DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 740132

TOP SECRET

ENCLOSURE

THE JOINT CHIEFS OF STAFF
WASHINGTON 25, D.C.

2 May 1945.

MEMORANDUM FOR THE SECRETARY OF WAR:
SECRETARY OF THE NAVY:

Subject: Directive to Commander in Chief of U.S. Forces of Occupation regarding the military government of Germany.

The Joint Chiefs of Staff recommend that the Secretary of War and the Secretary of the Navy inform the Secretary of State as follows:

"The Joint Chiefs of Staff have considered the military implications of the proposed directive to the Commander in Chief, U.S. Forces of Occupation, regarding the military government of Germany contained in IPCOG 1, and with the following amendments see no objections from the military point of view:

a. Delete the period at the end of the last sentence, paragraph 30, and add the following: '...except that, in your discretion, you may permit the production of synthetic rubber and oil, aluminum and magnesium, to the minimum extent necessary to meet the purposes stated in paragraphs 4 and 5 of the directive.'

b. Delete the word 'excluding' in line 2, subparagraph a, paragraph 32, and insert the word 'including' in lieu thereof. Also insert the words 'synthetic rubber and oil' after the word 'vehicles' in line 4.

c. Delete the period and add the following words to the last sentence of paragraph 32: 'as soon as you have

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had an opportunity to review and determine production necessary for the purposes stated in paragraphs 4 and 5 of this directive.'"

For the Joint Chiefs of Staff:

(Sgd)
WILLIAM D. LEAHY,
Fleet Admiral, U.S. Navy,
Chief of Staff to the
Commander in Chief of the Army and Navy.

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IPCOG 1/1 (Revised)

30 April 1945

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INFORMAL POLICY COMMITTEE ON GERMANY

DIRECTIVE TO COMMANDER IN CHIEF OF U.S. FORCES OF OCCUPATION REGARDING THE MILITARY GOVERNMENT OF GERMANY

References: a. JCS 1067
b. SWNCC 2 Series
c. IPCOG 1

Note by the Secretaries

The enclosure, a memorandum for the President from the Acting Secretary of State, is circulated for information.

DECLASSIFIED E.O. 11652, Sec. 3(E) and 5(D) JCS Regrading Order 1/6/71 By JCM 1/29/71 NARS Date 4/8/75

CHARLES W. McCARTHY

ALVIN F. RICHARDSON

RAYMOND E. COX

Secretariat

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IPCOG 1/1 (Revised) 30 April

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ENCLOSURE

DEPARTMENT OF STATE
WASHINGTON

April 26, 1945

MEMORANDUM FOR THE PRESIDENT

The Informal Policy Committee on Germany is presenting to you, for your approval, a revised directive for the military government of Germany prepared on the basis of the policy memorandum of March 23 (Appendix), which was approved by President Roosevelt. The memorandum of March 23 has been introduced into the European Advisory Commission by Ambassador Winant for negotiation as a protocol of agreement with the U.K., the U.S.S.R. and France. Copies of the memorandum of March 23 and the revised directive (IPCOG 1) are attached.

In the opinion of the committee the revised directive embodies policies and measures which faithfully carry out the principles set forth in the memorandum of March 23. The committee believes that this directive furnishes the basis for effective initial action to prevent Germany from again becoming a threat to world peace.

The revised directive is being submitted to the Joint Chiefs of Staff for consideration from the military point of view. Thereafter it will be transmitted to General Eisenhower as the basic instrument for the initial post-defeat period in Germany. The directive is designed to serve a dual purpose in that it will give him this Government's policy as formulated to date for his guidance as American member of the Control Council in Germany and will likewise guide him in the administration of the U.S. zone.

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If you approve, the Informal Policy Committee on Germany will continue, under your direction, to develop basic policies of this Government for the treatment of Germany, including the pending matter of reparation.

(Sgd.) Joseph C. Grew

Acting Secretary.

(Sgd.) Leo T. Crowley (Sgd.) John J. McCloy (Sgd.) Ralph A. Bard
(Sgd.) William L. Clayton (Sgd.) Henry Morgenthau, Jr.

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A P P E N D I X

DEPARTMENT OF STATE
WASHINGTON

March 23, 1945

MEMORANDUM FOR THE PRESIDENT

I am attaching for your approval a memorandum dealing with American policy for the treatment of Germany. It is my belief, and that of the others who attended yesterday's meeting with you, that it represents your views as brought out in our conversation. This memorandum was prepared jointly and has the approval of the State, Treasury and War Departments.

(Sgd) Joseph C. Grew

Enclosure *

* See Annex hereto

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ANNEX TO APPENDIX

23 March 1945

The following is a summary of U.S. policy relating to Germany in the initial post-defeat period. As such it will be introduced into the European Advisory Commission, and will be used as the basis for directives to be issued to the U.S. Commanding General in Germany.

****

The authority of the Control Council to formulate policy with respect to matters affecting Germany as a whole shall be paramount, and its agreed policies shall be carried out in each zone by the zone commander. In the absence of such agreed policies, and in matters exclusively affecting his own zone, the zone commander will exercise his authority in accordance with directives received from his own government.

The administration of affairs in Germany should be directed toward the decentralization of the political structure and the development of local responsibility. The German economy shall also be decentralized, except that to the minimum extent required for carrying out the purposes set forth herein, the Control Council may permit or establish central control of (a) essential national public services such as railroads, communications and power; (b) finance and foreign affairs, and (c) production and distribution of essential commodities. There shall be equitable distribution of such commodities between the several zones.

Germany's ruthless warfare and fanatical Nazi resistance have destroyed German economy and made chaos and suffering inevitable. The Germans cannot escape responsibility for what

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they have brought upon themselves.

Controls may be imposed upon the German economy only as may be necessary (a) to carry out programs of industrial disarmament and demilitarization, reparations, and of relief for liberated areas as prescribed by appropriate higher authority and (b) to assure the production and maintenance of goods and services required to meet the needs of the occupying forces and displaced persons in Germany, and essential to prevent starvation or such disease or civil unrest as would endanger the occupying forces. No action shall be taken, in execution of the reparations program or otherwise, which would tend to support basic living standards in Germany on a higher level than that existing in any one of the neighboring United Nations. All economic and financial international transactions, including exports and imports, shall be controlled with the aim of preventing Germany from developing a war potential and of achieving the other objectives named herein. The first charge on all approved exports for reparations or otherwise shall be a sum necessary to pay for imports. No extension of credit to Germany or Germans by any foreign person or Government shall be permitted, except that the Control Council may in special emergencies grant such permission. Recurrent reparations should not, by their form or amount, require the rehabilitation or development of German heavy industry and should not foster the dependence of other countries upon the German economy.

In the imposition and maintenance of economic controls, German authorities will to the fullest extent practicable be ordered to proclaim and assume administration of such controls. Thus it should be brought home to the German people that the

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responsibility for the administration of such controls and for any breakdowns in those controls, will rest with themselves and their own authorities.

The Nazi party and its affiliated and supervised organizations and all Nazi public institutions shall be dissolved and their revival prevented. Nazi and militaristic activity or propaganda in any form shall be prevented.

There shall be established a coordinated system of control over German education designed completely to eliminate Nazi and militarist doctrines and to make possible the developments of democratic ideas.

Nazi laws which provide the basis of the Hitler regime or which establish discriminations on grounds of race, creed or political opinion, shall be abolished.

All members of the Nazi party who have been more than nominal participants in its activities, and all other persons hostile to Allied purposes will be removed from public office and from positions of responsibility in private enterprise.

War criminals and those who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or war crimes, shall be arrested, brought to trial and punished. Nazi leaders and influential Nazi supporters and any other persons dangerous to the occupation or its objectives, shall be arrested and interned.

A suitable program for the restitution of property looted by Germans shall be carried out promptly.

The German armed forces, including the General Staff, and all para-military organizations, shall be promptly demobilized and disbanded in such a manner as permanently to prevent their revival or reorganization.

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The German war potential shall be destroyed. As part of the program to attain this objective, all implements of war and all specialized facilities for the production of armaments shall be seized or destroyed. The maintenance and production of all aircraft and implements of war shall be prevented.

"O.K. F.D.R., superseding memo of Mar 10 '45."

/s/ Joseph C. Grew /s/ J. J. McCloy /s/ Harry D. White
/s/ J. H. Hilldring /s/ William L. Clayton
/s/ H. Freeman Matthews /s/ Frank Coe /s/ Henry Morgenthau Jr.

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RESTRICTED

COPY NO. 41

24 May 1945

INFORMAL POLICY COMMITTEE ON GERMANY

MEMORANDUM FOR THE HOLDERS OF IPCOG 1 SERIES

Holders of IPCOG 1, IPCOG 1/2, IPCOG 1/3 and IPCOG 1/4 are requested to downgrade their copies from TOP SECRET to SECRET.

CHARLES W. McCARTHY
ALVIN F. RICHARDSON
RAYMOND E. COX
Secretariat

DECLASSIFIED BY: JCS DECLASSIFICATION BRANCH
DATE 1973

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IPCOG 1

26 April 1945

Pages 1 to 30 Incl.

INFORMAL POLICY COMMITTEE ON GERMANY

DIRECTIVE TO COMMANDER-IN-CHIEF OF U.S. FORCES OF OCCUPATION REGARDING THE MILITARY GOVERNMENT OF GERMANY

References: a. JCS 1067
b. SWNCC 2 Series

Note by the Secretaries

The attached directive has been approved by the Informal Policy Committee on Germany.

-1

CHARLES W. McCARTHY

ALVIN F. RICHARDSON

RAYMOND E. COX

Secretariat

DECLASSIFIED E.O. 11652, Sec. 3(E) and 5(D) JCS Regrading Memo 11-6-71 NARS Date 6/8/72

IPCOG 1 26 April

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April 26, 1945

DIRECTIVE TO COMMANDER IN CHIEF OF U.S. FORCES OF OCCUPATION REGARDING THE MILITARY GOVERNMENT OF GERMANY

1. The Purpose and Scope of this Directive:

This directive rescinds JCS 1067 and is issued to you as Commanding General of the United States forces of occupation in Germany. As such you will serve as United States member of the Control Council and will also be responsible for the administration of military government in the zone or zones assigned to the United States for purposes of occupation and administration. It outlines the basic policies which will guide you in those two capacities after the termination of the combined command of the Supreme Commander, Allied Expeditionary Force.

This directive sets forth policies relating to Germany in the initial post-defeat period. As such it is not intended to be an ultimate statement of policies of this Government concerning the treatment of Germany in the post-war world. It is therefore essential that, during the period covered by this directive, you assure that surveys are constantly maintained of economic, industrial, financial, social and political conditions within your zone and that the results of such surveys and such other surveys as may be made in other zones are made available to your Government, through the Joint Chiefs of Staff. These surveys should be developed in such manner as to serve as a basis for determining

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changes in the measures of control set forth herein as well as for the progressive formulation and development of policies to promote the basic objectives of the United States. Supplemental directives will be issued to you by the Joint Chiefs of Staff as may be required.

As a member of the Control Council you will urge the adoption by the other occupying powers of the principles and policies set forth in this directive and, pending Control Council agreement, you will follow them in your zone. It is anticipated that substantially similar directives will be issued to the Commanders in Chief of the U.K., USSR and French forces of occupation.

PART I

General and Political

2. The Basis of Military Government

a. The rights, power and status of the military government in Germany are based upon the unconditional surrender or total defeat of Germany. The Text of the Instrument of Unconditional Surrender is at Appendix "A". You will assure that the policies set forth in that Instrument are carried out in your zone of occupation even though the defeat of Germany is not followed by a formal signing of the Instrument.

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b. Subject to the provisions of paragraph 3 below, you are, by virtue of your position, clothed with supreme legislative, executive, and judicial authority in the areas occupied by forces under your command. This authority will be broadly construed and includes authority to take all measures deemed by you necessary, appropriate or desirable in relation to military exigencies and the objectives of a firm military government.

c. You will issue a proclamation continuing in force such proclamations, orders and instructions as may have heretofore been issued by Allied Commanders in your zone, subject to such changes as you may determine. Authorizations of action by the Supreme Commander, Allied Expeditionary Force, may be considered as applicable to you unless inconsistent with this or later directives.

3. The Control Council and Zones of Occupation:

a. The four Commanders-in-Chief, acting jointly, will constitute the Control Council in Germany which will be the supreme organ of control over Germany in accordance with the agreement on Control Machinery in Germany at Appendix "B". For purposes of administration of military government, Germany has been divided into four zones of occupation. The agreed protocols on zones are at Appendix "C".

b. The authority of the Control Council to formulate policy and procedures and administrative relationships with respect to matters affecting Germany as a whole will be paramount throughout Germany. You will carry out and support in your zone the policies agreed upon in the Control Council. In the absence of such agreed policies you will act in accordance with this and other directives of the Joint Chiefs of Staff.

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c. The administration of affairs in Germany shall be directed towards the decentralization of the political and administrative structure and the development of local responsibility. To this end you will encourage autonomy in regional, local and municipal agencies of German administration. The German economic structure shall also be decentralized. The Control Council may, however, to the minimum extent required for the fulfillment of purposes set forth herein, permit centralized administration or establish central control of (a) essential national public services such as railroads, communications and power, (b) finance and foreign affairs, and (c) production and distribution of essential commodities.

d. The Control Council should adopt procedures to effectuate, and you will facilitate in your zone, the equitable distribution of essential commodities between the zones. In the absence of a conflicting policy of the Control Council, you may deal directly with one or more zone commanders on matters of special concern to such zones.

e. Pending the formulation in the Control Council of uniform policies and procedures with respect to inter-zonal travel and movement of civilians, no civilians shall be permitted to leave or enter your zone without your authority, and no Germans within your zone shall be permitted to leave Germany except for specific purposes approved by you.

f. The military government personnel in each zone, including those dealing with regional and local branches of the departments of any central German administrative machinery, shall be selected by authority of the Commander of that zone except that liaison officers may be furnished by the Commanders of the other three zones. The respective Commanders-in-Chief shall have exclusive jurisdiction throughout the whole of

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Germany over the members of the armed forces under their command and over the civilians who accompany them.

g. The Control Council should be responsible for facilitating the severance of all governmental and administrative connections between Austria and Germany and the elimination of German economic influences in Austria. Every assistance should be given to the Allied Administration in Austria in its efforts to effectuate these purposes.

4. Basic Objectives of Military Government in Germany:

a. It should be brought home to the Germans that Germany's ruthless warfare and the fanatical Nazi resistance have destroyed the German economy and made chaos and suffering inevitable and that the Germans cannot escape responsibility for what they have brought upon themselves.

b. Germany will not be occupied for the purpose of liberation but as a defeated enemy nation. Your aim is not oppression but to occupy Germany for the purpose of realizing certain important Allied objectives. In the conduct of your occupation and administration you should be just but firm and aloof. You will strongly discourage fraternization with the German officials and population.

c. The principal Allied objective is to prevent Germany from ever again becoming a threat to the peace of the world. Essential steps in the accomplishment of this objective are the elimination of Nazism and militarism in all their forms, the immediate apprehension of war criminals for punishment, the industrial disarmament and demilitarization of Germany, with continuing control over Germany's capacity to make war, and the preparation for an eventual reconstruction of German political life on a democratic basis.

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d. Other Allied objectives are to enforce the program of reparations and restitution, to provide relief for the benefit of countries devastated by Nazi aggression, and to ensure that prisoners of war and displaced persons of the United Nations are cared for and repatriated.

5. Economic Controls:

a. As a member of the Control Council and as zone commander, you will be guided by the principle that controls upon the German economy may be imposed to the extent that such controls may be necessary to achieve the objectives enumerated in paragraph 4 above and also as they may be essential to protect the safety and meet the needs of the occupying forces and assure the production and maintenance of goods and services required to prevent starvation or such disease and unrest as would endanger these forces. No action will be taken in execution of the reparations program or otherwise which would tend to support basic living conditions in Germany or in your zone on a higher level than that existing in any one of the neighboring United Nations.

b. In the imposition and maintenance of such controls as may be prescribed by you or the Control Council, German authorities will to the fullest extent practicable be ordered to proclaim and assume administration of such controls. Thus it should be brought home to the German people that the responsibility for the administration of such controls and for any breakdowns in those controls will rest with themselves and German authorities.

6. Denazification:

a. A Proclamation dissolving the Nazi Party, its formations, affiliated associations and supervised organi-

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zations, and all Nazi public institutions which were set up as instruments of Party domination, and prohibiting their revival in any form, should be promulgated by the Control Council. You will assure the prompt effectuation of that policy in your zone and will make every effort to prevent the reconstitution of any such organization in underground, disguised or secret form. Responsibility for continuing desirable non-political social services of dissolved Party organizations may be transferred by the Control Council to appropriate central agencies and by you to appropriate local agencies.

b. The laws purporting to establish the political structure of National Socialism and the basis of the Hitler regime and all laws, decrees and regulations which establish discriminations on grounds of race, nationality, creed or political opinions should be abrogated by the Control Council. You will render them inoperative in your zone.

c. All members of the Nazi party who have been more than nominal participants in its activities, all active supporters of Nazism or militarism and all other persons hostile to Allied purposes will be removed and excluded from public office and from positions of importance in quasi-public and private enterprises such as (1) civic, economic and labor organizations, (2) corporations and other organizations in which the German government or subdivisions have a major financial interest, (3) industry, commerce, agriculture, and finance, (4) education, and (5) the press, publishing houses and other agencies disseminating news and propaganda. Persons are to be treated as more than nominal

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participants in Party activities and as active supporters of Nazism or militarism when they have (1) held office or otherwise been active at any level from local to national in the party and its subordinate organizations, or in organizations which further militaristic doctrines, (2) authorized or participated affirmatively in any Nazi crimes, racial persecutions or discriminations, (3) been avowed believers in Nazism or racial and militaristic creeds, or (4) voluntarily given substantial moral or material support or political assistance of any kind to the Nazi Party or Nazi officials and leaders. No such persons shall be retained in any of the categories of employment listed above because of administrative necessity, convenience or expediency.

d. Property, real and personal, owned or controlled by the Nazi party, its formations, affiliated associations and supervised organizations, and by all persons subject to arrest under the provisions of paragraph 8, and found within your zone, will be taken under your control pending a decision by the Control Council or higher authority as to its eventual disposition.

e. All archives, monuments and museums of Nazi inception, or which are devoted to the perpetuation of German militarism, will be taken under your control and their properties held pending decision as to their disposition by the Control Council.

f. You will make special efforts to preserve from destruction and take under your control records, plans, books, documents, papers, files, and scientific, industrial and other information and data belonging to or controlled by the following:

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(1) The Central German Government and its subdivisions, German military organizations, organizations engaged in military research, and such other governmental agencies as may be deemed advisable;

(2) The Nazi Party, its formations, affiliated associations and supervised organizations;

(3) All police organizations, including security and political police;

(4) Important economic organizations and industrial establishments including those controlled by the Nazi Party or its personnel;

(5) Institutes and special bureaus devoting themselves to racial, political, militaristic or similar research or propaganda.

7. Demilitarization:

a. In your zone you will assure that all units of the German armed forces, including para-military organizations, are dissolved as such, and that their personnel are promptly disarmed and controlled in accordance with policies and procedures set forth in the Instrument of Unconditional Surrender or in other directives which may be issued to you. Prior to their final disposition, you will arrest and hold all military personnel who are included under the provisions of paragraph 8.

b. The Control Council should proclaim, and in your zone you will effectuate, the total dissolution of all military and para-military organizations, including the General Staff, the German Officers Corps, the Reserve Corps and military academies, together with all associations which might serve to keep alive the military tradition in Germany.

c. You will seize or destroy all arms, ammunition and implements of war and stop the production thereof.

d. You will take proper steps to destroy the German war potential, as set forth elsewhere in this directive.

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8. Suspected War Criminals and Security Arrests:

a. You will search out, arrest, and hold, pending receipt by you of further instructions as to their disposition, Adolf Hitler, his chief Nazi associates, other war criminals and all persons who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or war crimes.

b. All persons who, if permitted to remain at large would endanger the accomplishment of your objectives will also be arrested and held in custody until trial by an appropriate semi-judicial body to be established by you. The following is a partial list of the categories of persons to be arrested in order to carry out this policy:

(1) Officials of the Nazi Party and its formations, affiliated associations, and supervised organizations, down to and including Local Group Leaders (Ortsgruppenleiter) and officials of equivalent rank;

(2) All members of the political police, including the Gestapo and Sicherheitsdienst der S.S.;

(3) The officers and non-commissioned officers of the Waffen S.S. and all members of the other branches of the S.S.;

(4) All General Staff Corps officers;

(5) Officials of the police holding a rank, or equivalent positions of authority, above that of Lieutenant;

(6) Officers of the SA holding commissioned rank;

(7) The leading officials of all ministries and other high political officials down to and including urban and rural buergermeister and officials of equivalent rank, and those persons who have held similar positions, either civil or military, in the administration of countries occupied by Germany;

(8) Nazis and Nazi sympathizers holding important and key positions in (a) National and Gau civic and economic

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organizations; (b) corporations and other organizations in which the government has a major financial interest; (c) industry, commerce, agriculture, and finance; (d) education; (e) the judiciary; and (f) the press, publishing houses and other agencies disseminating news and propaganda. It may generally be assumed in the absence of evidence to the contrary that any persons holding such positions are Nazis or Nazi sympathizers;

(9) All judges, prosecutors and officials of the People's Court (Volksgerichtshof), Special Courts (Sondergerichte) and other extraordinary courts created by the Nazi regime;

(10) Any national of any of the United Nations or associated states who is believed to have committed offenses against his national law in support of the German war effort;

(11) Any other person whose name or designation appears on lists to be submitted to you by the J.C.S. or whose name may be so notified to you separately.

If in the light of conditions which you encounter in Germany, you believe that it is not immediately feasible to subject certain persons within these categories to this treatment, you should report your reasons and recommendations to your government through the Joint Chiefs of Staff. If you believe it desirable, you may postpone the arrest of those whose cases you have reported, pending a decision communicated to you by the J.C.S. In no event shall any differentiation be made between or special consideration be accorded to persons arrested, either as to manner of arrest or conditions of detention, upon the basis of wealth or political, industrial, or other rank or position. In your discretion you may make such exceptions as you deem advisable for intelligence or other military reasons.

9. Political Activities:

a. No political activities of any kind shall be countenanced

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unless authorized by you. You will assure that your military government does not become committed to any political group.

b. You will prohibit the propagation in any form of Nazi, militaristic or pan-German doctrines.

c. No German parades, military or political, civilian or sports, shall be permitted by you.

d. To the extent that military interests are not prejudiced and subject to the provisions of the three preceding subparagraphs and of paragraph 10, freedom of speech, press and religious worship will be permitted. Consistent with military necessity, all religious institutions will be respected.

10. Public Relations and Control of Public Information:

As a member of the Control Council, you will endeavor to obtain agreement for uniform or coordinated policies with respect to (a) control of public information media in Germany, (b) accrediting of foreign correspondents, (c) press censorship, and (d) issuance of official news communiques dealing with Control Council matters. U.S. policies in these matters will be sent to you separately and you will be guided by these in your negotiations on the Control Council.

11. German Courts:

a. All extraordinary courts, including the Volksgerichtshof (People's Court) and the Sondergerichte (Special Courts), and all courts and tribunals of the Nazi Party and of its formations, affiliated associations and supervised organizations will be abolished immediately.

b. All ordinary criminal, civil and administrative courts, except those previously re-established by order of the military government, will be closed. After the elimination of all Nazi features and personnel you will permit those which are to exercise jurisdiction within the boundaries of your zone to resume operations under such regulations, supervision and control as you may

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consider appropriate. Courts which are to exercise jurisdiction over territory extending beyond the boundaries of your zone will be reopened only with the express authorization of the Control Council and under its regulation, supervision and control. The power to review and veto decisions of German courts shall be included within the power of supervision and control.

12. Police:

With the exception of the Reichskriminalpolizei (criminal Police) all elements of the Sicherheitspolizei (Security Police), e.g., Geheimestaatspolizei (Gestapo), and the Sicherheitsdienst der S.S. will be abolished. Criminal and ordinary police will be purged of Nazi personnel and utilized under the control and supervision of the military government.

13. Political Prisoners:

Subject to military security and the interests of the individuals concerned, you will release all persons found within your zone who have been detained or placed in custody on grounds of race, nationality, creed or political opinions and treat them as displaced persons. You should make provision for the review of convictions of alleged criminal offenses about which there may be substantial suspicion of racial, religious or political persecution, and in which sentences of imprisonment have not been fully served by persons imprisoned within your zone.

14. Education:

a. All educational institutions within your zone except those previously re-established by Allied authority will be closed. The closure of Nazi educational institutions such as Adolf Hitler Schulen, Napolas and Ordensburgen, and of Nazi organizations within other educational institutions will be permanent.

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b. A coordinated system of control over German education and an affirmative program of reorientation will be established designed completely to eliminate Nazi and militaristic doctrines and to encourage the development of democratic ideas.

c. You will permit the reopening of elementary (Volksschulen), middle (Mittelschulen) and vocational (Berufsschulen) schools at the earliest possible date after Nazi personnel has been eliminated. Textbooks and curricula which are not free of Nazi and militaristic doctrine shall not be used. The Control Council should devise programs looking toward the reopening of secondary schools, universities and other institutions of higher learning. After Nazi features and personnel have been eliminated and pending the formulation of such programs by the Control Council, you may formulate and put into effect an interim program within your zone and in any case may permit the reopening of such institutions and departments which offer training which you consider immediately essential or useful in the administration of military government and the purposes of the occupation.

d. It is not intended that the military government will intervene in questions concerning denominational control of German schools, or in religious instruction in German schools, except insofar as may be necessary to insure that religious instruction and administration of such schools conform to such Allied regulations as are or may be established pertaining to purging of personnel and curricula.

15. Arts and Archives:

Subject to the provisions of paragraph 6 above, you will make all reasonable efforts to preserve historical archives, museums, libraries and works of art.

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PART II

ECONOMIC

General Objectives and Methods of Control

16. You will assure that the German economy is administered and controlled in such a way as to accomplish the basic objectives set forth in paragraphs 4 and 5 of this Directive. Economic controls will be imposed only to the extent necessary to accomplish these objectives, provided that you will impose controls to the full extent necessary to achieve the industrial disarmament of Germany. Except as may be necessary to carry out these objectives, you will take no steps (a) looking toward the economic rehabilitation of Germany, or (b) designed to maintain or strengthen the German economy.

17. To the maximum extent possible without jeopardizing the successful execution of measures required to implement the objectives outlined in paragraphs 4 and 5 of this directive you will use German authorities and agencies and subject them to such supervision and punishment for non-compliance as is necessary to ensure that they carry out their tasks.

For this purpose you will give appropriate authority to any German agencies and administrative services you consider essential; provided, however, that you will at all times adhere strictly to the provisions of this directive regarding denazification and dissolution or elimination of Nazi organizations, institutions, principles, features, and practices.

To the extent necessary you will establish administrative machinery, not dependent upon German authorities and agencies, to execute or assure the execution of the provisions of paragraphs 19, 20, 30, 31, 32, 39 and 40 and any other measures necessary to an accomplishment of your industrial disarmament objectives.

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18. In order to decentralize the structure and administration of the German economy to the maximum possible extent, you will

a. ensure that the action required to maintain or restore essential public utilities and industrial and agricultural activities is taken as far as possible on a local and regional basis;

b. on no account propose or approve in the Control Council the establishment of centralized administration of controls over the German economy except where such centralization of administration is clearly essential to the fulfilment of the objectives listed in paragraphs 4 and 5 of this directive. Decentralization in administration should not be permitted to interfere with attainment of the largest practicable measure of agreement on economic policies in the Control Council.

19. You will institute or assure the maintenance of such statistical records and reports as may be necessary in carrying out the objectives listed in paragraphs 4 and 5 of this directive.

20. You will initiate appropriate surveys which may assist you in achieving the objectives of the occupation. In particular you will promptly undertake surveys of supplies, equipment and resources in your zone. You will endeavor to obtain prompt agreement in the Control Council to the making of similar surveys in the other zones of occupation, and you will urge appropriate steps to coordinate the methods and results of these and other future surveys conducted in the various zones. You will keep the Control Council, United States Representative on the Reparation Commission and other appropriate authorities, currently apprised of the information obtained by means of intermediate reports or otherwise.

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German Standard of Living

21. You will estimate requirements of supplies necessary to prevent starvation or widespread disease or such civil unrest as would endanger the occupying forces. Such estimates will be based upon a program whereby the Germans are made responsible for providing for themselves, out of their own work and resources. You will take all practicable economic and police measures to assure that German resources are fully utilized and consumption held to the minimum in order that imports may be strictly limited and that surpluses may be made available for the occupying forces and displaced persons and United Nations prisoners of war, and for reparation. You will take no action that would tend to support basic living standards in Germany on a higher level than that existing in any one of the neighboring United Nations and you will take appropriate measures to ensure that basic living standards of the German people are not higher than those existing in any one of the neighboring United Nations when such measures will contribute to raising the standards of any such nation.

22. You will urge upon the Control Council that uniform ration scales be applied throughout Germany, that essential items be distributed equitably among the zones, that net surpluses be made available for export to Allied countries, and that imports be limited to the net deficits of Germany as a whole.

Labor, Health, and Social Insurance

23. You will permit the self-organization of employees along democratic lines, subject to such safeguards as may be necessary to prevent the perpetuation of Nazi or militarist influence under any guise or the continuation of any group hostile to the objectives and operations of the occupying forces.

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24. You will permit free collective bargaining between employees and employers regarding wage, hour and working conditions and the establishment of machinery for the settlement of industrial disputes. Collective bargaining shall be subject to such wage, hour and other controls, if any, as may be instituted or revived by your direction.

25. Subject to the provisions of paragraph 48 of this directive you are authorized to direct German authorities to maintain or reestablish non-discriminatory systems of social insurance and poor relief.

26. You are authorized to direct the German authorities to maintain or re-establish such health services and facilities as may be available to them.

Agriculture, Industry and Internal Commerce

27. You will require the Germans to use all means at their disposal to maximize agricultural output and to establish as rapidly as possible effective machinery for the collection and distribution of agricultural output.

28. You will direct the German authorities to utilize large-landed estates and public lands in a manner which will facilitate the accomodation and settlement of Germans and others or increase agricultural output.

29. You will protect from destruction by the Germans, and maintain for such disposition as is determined by this and other directives or by the Control Council, all plants, equipment, patents and other property, and all books and records of large German industrial companies and trade and research associations that have been essential to the German war effort or the German economy. You will pay particular attention to research and experimental establishments of such concerns.

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30. In order to disarm Germany, the Control Council should

a. prevent the production, acquisition by importation or otherwise, and development of all arms, ammunition and implements of war, as well as all types of aircraft, and all parts, components and ingredients specially designed or produced for incorporation therein;

b. prevent the production of merchant ships, synthetic rubber and oil, aluminum and magnesium and any other products and equipment on which you will subsequently receive instructions;

c. seize and safeguard all facilities used in the production of any of the items mentioned in this paragraph and dispose of them as follows:

(1) remove all those required for reparation;

(2) destroy all those not transferred for reparation if they are especially adapted to the production of the items specified in this paragraph and are not of a type generally used in industries permitted to the Germans (cases of doubt to be resolved in favor of destruction);

(3) hold the balance for disposal in accordance with instructions which will be sent to you.

Pending agreement in the Control Council you will take these measures in your own zone. You will not postpone enforcement of the prohibitions contained in subparagraphs a and b and the instructions in subparagraph c without specific approval of your government through the Joint Chiefs of Staff.

31. As an additional measure of disarmament, the Control Council should

a. prohibit initially all research activities and close all laboratories, research institutions and similar technical organizations except those considered necessary to the protection of public health;

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b. abolish all those laboratories and related institutions whose work has been connected with the building of the German war machine, safeguard initially such laboratories and detain such personnel as are of interest to your technological investigations, and thereafter remove or destroy their equipment;

c. permit the resumption of scientific research in specific cases, only after careful investigation has established that the contemplated research will in no way contribute to Germany's future war potential and only under appropriate regulations which (1) define the specific types of research permitted, (2) exclude from further research activity any persons who previously held key positions in German war research, (3) provide for frequent inspection, (4) require free disclosure of the results of the research and (5) impose severe penalties, including permanent closing of the offending institution, whenever the regulations are violated.

Pending agreement in the Control Council you will adopt such measures in your own zone.

32. Pending final Allied agreements on reparation and on control or elimination of German industries that can be utilized for war production, the Control Council should

a. prohibit and prevent production of iron and steel, chemicals, non-ferrous metals (excluding aluminum and magnesium), machine tools, radio and electrical equipment, automotive vehicles, heavy machinery and important parts thereof, except for the purposes stated in paragraphs 4 and 5 of this directive;

b. prohibit and prevent rehabilitation of plant and equipment in such industries except for the purposes stated in paragraphs 4 and 5 of this directive; and

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c. safeguard plant and equipment in such industries for transfer on reparation account.

Pending agreement in the Control Council, you will put such measures into effect in your own zone.

33. The Control Council should adopt a policy permitting the conversion of facilities other than those mentioned in paragraphs 30 and 32 to the production of light consumer goods, provided that such conversion does not prejudice the subsequent removal of plant and equipment on reparation account and does not require any imports beyond those necessary for the purposes specified in paragraphs 4 and 5 of this directive. Pending agreement in the Control Council, you may permit such conversion in your zone.

34. Subject to the provisions of paragraphs 30 and 32, the Control Council should assure that all feasible measures are taken to facilitate, to the minimum extent necessary for the purposes outlined in paragraphs 4 and 5 of this directive

a. repairs to and restoration of essential transportation services and public utilities;

b. emergency repair and construction of the minimum shelter required for the civilian population;

c production of coal and any other goods and services required for reparation, for your forces and, subject to the provisions of paragraph 21 of this directive, for the German people.

You will assure that such measures are taken in your own zone pending agreement in the Control Council.

35. In your capacity as zone commander and as member of the Control Council you will take steps to provide for the equitable interzonal distribution and the movement of goods and services essential to the purposes set forth in paragraphs 4 and 5 of this directive.

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36. You will prohibit all cartels or other private business arrangements and cartel-like organizations, including those of a public or quasi-public character such as the Wirtschaftsgruppen providing for the regulation of marketing conditions, including production, prices, exclusive exchange of technical information and processes, and allocation of sales territories. Such necessary public functions as have been discharged by these organizations shall be absorbed as rapidly as possible by approved public agencies.

37. It is the policy of your government to effect a dispersion of the ownership and control of German industry. To assist in carrying out this policy you will make a survey of combines and pools, mergers, holding companies and interlocking directorates and communicate the results, together with recommendations, to your government through the Joint Chiefs of Staff. You will endeavor to obtain agreement in the Control Council to the making of this survey in the other zones of occupation and you will urge the coordination of the methods and results of this survey in the various zones.

38. With due regard to paragraph 4 a, the Control Council should adopt such policies as are clearly necessary to prevent or restrain inflation of a character or dimension which would definitely endanger accomplishment of the objectives of the occupation. The Control Council, in particular, should direct and empower German authorities to maintain or establish controls over prices and wages and to take the fiscal and financial measures necessary to this end. Pending agreement in the Control Council you will assure that such measures as you consider necessary are taken in your own zone. Prevention or restraint of inflation shall not constitute an additional ground for the importation of supplies, nor shall it constitute an additional ground

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for limiting removal, destruction or curtailment of productive facilities in fulfillment of the program for reparation, demilitarization and industrial disarmament.

Power, Transportation and Communications

39. Both as member of the Control Council and zone commander you will take appropriate steps to ensure that

a. power, transportation and communications facilities are directed in such a way as to carry out the objectives outlined in paragraphs 4 and 5 of this directive;

b. Germans are prohibited and prevented from producing, maintaining or operating all types of aircraft.

You will determine the degree to which centralized control and administration of power, transportation and communications is clearly necessary for the objectives stated in paragraphs 4 and 5 and urge the establishment of this degree of centralized control and administration by the Control Council.

Foreign Trade and Reparation

40. The Control Council should establish centralized control over all trade in goods and services with foreign countries. Pending agreement in the Control Council you will impose appropriate controls in your own zone.

41. Both as member of the Control Council and as zone commander you will take appropriate steps to ensure that

a. the foreign trade controls are designed to carry out the objectives stated in paragraphs 4 and 5 of this directive;

b. imports which are permitted and furnished to Germany are confined to those unavoidably necessary to the objectives stated in paragraphs 4 and 5;

c. exports to countries other than the United Nations are prohibited unless specifically authorized by the Allied governments.

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42. Both as member of the Control Council and as zone commander you will adopt a policy which would forbid German firms to participate in international cartels or other restrictive contracts and arrangements and order the prompt termination of all existing German participations in such cartels, contracts and arrangements.

43. You will carry out in your zone such programs of reparation and restitution as are embodied in Allied agreements and you will seek agreement in the Control Council on any policies and measures which it may be necessary to apply throughout Germany in order to ensure the execution of such programs.

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PART III

FINANCIAL

44. You will make full application in the financial field of the principles stated elsewhere in this directive and you will endeavor to have the Control Council adopt uniform financial policies necessary to carry out the purposes stated in paragraphs 4 and 5 of this directive. You will take no steps designed to maintain, strengthen or operate the German financial structure except in so far as may be necessary for the purposes specified in this directive.

45. The Control Council should regulate and control to the extent required for the purposes set forth in paragraphs 4 and 5 the issue and volume of currency and the extension of credit in Germany and in accordance with the following principles:

a. United States forces and other Allied forces will use Allied Military marks and Reichsmark currency or coins in their possession. Allied Military marks and Reichsmark currency and coin now in circulation in Germany will be legal tender without distinction and will be interchangeable at the rate of 1 Allied Military mark for 1 Reichsmark. Reichskreditkassenscheine and other German military currency will not be legal tender in Germany.

b. The Reichsbank, the Rentenbank or any other bank or agency may be permitted or required to issue bank notes and currency which will be legal tender; without such authorization no German governmental or private bank or agency will be permitted to issue bank notes or currency.

c. The German authorities may be required to make available Reichsmark currency or credits free of cost and in amounts sufficient to meet all the expenses of the forces of

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occupation, including the cost of Allied Military Government and including to the extent that compensation is made therefor, the cost of such private property as may be requisitioned seized, or otherwise acquired, by Allied authorities for reparations or restitution purposes.

Pending agreement in the Control Council you will follow these policies in your own zone.

You will receive separate instructions relative to the currency which you will use in the event that for any reason adequate supplies of Allied Military marks and Reichsmarks are not available, or if the use of such currency is found undesirable.

You will not announce or establish in your zone, until receipt of further instructions, any general rate of exchange between the Reichsmark on the one hand and the U.S. dollar and other currencies on the other. However, a rate of exchange to be used exclusively for pay of troops and military accounting purposes in your zone will be communicated separately to you.

46. Subject to any agreed policies of the Control Council, you are authorized to take the following steps and to put into effect such further financial measures as you may deem necessary to accomplish the purposes of your occupation:

a. To prohibit, or to prescribe regulations regarding, transfer or other dealings in private or public securities or real estate or other property.

b. To close banks, but only for a period long enough for you to introduce satisfactory control, to remove Nazi and other undesirable personnel, and to issue instructions for the determination of accounts to be blocked under sub-paragraph 48 e below.

c. To close stock exchanges, insurance companies, and similar financial institutions for such periods as you deem

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appropriate.

d. To establish a general or limited moratorium or moratoria only to the extent clearly necessary to carry out the objectives stated in paragraphs 4 and 5 of this directive.

47. Resumption of partial or complete service on the internal public debt at the earliest feasible date is deemed desirable. The Control Council should decide the time and manner of such resumption.

48. Subject to any agreed policies of the Control Council,

a. You will prohibit:

(1) the payment of all military pensions, or other emoluments or benefits, except compensation for physical disability limiting the recipient's ability to work, at rates which are no higher than the lowest of those for comparable physical disability arising from non-military causes.

(2) the payment of all public or private pensions or other emoluments or benefits granted or conferred:

(a) by reason of membership in or services to the former Nazi party, its formations, affiliated associations or supervised organizations,

(b) to any person who has been removed from an office or position in accordance with paragraph 6 [redacted], and

(c) to any person arrested and detained in accordance with paragraph 8 during the term of his arrest, or permanently, in case of his subsequent conviction.

b. You will take such action as may be necessary to insure that all laws and practices relating to taxation or other fields of finance, which discriminate for or against

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any persons because of race, nationality, creed or political opinion, will be amended, suspended, or abrogated to the extent necessary to eliminate such discrimination.

c. You will hold the German authorities responsible for taking such measures in the field of taxation and other fields of public finance, including restoration of the tax system and maintenance of tax revenues, as will further the accomplishment of the objectives stated in paragraphs 4 and 5.

d. You will exercise general supervision over German public expenditures in order to ensure that they are consistent with the objectives stated in paragraphs 4 and 5.

e. You will impound or block all gold, silver, currencies, securities, accounts in financial institutions, credits, valuable papers, and all other assets falling within the following categories:

(1) Property owned or controlled directly or indirectly, in whole or in part, by any of the following:

(a) The German Reich, or any of the Lander, Gaue or provinces, any Kreis, Municipality or other similar local subdivision; or any agency or instrumentality of any of them including all utilities, undertakings, public corporations or monopolies under the control of any of the above;

(b) Governments, nationals or residents of other nations, including those of territories occupied by them, at war with any of the United Nations at any time since 1 September 1939;

(c) The Nazi Party, its formations, affiliated associations and supervised organizations, its officials, leading members and supporters;

(d) All organizations, clubs or other associations prohibited or dissolved by military government;

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(e) Absentee owners, of non-German nationality including United Nations and neutral governments and Germans outside of Germany;

(f) Any institution dedicated to public worship, charity, education or the arts and sciences which has been used by the Nazi Party to further its interests or to cloak its activities;

(g) Persons subject to arrest under provisions of paragraph 8, and all other persons specified by military government by inclusion in lists or otherwise.

(2) Property which has been the subject of transfer under duress or wrongful acts of confiscation, disposition or spoliation, whether pursuant to legislation or by procedure purporting to follow forms of law or otherwise.

(3) Works of art or cultural material of value or importance, regardless of the ownership thereof.

You will take such action as will insure that any impounded or blocked assets will be dealt with only as permitted under licenses or other instructions which you may issue. In the case particularly of property blocked under (1)(a) above, you will proceed to adopt licensing measures which while maintaining such property under surveillance would permit its use in consonance with this directive. In the case of property blocked under (2) above, you will institute measures for prompt restitution, in conformity with the objectives stated in paragraphs 4 and 5 and subject to appropriate safeguards to prevent the cloaking of Nazi and militaristic influence.

49. All foreign exchange transactions, including those arising out of exports and imports, shall be controlled with the aim of preventing Germany from developing a war potential and of

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achieving the other objectives set forth in this directive. To effectuate these purposes the Control Council should

a. Seek out and reduce to the possession and control of a special agency all German (public and private) foreign exchange and external assets of every kind and description located within or outside Germany.

b. Prohibit, except as authorized by regulation or license, all dealings in gold, silver, foreign exchange, and all foreign exchange transactions of any kind. Make available any foreign exchange proceeds of exports for payment of imports directly necessary to the accomplishment of the objectives stated in paragraphs 4 and 5 of this directive, and authorize no other outlay of foreign exchange assets except for purposes approved by the Control Council or other appropriate authority.

c. Establish effective controls with respect to all foreign exchange transactions, including:

(1) Transactions as to property between persons inside Germany and persons outside Germany;

(2) Transactions involving obligations owed by or to become due from any person in Germany to any person outside Germany; and

(3) Transactions involving the importation into or exportation from Germany of any foreign exchange asset or other form of property.

Pending agreement in the Control Council, you will take in your zone the action indicated in subparagraphs a, b and c above. Accordingly, you will in your zone reduce to the possession and control of a special agency established by you, within your Command, all German foreign exchange and external assets as provided in subparagraph a. You will endeavor to have similar agencies

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for the same purpose established in the other zones of occupation and to have them merged as soon as practicable in one agency for the entire occupied territory. In addition you will provide full reports to your government with respect to all German foreign exchange and external assets.

50. No extension of credit to Germany or Germans by any foreign person or Government shall be permitted except that the Control Council may in special emergencies grant permission for such extensions of credit.

51. It is not anticipated that you will make credits available to the Reichsbank or any other bank or to any public or private institution. If, in your opinion, such action becomes essential, you may take such emergency actions as you may deem proper, but in any event, you will report the facts to the Control Council.

52. You will maintain such accounts and records as may be necessary to reflect the financial operations of the military government in your zone and you will provide the Control Council with such information as it may require, including information in connection with the use of currency by your forces, any governmental settlements, occupation costs, and other expenditures arising out of operations or activities involving participation of your forces.

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TOP SECRET

27 April 1945

TOP SECRET

COPY NO. 41

INFORMAL POLICY COMMITTEE ON GERMANY

CORRIGENDUM

TO

IPCOG 1

DIRECTIVE TO COMMANDER-IN-CHIEF OF U.S. FORCES OF OCCUPATION REGARDING THE MILITARY GOVERNMENT OF GERMANY

Note by the Secretaries

All holders of IPCOG 1 are requested to make the following change therein:

Page 26, paragraph 48 a (2) (b), second and third lines:

Delete "or paragraph 52".

CHARLES W. McCARTHY

ALVIN F. RICHARDSON

RAYMOND E. COX

Secretariat

TOP SECRET

DECLASSIFIED BY: JCS DECLASSIFICATION BRANCH
DATE 1-9-73

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 740132

EXHIBIT

MEMORANDUMS FOR INFORMATION

* * * *

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 740132

SECRET

10 July 1945

COPY NO. 41

INFORMAL POLICY COMMITTEE ON GERMANY

IPCOG MEMORANDUM FOR INFORMATION NO. 4

COMMUNICATION CHANNEL WITH COMMANDERS IN CHIEF, U.S. FORCES OF OCCUPATION, GERMANY AND AUSTRIA

Note by the Secretaries

The enclosed text of message from the Joint Chiefs of Staff to the Commanders in Chief, U.S. Forces of Occupation, Germany and Austria, is circulated for the information of the State-War-Navy Coordinating Committee and the Informal Policy Committee on Germany.

CHARLES W. McCARTHY
ALVIN F. RICHARDSON
RAYMOND E. COX
Secretariat

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DECLASSIFIED BY: JCS DECLASSIFICATION BRANCH
DATE 1973

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SECRET

ENCLOSURE

MESSAGE TO COMMANDERS IN CHIEF, U.S. FORCES OF OCCUPATION, GERMANY AND AUSTRIA

The channel of communication by which the Commanders in Chief, U.S. Forces of Occupation in Germany and Austria, will receive and ask for instructions from the U.S. Government on matters of policy pertaining to the control machinery, Germany, and the control machinery, Austria, will be through the Joint Chiefs of Staff with the War Department acting as the executive agency for the Joint Chiefs of Staff. Therefore, instructions to you will be sent by the War Department and queries from you should be directed to the War Department.

The channel for transmission of political information, as distinguished from instructions, will be direct from the State Department, through your political adviser.

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S E C R E T

30 June 1945

COPY NO. 41

INFORMAL POLICY COMMITTEE ON GERMANY

IPCOG MEMORANDUM FOR INFORMATION NO. 3

PROTECTION FOR MINORITY POPULATIONS OF CZECHOSLOVAKIA

Note by the Secretaries

The enclosure, a letter from the London Representatives of Sudeten German Social Democratic Party requesting Inter-Allied Protection for minority populations of Czechoslovakia, transmitted to the Secretary of State by the Secretary, U. S. Delegation, E.A.C., is circulated for the information of the Informal Policy Committee on Germany.

CHARLES W. McCARTHY
ALVIN F. RICHARDSON
RAYMOND E. COX
Secretariat

DECLASSIFIED BY: TAD
JCS DECLASSIFICATION BRANCH
DATE 1/5/73

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 740132

SECRET

ENCLOSURE

LONDON REPRESENTATIVE
OF THE
SUDETEN GERMAN SOCIAL DEMOCRATIC PARTY

16 Laurel Gardens,
London, N.W.7.

7th June, 1945.

H.E. John G. Winant,
American Ambassador,
[illegible]osvenor Square, W.1.

Dear Mr. Ambassador,

We take the liberty of drawing your attention to the disturbing reports from Czechoslovakia on the wholesale expropriation and expulsion of four million minority citizens of German and Hungarian stock. Recent announcements of the Prague Government have made it unmistakably clear that the racial minorities of Czechoslovakia, one third of the total pre-Munich population, are now being subjected to an administrative and military campaign of indiscriminate retribution.

We, the undersigned parliamentary representatives of the strongest loyalist party within the Sudeten population, the Social Democratic Party, are naturally much concerned with the fate of our former constituents. On the occasion of the cancellation of the Munich Agreement by the Government of the United Kingdom in August 1942 we took the liberty of sending the following cable to Mr. Cordell Hull, the Secretary of State:

> The undersigned freely elected parliamentary representatives of 300,000 democratic Sudeten Germans are alarmed by Mr. Eden's statement that the Munich Agreement is void without safeguarding the minority rights in a new Czechoslovakia. This decision has been made without consulting the legitimate representatives of the democratic Sudeten Germans. In our view it is dangerously prejudging the future political organisation of Central Europe. We hope that the great American Democracy will not abandon the principles of the Atlantic Charter nor

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disappoint the confidence of our martyrs of freedom.

Wenzel Jaksch, Eugen de Witte, Franz Katz.

Unfortunately, our apprehensions have meanwhile been substantiated. As the attached extracts show beyond doubt the lack of any provisions for minority protection under the transitory measures agreed by the principal Allies has already resulted in a tragic development in Czechoslovakia. The fate of millions of members of the national minorities is being settled by a fait accompli. They are being treated worse than war criminals, who are not denied the benefit of hearing and fair trial. Retribution is being meted out to guilty and innocent alike. According to official evidence from Prague no exception is made even for former members of loyalist minority parties who have been exposed to Gestapo persecution ever since October 1938.

While we ourselves are deprived of our constitutional rights as members of Parliament by the present Czechoslovak Government we feel impelled to request some measure of inter-allied protection for the minority populations of Czechoslovakia. We do not, of course, include those criminals who have in fact been guilty of offences against both the Czech and Sudeten populations.

We have addressed this appeal to you, Mr. Ambassador, as the American Representative both in this country and on the European Advisory Commission. We much regret the necessity of troubling you amid the stress of your other work, but in view of the imminent danger of terrible loss of life and suffering which a continuation of the present situation in Czechoslovakia must involve we venture to ask for a brief interview with you at as early a date as may be possible.

Yours very truly,

(signed) Wenzel Jaksch

(signed) Eugen de Witte

(signed) Franz Katz

- - - -

Enclosure

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 740132

SECRET

APPENDIX

From News Chronicle, 2.6.45.

Czech Troops Pushing out Sudeten Germans

The Czechs have started operations in fulfilment of their announced intention to clear the remaining Sudeten Germans from the Czechoslovak frontier areas.

These operations are described by the Czechoslovak Minister of Information as a "momentous national offensive," says the Exchange.

General Svoboda, the new Commander-in-Chief of the Czechoslovak armed forces, is sending his troops and partisan units to these areas to drive the Germans out over the frontier into the former Reich territory.

Translated from Czechoslovak (official Czech paper published in London, 25.5.45.

The President's First Message in the Liberated Country

. . . . . .

"It will be necessary to re-form the political parties and to reduce their number compared with pre-war times, to reshape the relations between Czechs and Slovaks and, especially, to liquidate without compromise the Germans in the Bohemian lands and the Hungarians in Slovakia."

Translated from Czechoslovak, 1.6.45.

The Property of the Traitors

The Government has prepared a Bill dealing with the transfer into national administration of the property, private and public, movable and immovable, of Germans, Hungarians, traitors and collaborators as well as of certain organisations and institutions. Any transfer of property or legal transaction, effected after September 29th, 1938, under duress in consequence of the occupation or national, racial or political persecution have been declared void; the property of politically unreliable persons is put under national administration. . . . . As politically unreliable persons are to be regarded persons of German or Hungarian nationality, and of the Czech nation all traitors,

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S E C R E T

collaborators, informers, abettors and henchmen of the Nazi régime, members of Czech and Slovak fascists and nationalistic organisations.

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SECRET

25 June 1945

COPY NO. 41

INFORMAL POLICY COMMITTEE ON GERMANY

IPCOG MEMORANDUM FOR INFORMATION NO. 2

RESTITUTION

Reference: a. IPCOG 2 Series

Note by the Secretaries

Enclosure "A", a paraphrase of a message from the Acting Secretary of State to Ambassador Pauley; Enclosure "B", a paraphrase of a message from the Acting Secretary of State to Ambassador Winant; and Enclosure "C", a paraphrase of a message from the Joint Chiefs of Staff to General Eisenhower, all based on the approval by the President of the recommendations contained in a message from Ambassador Pauley as contained in Enclosure "D", are circulated for the information of the Informal Policy Committee on Germany.

CHARLES W. McCARTHY

ALVIN F. RICHARDSON

RAYMOND E. COX

Secretariat

DECLASSIFIED BY:
JCS DECLASSIFICATION BRANCH
DATE 4-23

DECLASSIFIED E.O. 11652, Sec 3(E) and 5(D) or (E) NND# 740132

SECRET

ENCLOSURE "A"

PARAPHRASE OF MESSAGE FROM THE ACTING SECRETARY OF STATE TO AMBASSADOR PAULEY

June 23 1945

As essential to proper coordination, I approve the general recommendations submitted in your 3457, June 11, 11 a.m. from Paris.

In my view such coordination should not operate to delay unduly (1) the return of works of art to the countries from which they were obtained, or (2) the removal from Germany, as restitution or otherwise, of goods urgently needed for the economic restoration of Allied countries. To assure efficient coordination and promptness in reaching decisions, I therefore suggest that you make available to General Eisenhower a representative with authority to act promptly on matters submitted by him.

Telegram to Eisenhower will be repeated to you as soon as it is sent.** Telegram to Winant repeated here.*

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*See Enclosure "B" hereto.
**See Enclosure "C" hereto.

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SECRET

ENCLOSURE "B"

PARAPHRASE OF MESSAGE FROM THE ACTING SECRETARY OF STATE TO AMBASSADOR WINANT

Jun 23 1945

To President Truman Pauley has recommended that since the question of restitution is inseparably related to broad questions of reparation policy, any decisions reached in EAC regarding restitution, as well as any actual transfer of property as restitution, should be subject to approval of the Reparation Commission. Until policy has been worked out on reparation, Pauley also recommended that consideration of restitution in EAC be suspended. The President has approved the above recommendations. Therefore consideration of restitution should be suspended in EAC at least until reparation discussions have made progress and until you can coordinate with Pauley.

For your information, the President has also approved a recommendation made by Ambassador Pauley that any removals of property from territories under the control of US forces in Germany and Austria for the purposes of restitution should first be submitted by General Eisenhower for the approval of the US representative on the Reparation Commission. Because of the close relationship between restitution and broad questions of reparation policy, such coordination is essential.

The President, however, has expressed the view that such coordination with respect to restitution should not operate to delay unduly (1) the return of works of art to the countries from which they were obtained, or (2) the removal from Germany, as restitution or otherwise, of goods urgently needed for the economic restoration of Allied countries. The President has instructed Ambassador Pauley to make available to General Eisenhower a member of his staff with authority to act promptly on matters submitted by General Eisenhower to assure efficient coordination.

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S E C R E T

ENCLOSURE "C"

PARAPHRASE OF MESSAGE FROM JOINT CHIEFS OF STAFF
TO GENERAL EISENHOWER

23 June 1945

A recommendation made by Ambassador Pauley that any removals of property from territories under the control of U S forces in Germany and Austria for the purpose of restitution should first be submitted by you for the approval of the U S Representative on the Reparation Commission has been approved by the President. Because of the close relationship between restitution and broad questions of reparation policy, such coordination is essential.

The President, however, has expressed the view that such coordination with respect to restitution should not operate to delay unduly (1) the return of works of art to the countries from which they were obtained, or (2) the removal from Germany, as restitution or otherwise, of goods urgently needed for the economic restoration of Allied countries. The President has instructed Ambassador Pauley to make available to you a member of his staff with authority to act promptly on matters submitted by you to assure efficient coordination.

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S E C R E T

ENCLOSURE "D"

PARAPHRASE OF MESSAGE FROM AMBASSADOR PAULEY
TO PRESIDENT TRUMAN

11 June 1945

Unless carefully watched, the matter of restitutions versus reparations can be greatly abused by every country and every individual and every corporation in all of Europe. Particularly insofar as the US policy on the subject is concerned, it is my urgent suggestion to you that all matters of restitution be made subordinate to reparations. Therefore, I respectfully present the following:

One. In the discussions of restitution to the EAC the idea of restitution has been confused by the French with reparations. In effect the French proposals for restitution now expanded to what they call "restitution in kind" are proposals for full scale reparation programs. The views of some of the other previously occupied nations tend to run along those same lines.

Two. Although Ambassador Winant has stated that restitution must be confined to identifiable looted property any restitution except as an integral part of a comprehensive reparation plan is bound to result in unwarranted preferences to those nations receiving restitution (A) There is no valid distinction between those claimant countries whose property, or the property of whose nationals, is discovered and those claimants whose property is never identified. (B) Since looting by the Germans generally took form of purchase for "fair value" the claim of these countries may more properly be classified as a claim based on them forced furnishings of occupation costs to the Germans than a claim to particular items of property. (C) The claim of those countries which have suffered from "looting" should not be preferred above the claim of those countries whose loss has been in terms of bomb damage or the expending of their foreign credits, natural resources or gold reserves such as in the case of the US.

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Three. In the absence of an agreed plan coordinated with the reparations program restitution begun at any early date may result in benefits to large private interest rather than to Governments or peoples generally of occupied nations.

Four. In view of these above points and the desirability of coordinating all discussions touching upon reparation and certainly all action bearing upon reparation I suggest that you issue the following instructions:

(A) To Ambassador Winant: The EAC should be informed that it is the view of the US that all restitution matters are inseparably related to the reparation discussions which are about to begin. It should be pointed out that restitution actually decides certain questions of reparation between various claimant countries and cannot be separated from broad questions of reparation policy. Since these latter matters are the subject of discussions in Moscow the US believes that any decisions reached in the European Advisory Commission with respect to restitution should be subject to the approval of the Reparation Commission and that any transference of properties as restitution should be likewise subject to approval by that commission or, in the latter stages by such body as may administer reparation. In the discretion of the US representative on Allied Reparations Commission it might be pointed out that the effect of this policy is to make desirable suspension of the problem of restitution in EAC until policy has been worked out on reparations.

(B) To General Eisenhower: In line with the suggestions of this message any removal of properties from territories under the control of the US for the purpose of restitution should be first submitted for the approval of the US representative on Allied Reparations Commission.

Five. In making these recommendations I have considered and weighed such policy documents and declarations as the United Nations declaration with respect to Axis acts of dispossession Jan 5, 1943; the gold declaration of February 22, 1944; Bretton

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Woods resolution VI; resolution six of the Mexico City conference; and the inter-Departmental report on reparation and restitution of December 1943.

Six. I believe that this cable together with a notation of your approval can be submitted to Secretary of State and repeated to Ambassador Winant and General Eisenhower should you approve these recommendations. If this is done, I should appreciate being notified at Moscow.

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SECRET

19 June 1945

COPY NO. 41

INFORMAL POLICY COMMITTEE ON GERMANY

IPCOG MEMORANDUM FOR INFORMATION NO. 1

TREATMENT OF GERMANY IN THE INITIAL POST-DEFEAT PERIOD

Reference: a. IPCOG 1/1 (Revised)

Note by the Secretaries

1. The proposed U.S. General Directive as contained in the Annex to Appendix of IPCOG 1/1 (Revised) was circulated in the European Advisory Commission as E.A.C.(45)30 on April 6, 1945.

2. The United Kingdom Delegation in E.A.C. has considered the United States draft and has prepared a redraft of it, in which some of the provisions of the original U.S. draft have been rearranged, and other new provisions added.

3. The United Kingdom Representative has requested that the European Advisory Commission consider this redraft when it resumes discussion of the U.S. draft General Directive.

4. The U.K. redraft of this directive is attached as an enclosure and is circulated for the information of the Informal Policy Committee on Germany.

CHARLES W. McCARTHY
ALVIN F. RICHARDSON
RAYMOND E. COX
Secretariat

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JCS DECLASSIFICATION BRANCH
DATE 1973

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ENCLOSURE

TREATMENT OF GERMANY IN THE INITIAL POST-DEFEAT PERIOD

U.K. Re-draft of U.S. Directive

1. The authority of the Control Council to initiate plans and reach agreed decisions on the chief military, political, economic and other questions affecting Germany as a whole shall be paramount, and those plans and decisions shall be carried out in each zone of occupation by the national Commander-in-Chief concerned. In matters exclusively affecting his own zone, each national Commander-in-Chief shall exercise supreme authority in accordance with directives received from his own Government.

2. The purpose of the occupation of Germany, to the promotion of which the above plans and decisions are to be directed are:-

(i) The complete disarmament of Germany and the elimination or control of all German industry that could be used for military production. For these purposes:-

(a) the German armed forces, including the General Staff and all para-military organisations, shall be demobilized as soon as practicable and disbanded in such manner as permanently to prevent their revival or reorganisation; and

(b) as part of the programme to attain this objective, all implements of war and all specialised facilities for their construction shall be seized or destroyed. The maintenance and production of all implements of war shall be prevented, except as may be otherwise directed.

(ii) To convince the German people that they have suffered a total military defeat and that they cannot escape responsibility for what they have brought upon themselves, since their own ruthless warfare and the fanatical Nazi resistance have destroyed German economy and made chaos and suffering inevitable.

(iii) To destroy the National Socialist Party and its affiliated and supervised organisations, to dissolve all Nazi institutions, to ensure that they are not revived in any form,

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and to prevent all Nazi and militaristic activity or propaganda.

(iv) To lay the foundations for the rule of law in Germany and for eventual peaceful co-operation in international life by Germany.

3. Nazi laws which provide the basis of the Hitler regime or which establish discriminations on grounds of race, creed, or political opinion shall be abolished. No such discriminations, whether legal, administrative or otherwise, shall be tolerated. National Socialist courts shall likewise be abolished.

4. War criminals and those who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or war crimes shall be arrested, with a view to their ultimate disposal. Nazi leaders and influential Nazi supporters and any other persons dangerous to the occupation or its objectives shall be arrested and interned.

5. All members of the Nazi Party who have been more than nominal participants in its activities and all other persons hostile to Allied purposes shall be removed from public and semi-public office, and from positions of major responsibility in important private undertakings. Those Germans who are permitted to remain in, or are appointed to, official posts (e.g. in the police or the administration) should understand that they hold office only during good behaviour.

6. German education shall be so controlled as completely to eliminate Nazi and militarist doctrines and to make possible the development of democratic ideas.

7. The administration of affairs in Germany should be directed towards the decentralisation of the political structure and the development of local responsibility. The German economy shall also be decentralised, except that to the minimum extent required for carrying out the purposes set forth herein, the Control Council shall permit or secure the establishment of central controls and,

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in particular, of (a) essential national public services such as railroads, communications and power, (b) finance and foreign economic affairs, (c) production and distribution of essential commodities, and (d) such other matters as may be directed from time to time.

8. In the imposition and maintenance of economic controls, German authorities shall to the fullest extent practicable be ordered to proclaim and assume administration of such controls. Thus it should be brought home to the German people that the responsibility for the administration of such controls and for any breakdown in those controls will rest with themselves and their own authorities. Any German controls which run counter to the objective of occupation will be abolished.

9. Allied controls shall be imposed upon the German economy but only as may be necessary:-

(a) to carry out programmes, as prescribed by higher authority, of industrial disarmament and demilitarisation, of reparations, of relief for liberated areas and of other supplies as may be notified;

(b) to assure the production and maintenance of goods and services required to meet the needs of the occupying forces and displaced persons in Germany and essential to prevent starvation, disease or civil unrest;

(c) to ensure the equitable distribution of essential commodities between the several zones;

(d) to control German industry and all economic and financial international transactions, including exports and imports, with the aim of preventing Germany from developing a war potential and of achieving the other objectives named herein. For the same purpose no extension of credit to Germany or Germans by any foreign person or Government shall be permitted, except with the permission of the Control Council;

(e) otherwise to carry out the objectives of occupation and prevent conditions arising which would endanger the

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occupying forces or impede them in their tasks.

10. No action shall be taken in execution of the reparations programme or otherwise which would tend to support basic living standards in Germany on a higher level than those generally current for comparable categories of the population in liberated territories.

11. The first charge on all approved exports for reparations or otherwise shall be a sum necessary to pay for approved imports.

12. Recurrent reparations should not by their form or amount require the rehabilitation or development of German heavy industry and should not foster the dependence of other countries upon the German economy.

13. A suitable programme for the restitution of identifiable property looted by Germans from Allied territory shall be carried out promptly.

14. Subject to the overriding necessity for the maintenance of military security, political activities (including public demonstrations or meetings) shall not be forbidden, but support of Allied authority shall not be lent to any particular political party or policy in Germany.

15. Subject again to the necessity for maintaining military security, freedom of speech and freedom of the Press shall be permitted, and the formation of free trades unions shall be encouraged.

16. Freedom of religion and the maintenance of respect for the churches in Germany shall be fostered, though steps should be taken to ensure that religious activities are not used as a cloak for the spreading of undesirable political ideas or of propaganda directed against any of the United Nations.

17. The attitude to the German population of all Allied forces shall be just, but firm and distant. Fraternisation between Allied

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forces and the German population shall be strongly discouraged; in particular, contact between Allied forces and German forces not yet demobilized shall be reduced to a minimum. In general, contact with German officials should be as little as is necessary in order to ensure the adequate supervision of administration.

18. This directive does not apply to Austria.

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