Mr. Johnson to the Department in telegram 767 of November 6, as follows: "Governments Greece, United Kingdom and United States agree calling conference and express willingness participate therein. Governments Czechoslovakia, Union Soviet Socialist Republics, and Yugoslavia do not agree calling conference and are not willing participate therein. French Government expresses interest resuming free navigation on Danube and ready participate conference but on condition riparian states also participate therein." (840.811/11-646)

⁸⁵ The memorandum was returned to the Secretary with the handwritten notation on the margin, "Approved Nov. 3, '46, Harry S. Truman".

have been motivated to that action by our desire to reach international agreement in regard to freedom of navigation on the Danube. I believe that General Clark and Minister Erhardt discussed this matter with you recently.⁸⁶

The Peace Conference at Paris has now approved by a two-thirds majority recommendations for the inclusion in the Rumanian, Bulgarian and Hungarian treaties of clauses which provide for freedom of navigation on the Danube and for the calling of an international conference within six months of the ratification of those treaties with a view to the establishment of a permanent international Danube regime.

We are of course conscious of the possibility that the Soviets may veto the final acceptance of this recommendation or, if they accept it, may take measures locally which in fact will prevent the realization of such freedom of navigation. However, it seems to us that, having obtained the approval of our views by an international body, we have extracted all the bargaining power possible from our retention of these river craft, which are in fact needed by the countries concerned to assist in their economic rehabilitation, and that the occasion of this decision by the Peace Conference affords us an opportunity to capitalize on the return of the barges such as may not be forthcoming at a later date. Accordingly, if you approve, we propose to return the Czechoslovak, Yugoslav, Hungarian, Rumanian and Bulgarian vessels. In doing so, we would still retain some 400 Austrian and German river craft, the disposition of which is involved in separate negotiations.⁸⁷

I also would propose to make our position in the matter known to the press along the lines suggested in the attached statement.

JAMES F. BYRNES

[Enclosure]

DRAFT FOR THE PRESS

The Paris Conference has recommended by a two-thirds majority that the Peace Treaties with Bulgaria, Rumania, and Hungary include clauses providing that navigation on the Danube river shall be free and open to the nationals, vessels of commerce and goods of all

⁸⁶ In a memorandum of October 21, 1946, to the Secretary, Mr. Matthews wrote: "About a week ago Gen. Clark and Mr. Erhardt were at the White House and on that occasion the President asked Gen. Clark whether we were still holding the Danubian barges. Gen. Clark replied that we were. The President replied 'keep them.'" (840.811/10-2146)

⁸⁷ In a circular telegram of November 7, 1946, Acheson informed a number of American missions abroad that arrangements were being made to return the Danube river crafts belonging to Czechoslovakia, Yugoslavia, Hungary, Rumania, and Bulgaria (840.811/11-746).

states and that a conference of all interested states shall be convened within six months of the coming into force of those treaties to establish a new permanent international regime for the Danube.

It has been with a view to the achievement of international agreement along these lines that the United States Government has been holding some 450 Yugoslav, Czechoslovak, Hungarian, Rumanian, and Bulgarian river craft found in United States zones of occupation in Germany and Austria. Consequently, the United States Government is now taking the necessary steps to return such river craft to the Governments of their ownership.

It may be noted that the United States Government has never questioned the ownership of these vessels by Yugoslavia, Czechoslovakia, Hungary, Rumania, and Bulgaria, and hopes that, in consonance with the terms of the international recommendation which has now been made, the river craft which are being returned will operate freely, throughout the whole navigable extent of the river.

840.811/11-646 : Telegram

The Acting Secretary of State to the Acting United States Representative at the United Nations (Johnson)

SECRET

WASHINGTON, November 8, 1946—8 p. m.

278. For Stinebower.⁸⁸ Retel 767 Nov 6⁸⁹ quoting telegram from SYG Oct 30 USDel requested to inform SYG that US Govt regrets to inform SYG that in light of information conveyed in his telegram of Oct 30 this Govt feels that no good purpose would be served in convoking conference on Danube River traffic at this time. However US Govt suggests that SYG should inquire of other Governments concerned as to circumstances under which they would agree to convocation of such a conference.

Suggest you discuss with Thorp⁹⁰ or Matthews to assure that foregoing will not embarrass any positions being taken in CFM.

ACHESON

840.811/11-2146 : Telegram

The Acting Secretary of State to the Minister in Austria (Erhardt)

SECRET

WASHINGTON, November 21, 1946—7 p. m.

1026. ReDeptel cir 1610 Nov 7,⁹¹ WX 85902 Nov 20 to OMGUS and USFA⁹² requests US military authorities to discuss with proper

⁸⁸ Leroy D. Stinebower, Adviser, US delegation, preparatory commission of the UN Food and Agricultural Organization.

⁸⁹ See footnote 84, p. 279.

⁹⁰ Willard L. Thorp, alternate delegate, US delegation, preparatory commission of the UN Food and Agricultural Organization.

⁹¹ See footnote 87, p. 280.

⁹² Not found in Department files.

