

6. Department of State Policy Statement: Germany

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Secret

The US has endeavored since 1946 to inaugurate procedures leading to negotiation of a general peace settlement for Germany. Proposals which had, in all essentials, been agreed upon by the three western powers were rejected in both the 1947 Moscow and London meetings of the CFM by the USSR. The main issue between the USSR and the western powers, particularly the US, was the role to be assigned the other Allied governments in the preparation of a German peace treaty. The US held that all of the Allied countries, large and small, were entitled to participate at appropriate stages in the preparation of the treaty, a view in which the other western powers concurred. The USSR wished to confine the drafting and final formulation of the treaty to the four CFM powers concerned, while closely restricting the rights of consultation and participation to a limited number of the other Allied governments. Prolonged attempts, to arrive at an agreed procedure, both at Moscow and London, met with failure.

Another major difficulty was the definitive settlement of German frontiers. The US has always held and still maintains that decisions on frontiers must await the peace settlement. It has proposed the creation of international boundary commissions to examine all boundary claims and problems and make recommendations to the CFM. The USSR has repeatedly insisted that the present administrative boundary between Germany and Poland, as fixed at Potsdam, must be considered as final and is not open to review. The US, while recognizing Poland's right to territorial compensation from Germany, stands upon the Potsdam provision that "the final delimitation of the western frontier of Poland should await the peace settlement." It is concerned that the frontiers of Germany should not become "impenetrable barriers" to trade, nor dangerously exacerbate irredentist sentiment. In particular the US believes that a revision of the present Oder-Neisse line to Germany's advantage is essential in view of the present economic-demographic situation of Germany. We have agreed to support the claim of the USSR to northern East Prussia in the peace settlement. In the west the US believes that, with the exception of the Saar, only minor border rectifications to eliminate existing anomalies with respect to trade or communications should be considered; it is opposed to territorial cessions as compensation for war damage or loss. The US has approved the detachment of the Saar district from Germany and its economic integration with France.

There is little likelihood of a definitive German settlement in the immediate future. The London Agreements, if and when implemented, might be considered in the nature of a provisional settlement governing western Germany. The US maintains that responsibility for failure to reach a final German settlement must rest at the door of the USSR, which has consistently obstructed agreement by insisting upon conditions unacceptable to the three western powers. These powers are proceeding with measures which they consider indispensable for the areas of Germany under their control. The US holds that all such measures are of a tentative and provisional character pending the time when a general settlement can be agreed upon by all the powers which at present exercise sovereign rights over Germany.

After three years of occupation the chief premise upon which US policy with respect to Germany was originally based has broken down. This was the assumption that German problems, both immediate and long-term, were susceptible to solution on the basis of four

power agreement. It has become clear that such agreement is unlikely in the early or foreseeable future in view of the obstructive and intransigent attitude of the USSR with regard to German and European problems. The US has been confronted with two alternatives. It could accept stalemate without action and thus permit Germany to sink deeper into political and economic chaos, with the attendant threat to the general welfare and security, or it could concert a provisional settlement of German problems together with those governments which were willing to reach agreement in the common interest. The US has chosen this second alternative.

US policy must be judged in the light of present realities. No ideal solution embracing the whole of Germany is at present possible. German policy is of necessity influenced by overriding policy with respect to western Europe. Such policy dictates that Germany must not be drawn into the Soviet orbit or reconstructed as a political instrument of Soviet policy. It requires that Germany be brought into close association with the democratic states of western Europe and that it be enabled to contribute to and participate in European economic recovery. These objectives clearly cannot be achieved through quadripartite action. Hence it has become necessary to embark on an extensive program of reconstruction in association with the UK, France and the Benelux countries which have a special and immediate concern with western Germany. The London agreements mark the first broad, constructive step toward a resolution of the German problem since Potsdam. They are of necessity provisional and in no way preclude ultimate Allied agreement on a final settlement. But it is believed that the London program, when effectuated, will mean substantial progress toward such a settlement.

Despite all efforts since the end of the war Germany remains a major unresolved problem of US foreign policy. Such objectives as demilitarization, denazification and punishment of war criminals have been in the main achieved. But in matters of basic reconstruction there have been only beginnings, or tentative and provisional measures. Germany still lacks political or economic unity, or any vestige of a national government. The German economy operates at a dangerously low level and the bizonal area survives only through subsidies furnished mainly by the US. Democratization of political and cultural life has proceeded at a painfully slow pace. The determination of frontiers and of long-range controls upon German economic and political life still awaits a peace treaty. The re-integration of the German economy into that of Europe will only be achieved with the working out of the European Recovery Program. The end of the occupation is not in sight, and Germany will continue as a major concern and responsibility of the US for a period as yet unforeseen.

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Failure to achieve a definitive solution of the German problem which is central to a general European settlement has given rise to a critical situation. Germany has become an area of strategic importance in the East-West conflict over the shaping of Europe's future. The significance of current developments rests primarily in the fact that the US, with its associates, has seized the initiative in Germany. This has resulted in vigorous Soviet counter-measures. The rights and prerogatives of the western powers in Berlin are being challenged and every effort is being made to make their position there untenable. The evolution of the London program for western Germany can be expected to meet with Soviet protest and opposition at every stage. The success of the program will depend upon other uncertain factors the rapidity of economic recovery, the cooperativeness of the Germans and the support of the French who have not been won over to wholehearted approval of the agreements and may seek to modify them in further negotiation. There is a definite risk that implementation of the program will widen and confirm the cleavage

between the western powers and the USSR and effect a virtual partition of Germany for the time being. The decision of the US to embark upon a program entailing these risks and uncertainties has been reached with full realization of the difficulties involved but with the conviction that even greater risks and dangers would result from failure to act promptly and effectively in dealing with urgent German problems.

Future developments in Germany cannot be predicted with any degree of assurance. There will doubtless be continued tension in US-USSR relations which would reach a critical stage if the USSR should resort to coercive measures to expel the western powers from Berlin. The US is now completely committed to a far-reaching program of political and economic reconstruction for western Germany, with the door always open to Soviet collaboration in such a program if extended to all Germany. The next few years will be of critical importance in the working out of the London agreements and the ERP in Germany, with Soviet antagonism a constant factor, even if a major crisis is avoided. Unless there develops a totally unanticipated change in the Soviet attitude toward the west, and unless Soviet designs in Germany are drastically modified, there seems to be little prospect of a general German settlement in the near future. Germany will probably remain divided. The Soviet zone and the west will then continue to develop, economically and constitutionally, in divergent directions, although the forces of economic interdependence and German national sentiment will operate in some measure to counteract disunion. Germany will remain an important, perhaps the most important area of conflict in the struggle between east and west for the shaping of the new Europe.
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III. Nature of a Possible North Atlantic Security Arrangement

1. Any North Atlantic security arrangement should be clearly and specifically defined, since the respective governments and peoples must know exactly what the arrangement is and what advantages and obligations are involved. The obligations and commitments of each party should of course be undertaken by constitutional process. With the exceptions noted in the preceding section, the security arrangements should be generally reciprocal in nature. The preference expressed in the U.S. Senate on June 11, 1948 that U.S. association with any such arrangements be effected by treaty has been noted, as well as the Canadian position in regard to such an association stated by the Prime Minister of Canada in the House of Commons on March 17, 1948.

2. The presence of U.S. troops in Germany not only entails U.S. participation in the security problems of Europe but also would in most contingencies, as long as they remain, involve the U.S. in any hostilities were they to break out there. The problem is, however, to recommend a long-term arrangement binding the parties to meet aggression jointly from whatever quarter and at whatever time. If the arrangement is to fill this requirement and those outlined above and to contribute to the restoration of confidence among the peoples of Western Europe, it would not be possible to base it on the presence of U.S. troops in Germany.

3. No alternative to a treaty appears to meet the essential requirements.

4. Consideration has been given to the question of whether or not conclusion of such a treaty might be considered provocative by the Soviet Government. Any arrangement linking the defense of Western Europe with that of the U.S. and Canada would reduce the chances of successful Soviet expansionist moves and would therefore encounter Soviet opposition as bitter as that which the European recovery program has encountered. Half

measures might prove both ineffectual and provocative, whereas unmistakably clear determination to resist should serve to deter, and minimize the risk of, armed aggression. Soviet criticism could be offset by fitting the arrangement squarely into the framework of the United Nations and by providing not merely for defense but also for the advancement of the common interests of the parties and the strengthening of the economic, social and cultural ties which bind them.

5. Furthermore the existence of a treaty containing unmistakably clear provisions binding the parties to come to each other's defense in case of attack would hearten the peoples and leaders of the countries concerned. It would assist them to surmount the difficulties still besetting them, particularly in Western Europe where confidence is essential to full economic recovery.

6. Inasmuch as the conclusion of such a treaty might increase the existing tension with the Soviet Government, the Western European countries are the more anxious that the assistance given to an attacked country should be immediate, and military as well as economic and political. It also seems necessary that, within the limits of sound military practice, the military and other measures to be taken immediately by each participating country should be planned and decided beforehand by the agencies established for effective implementation of the treaty. It was appreciated that some of these military matters were being studied in London at the present time and that the military meetings there might be considered as indicative of the sort of consultation which might take place under the treaty, in the military and other fields.

7. Consideration was also given to the effect of the conclusion of such a treaty upon the security of other free European nations which may not become parties. It must be made clear that its conclusion in no way implies any lack of interest on the part of the parties in the security of such countries. This difficulty could to some extent be met by providing in the treaty for consultation in the event the security of any of the parties is threatened by armed attack upon a non-signatory or by any other fact or situation.

8. The foregoing considerations have led to agreement upon the following basic criteria for such an arrangement:

(1) It should be within the framework of the United Nations Charter, demonstrate the determination of the parties fully to meet their obligations under the Charter and encourage the progressive development of regional or collective defense arrangements.

(2) It should contribute, through increasing the individual and collective capacities of the parties for self-defense, to the maintenance of peace and the greater national security of the parties.

(3) It should make unmistakably clear the determination of the respective peoples jointly to resist aggression from any quarter.

(4) It should define the area within which aggression against any party would bring the provisions for mutual assistance into operation.

(5) It should be based on and promote continuous and effective self-help and mutual aid in all fields.

(6) It should be more than an arrangement for defense alone; it should serve both to preserve the common civilization and to promote its development by increasing the collaboration between the signatories and advancing the conditions of stability and well-being upon which peace depends.

(7) It should provide adequate machinery for implementing its terms, in particular for organized coordination and strengthening of the defense capacities of the parties, beginning immediately it comes into force.

9. In addition, the representatives of the European countries emphasized that it was particularly desirable that the arrangement should provide for the speediest practicable measures of material assistance in case of an armed attack, including individual military assistance by each of the members accepting full commitments as soon as such an attack is launched against any of them.

10. The U.S. representatives emphasized that U.S. association with any security arrangement must be within the framework of the Resolution adopted by the U.S. Senate on June 11, 1948 (S. Res. 239, 80th Congress, 2nd session). Of the four conditions specified by that Resolution three are covered by the basic criteria cited above: (1) that the arrangements must be within the framework of the Charter, (2) that U.S. association with it must be by constitutional process, and (3) that the arrangement must be based upon continuous and effective self-help and mutual aid: It was made clear that the third condition meant that U.S. assistance must supplement rather than take the place of the maximum efforts of the other nations on behalf of themselves and each other, and that assistance must be reciprocal. The fourth condition was that the arrangement should affect (i.e. increase) the national security of the U.S. In this connection the U.S. representatives made clear their belief that a North Atlantic security arrangement, if it is to increase adequately the security of North America and provide the Western European countries with adequate assurance that North American ground and air forces and supplies could effectively be brought to their assistance in time of war, should include the North Atlantic territories of Denmark (Greenland), Iceland, Ireland, Norway and Portugal (the Azores).

11. The United States representatives also considered that some of the articles of the Rio Treaty, which had been approved by the U.S. Senate, provided a useful basis for the formulation of an arrangement which would meet the requirements. At the same time they fully recognized the relevance of provisions of the Brussels Treaty. They considered certain articles of the Rio Treaty, notably those concerning voting procedure, unsuited to an arrangement for the North Atlantic area.

12. The United States representatives emphasized that the United States could not constitutionally enter into any treaty which would provide that the United States would be at war without a vote of Congress. All representatives stressed that their respective constitutional processes must be observed and agreed that, as in any similar treaty, the question of fact as to whether or not an armed attack had occurred would be a matter for individual determination.

13. The Canadian representatives emphasized the importance which they attached to provisions, in any treaty which might be concluded, for the encouragement of cooperation in fields other than security. Such cooperation would contribute directly to general security. In other words, they felt that the purpose of a treaty should not be merely negative and that it should create the dynamic counter-attraction of a free, prosperous and progressive society as opposed to the society of the Communist world. The treaty should provide a basis for the organization of an overwhelming preponderance of moral, economic and military force and a sufficient degree of unity to assure that this preponderance of force may be so used as to guarantee that the free nations will not be defeated one by one.

14. The conclusion of an arrangement of this general character appears practicable. There is attached an outline of provisions which it might include. (*not reprinted here, Ed.*)
