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817/1

The SECOND YEAR

VOLUME I



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HEADQUARTERS BUILDING,
EUROPEAN COMMAND

OCCUPATION FORCES IN EUROPE SERIES

1946 - 1947

OFFICE OF THE CHIEF HISTORIAN EUROPEAN COMMAND

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The Second Year of Occupation
Europe Series, 1946-47

Vols. I-VII (subdivided into Pts. 1-6) and 17 supporting monographs

Vol. I - 137 pages text, including maps, charts, and footnotes.

Part 1: Narrative of events, problems, and accomplishments,
July 1946 - June 1947

Part 2: Covers same period and deals with functions of CG,
USFET; organization of C in C, Berlin, -- planning
and establishment of EUCOM.

Vol. II - 253 pages of text, including charts, annexes, footnotes and
one graph.

Parts 3 & 4: Account of organization, functions, and
operations of Chief of Staff, EUCOM, and
Special Staff agencies responsible thereto.

Vol. III - 255 pages text, including charts and footnotes.

Part 5: Deals with JAG; AG; Chief Chaplain; Provost Marshal;
Chief of Claims; Chief Special Services; EUCOM
Exchange System; Chief Dependents School Service;
WAC.

Vol. IV - 225 pages text, including charts, map, and footnotes.

Part 5 (cont): Chief Troop Information and Education;
Chief Chemical Corps; Chief Engineers; Chief
Surgeon; Chief of Ordnance; Chief Quartermaster;
Chief Signal Officer; Chief of Transportation;
Chief of Finance; Chief Military Labor Service;
Air Priorities Board.

Vol. V - 173 pages text, including charts and footnotes.

Part 6: Deals with military districts and posts; inactivation
of commands and base sections; Bremerhaven P of E;
Graves Registration Cmd; Hq. Cmde.; Off. Military
Government for Germany

Vol. VI - 136 pages text, including charts, appendixes, and footnotes.
[SECRET]

This volume contains three chapters, classified
SECRET, taken from other volumes in this series.

From Vol. II: Ch. XVI, "Deputy Director of Intelligence"

Ch. XVII, "Director of Operations, Plans,
Organization & Training"

From Vol. V: Ch. XLV, "US Air Forces, Europe, and US
Naval Forces, Germany"

Vol. VII - 31 pages text, including charts and footnotes.
[SECRET]

This volume consists of one chapter dealing with the
occupation of Austria as a semi-independent command under
Hq. USFT until 15 March 1947, and under Hq., EUCOM, after
that date. It covers organization, command relations,
military and civil affairs necessitating action by EUCOM.

HISTORICAL DIVISION

21 June 1949

MEMORANDUM FOR: CHIEF, HISTORICAL DIVISION

SUBJECT: Review of Vol. I, "The Second Year of the Occupation,"
Europe Series, 1946-47 (H.D. Access. No. 817/1-1)

1. a. The history of the second year of occupation in Europe is contained in seven main volumes and 17 supporting monographs. There is attached hereto a brief summarization of the contents of each volume. This review pertains to Vol. I, which consists of 137 double-spaced pages, including 2 maps, 1 chart and pertinent footnotes. Further review on this series will be suspended for the time being.

b. Time: 1946-47
Place: European Command

c. The manuscript was prepared in the office of the Chief Historian, European Command, Frankfurt-am-Main, Germany, in 1947.

2. Scope, appraisal of value, and manner of presentation:

This volume contains Parts 1 and 2 of this series. Part 1 is arranged chronologically in five chapters, each covering in diary fashion the principal events, problems, and accomplishments of the occupation forces in the United States Zone during the second year. Part 2 consists of Chapters VI and VII covering the same period and deals with the functions of the Commanding General USFET -- trends in military policy, change in attitude toward German people, military government affairs and plans for economic fusion with British officials; organization of the office of the Commander in Chief in Berlin -- planning for and establishment of EUCOM.

The presentation is coherent, without apparent bias or misinterpretation of fact. It bears directly on the subject and is a part of the Army historical program. However, names of persons are too frequently interpolated. This volume would be of value to anyone writing or researching occupation history.

3. Comments on source material and its use:

It appears that available sources were used and are properly cited in footnotes.

4. This volume has been downgraded by authority UFEC, 22 July 1948.

5. Disposition recommended:

- a. File for reference.
- b. Send copy of review to Civil Affairs Division, GS.
- c. Send copy of review to Command & General Staff College, Fort Leavenworth, Kansas.
- d. Bring to attention of Major George G. Lewis, Special Studies Section, Applied Studies Branch, Historical Division.

6. Reviewed 16 June 1949, by:

INEX V. ALLEN
Historian

HEADQUARTERS
EUROPEAN COMMAND
Office of the Commander in Chief

APO 757
August 1947

SUBJECT: Occupation Forces in Europe Series

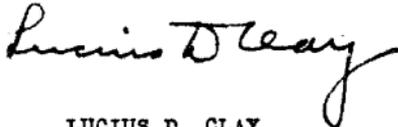
TO : All concerned

1. The War Department has directed that the history of the military occupation of Germany and Austria in World War II be recorded and interpreted as the events transpire. The agency which is responsible for preparing this history is the Office of the Chief Historian, European Command.

2. The Occupation Forces in Europe Series, publication of which was begun in 1947, consists of a series of studies, monographs, and narratives of the history of the occupation. From time to time, the Occupation Forces in Europe Series will include a summary volume giving a narrative history of the occupation. All the studies or volumes published in the Series for the year 1945-46 or a subsequent year make up the official history of the occupation for that year.

3. Each publication in the Occupation Forces in Europe Series is based upon a thorough study of the correspondence, directives, and other documents relating to the subject. It serves also as a digest and summary of the pertinent passages of the reports of operations which are made periodically to the Office of the Chief Historian by all staff divisions and major units of the European Command. Each publication in the Series, before being issued, is reviewed by the staff divisions or subordinate command whose responsibilities indicate a primary interest in the subject matter.

4. All persons to whose attention these publications come are invited to forward to the Office of the Chief Historian, European Command, APO 757, their comments and criticisms, in order to make available all facts from which a definitive history may be prepared in the War Department.



LUCIUS D. CLAY
General, USA
Commander-in-Chief

HISTORICAL STUDIES
PREPARED BY THE
OFFICE OF THE CHIEF HISTORIAN
HEADQUARTERS
EUROPEAN COMMAND

Occupation Forces in Europe Series, 1945-46

Volume

Transmitted

I to XXXVII, inclusive: THE FIRST YEAR OF THE
OCCUPATION, with 34 supporting
monographs November 1947

Occupation Forces in Europe Series, 1946-47

I to VI, inclusive: THE SECOND YEAR OF THE OCCUPATION February 1948

V. XVII - U.S. Forces, Austria

IN PREPARATION

17 supporting monographs pertaining to
the second year of the occupation entitled:

- Public Information and Press Relations
- International Aspects of the Occupation
- Budgetary and Financial Aspects of the Occupation ✓
- Domestic Economy in the European Command
- Manpower: Its Procurement and Use
 - Discipline and Morale
 - The Black Market
- The U.S. Constabulary
- Training
- Education and Troop Information ✓
- 11- German Youth Activities of the U.S. Army ✓
- Displaced Persons
 - Supply, Procurement, Storage, and Issue
 - Surplus Property
- Enemy Fortifications
- Medical Policies and Operations ✓
- The Historical Program of the European Command

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The Second Year of the Occupation



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CANCELLED

1. CLASSIFICATION CHANGED TO:

AUTHORITY *U.S. E.O. 22 July 48*

Occupation Forces in Europe Series, 1946-47

~~RESTRICTED~~

By *Miss Allen*
16 Jan 49

OFFICE OF THE CHIEF HISTORIAN
EUROPEAN COMMAND
FRANKFURT - AM - MAIN, GERMANY
1947

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Col. Harry C. Larter, Jr., FA (25 Sep 47-)

EDITORIAL GROUP

Chief Lt. Col. John R. Ulmer, Inf. (11 Nov 46-)
Chief Historical Consultant Joseph E. Starr, Ph.D. (1 Feb 46-)
Editor Laura Towne, M.A. (20 May 47-31 Dec 47)
Production Manager Madeline E. Lannelle, B.S. (9 Jun 47-)

CONTRIBUTORS

Chapters

I-V Maj. Leonard L. Lerwill, Inf. (2 May 46-),
and Dr. Joseph R. Starr
VI Jean E. Malcolm, M.A. (Cantab.)
(8 Jul 46-13 Jan 48)
VII Maj. Leonard L. Lerwill
VIII and IX Jean E. Malcolm
X Arthur R. Burnet, A.B. (10 Jan 47-)
XI Frederic W. Ganzert, Ph.D. (5 Aug 46-
28 Oct 47), and Ernest Kreiling, B.S.
(3 Nov 47-)
XII and XIII Jean E. Malcolm
XIV Dr. Frederic W. Ganzert
XV T.Sgt. Frizelle Gable, WAC (30 Dec 46-),
and John C.E. Smith, B.A. (Cantab.)
(5 Aug 46-19 Sep 47)
XVI George J. Olszewski (19 Sep 46-6 Nov 47)
XVII Francis Chase, M.S. (13 Jun 47-)
XVIII Drusilla J. Norris, B.S. (3 Dec 46-)
XIX Marcus W. Floyd, A.B. (18 Dec 46-31 Dec 47)
XX Muriel Young, B.A. (London) (25 Aug 47-)
XXI T.Sgt. Frizelle Gable
XXII Lt. Col. George L. Pitre, Inf (3 May 47-)

Chapters

XXIII	Bernard V. Hall, M.A. (23 Oct 46-)
XXIV	Lt. Col. George L. Pitre
XXV	Bernard V. Hall and John C.E. Smith
XXVI	Dr. Frederic W. Ganzert and Ernest Kreiling
XXVII	Muriel Young and Dr. Joseph R. Starr
XXVIII	T.Sgt. Frizelle Gable
XXIX	Francis Chase and Arthur R. Burnet
XXX and XXXI	Drusilla J. Norris
XXXII	Albert Norman, B.S.S. (24 Dec 46-)
XXXIII and XXXIV	Margaret L. Geis, M.A. (15 May 47-)
XXV and XXXVI	Elizabeth S. Lay, M.A. (25 Nov 46-)
XXXVII	Dr. Frederic W. Ganzert
XXXVIII and XXXIX	Elizabeth S. Lay
XL	Margaret L. Davis, A.B. (17 Sep 46-)
XLI, XLII, and XLIII	Maj. Leonard L. Lerwill
XLIV	Margaret L. Davis and Dr. Joseph R. Starr
XLV	Maj. Leonard L. Lerwill and Joseph P. Tustin (27 Oct 47-)
XLVI	Maj. Leonard L. Lerwill
XLVII	Dr. Joseph R. Starr

CLERICAL STAFF

Military Staff

S.Sgt. Charles E. Simons
(31 Jan 47-)
Tec.4 Herman E. Walker
(26 May 47-)
Cpl. Michael E. Forgen
(12 Jun 47-)
Cpl. William Goodrich
(12 Jun 47-)
Tec.5 Thomas H. Burton
(10 Jun 47-)
Tec.5 Hiram A. Deck (21 Feb 47-
20 Aug 47)
Pfc. Allen Ardoin (16 Sep 47-)

Civilian Staff

Edith M. Abbott (3 Jul 46-25 Nov 47)
Mary M. Abraham (15 Jan 46-)
Maria E. Anker (23 Sep 46-)
Irene M. Halliday (27 Dec 46-)
Ann F. Hughes (16 Oct 46-29 Nov 47)
Unita E. Partridge (25 Nov 46-)
Margaret A. Vogan (20 Dec 46-
31 Dec 47)

DOCUMENTS BRANCH

Chief Archivist Gillett Griswold (8 Nov 45-)

Military Staff

T.Sgt. William Marshall
 (5 Oct 46-)
 Tec.3 Edgar J. Matson (6 Jan 47-
 1 Jan 48)
 Tec.3 Walter L. Smith (7 Jan 47-
 21 Nov 47)
 Tec.3 Arnold Hill (17 Oct 46-
 5 Aug 47)
 Sgt. Stanley L. Lawrence
 (19 Mar 47-)
 Tec.4 Frederick C. Talbot
 (10 Jan 47-)
 Cpl. Richard T. Loeffler
 (19 Mar 47-26 Jan 48)
 Pfc. Sidney J. Jones (17 Nov 47-)

Civilian Staff

Sarah Cnudde (1 Sep 47-)
 Virginia C. Curtis (18 Sep 47-)
 Joan L. Gross (8 Jan 48-)
 Hector S. McDonald (10 May 46-
 11 Dec 47)
 Hannalore Weise (3 Nov 47-15 Jan 48)
 Eveleen Wilkinson (6 Oct 47-
 16 Jan 48)

CARTOGRAPHIC SECTION

Chief Stanley E. Hughes (13 Oct 45-)

Cartographers and Draftsmen

Mary E. Harwood (12 Jul 46-)	Harry D. Parrish (14 Oct 46-)
Heinz E. Jans (24 Dec 46-)	Johannes Schueren (18 Mar 46-)
Martin Krick (7 May 46-)	Susan Verbeke (11 Jun 46-)

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PART ONE

**Events, Problems and Accomplishments
from 1 July 1946 to 30 June 1947**

Chapter I

1 JULY 1946-9 AUGUST 1946

CHAPTER I

1 JULY 1946-9 AUGUST 1946

1. The American Policy of Economic Union for Germany.

The second year of the occupation of Germany opened with events that brought the question of the unification of the German economy and the interpretation of the Potsdam Agreement into sharper focus. General Joseph T. McNarney's report as Military Governor in June 1946 said that the German economy was almost stagnant because the occupying powers had failed to agree upon a common policy. He demanded fulfillment of the Potsdam Agreement to administer Germany as an economic unit. He repeated in this report his announcement that he had halted the delivery of reparations goods from the U.S. Zone in an effort to avoid placing additional financial liability upon the United States. This action caused further

(1)
disagreement between the United States and the Soviet Union.

2. German Assets in Austria.

Developments in Austria also brought sharp disagreement with the Soviet Union. On 6 July 1946, Col. Gen. L. V. Kurosov, acting commander of Soviet forces in Austria, announced the confiscation of all assets in the Soviet Zone of Austria which had been under the ownership of the German Reich during the union of Germany and Austria. Gen. Mark W. Clark, U.S. Commander in Austria, made no immediate comment, but on 10 July 1946 Austria was informed by the U.S. Government that it would not recognize the removal of holdings which the Germans had taken forcibly during their occupation. Edwin W. Pauley, who was in Vienna on 17 July 1946 to confer with General Clark regarding reparations, said that Austrian industry, except for its war potential, should be left intact.

3. Detention of United States Citizens by Soviet Authorities.

a. There were a number of incidents involving United States and Soviet nationals. Soviet officials in Berlin on 1 July arrested Warrant Officer and Mrs. Samuel L. Harrison and on 4 July they detained Capt. Harold Cobin and Lt. George E. Wyatt. All four were apprehended within the Soviet Zone. Maj. Gen. Frank A. Keating, U.S. Commanding General, Berlin District, in discussing the detention of the Americans, indicated that the Soviet authorities might be holding them as "hostages" because United States authorities had apprehended three Soviet nationals,

listed as Lieutenants Sjedow and Schulkin and Private Kusnezow, within the U.S. Sector of Berlin and were holding them for investigation. Maj. Gen. Dratvin, Deputy Soviet Military Governor, on 11 July agreed to free the Harrisons and they were released on 15 July. United States officials on 17 July released the three Soviet citizens at Hof in north-eastern Bavaria and Captain Cobin and Lieutenant Wyatt were released by the Soviet authorities on 30 July.⁽⁵⁾

b. While these persons were in Soviet custody, Theater Headquarters issued travel orders for eastern, central, and southeastern European countries only to responsible persons of mature judgment, and demanded that all such travelers display exemplary conduct.⁽⁶⁾

c. When a 28th Constabulary Squadron patrol on 7 July 1946 investigated an alleged assault of a German farmer and his sister by a Soviet soldier near Nentschau, close to the Zone border line, Soviet troops were said to have fired on the U.S. patrol. A U.S. Constabulary trooper fired four shots from his pistol and killed a Soviet soldier who had attacked him with a bayonet. A Third Army investigator found that the U.S. trooper fired in self defense.⁽⁷⁾

d. Gen. Lucius D. Clay, Deputy Military Governor, and Gen. Vassily D. Sokolovsky, Soviet Supreme Commander in Germany, reached an informal agreement for the exchange of Soviet citizens who might be arrested in the U.S. Zone of Germany and Americans who might be arrested in the Soviet Zone of Germany.⁽⁸⁾

4. The U.S. Constabulary in Operation.

On 1 July 1946, the U.S. Constabulary became operational and assumed responsibility for area security throughout the Zone occupied by the United States. (9) The formation of the Constabulary marked a fundamental change in the concept of the occupation of Germany. At first it was assumed that a relatively large field force would be needed, but as the occupation progressed military authorities were convinced that a large force for the control of the German people was neither necessary nor desirable. A police-type occupation force was considered more practical and it was with this in mind that the Constabulary was organized. On 1 July 1946, the Constabulary had a strength of about 28,000 officers and men, but 7000 replacements were in training. On 30 July 1946, the strength of the Constabulary was listed as 33,076 officers and men. (10)

5. Concentration of Traffic through Bremerhaven.

Beginning on 1 July 1946, Bremerhaven became, in principle, the only port for the flow of supplies and personnel between the United States and the occupied areas. The persons waiting in the staging area of Le Havre on that date were embarked there, and that port was used throughout the month of July for the embarkation of war brides from the Continent. (11) Southampton continued to be used through October for the embarkation of British war brides. (12) Port operations at Antwerp continued through September for the loading of Army property and supplies remaining to be shipped to the United States. (13) A proposal to make Antwerp and Rotterdam the principal ports for the supply of the occupation forces in place of Bremerhaven was rejected by Theater Headquarters. (14)

6. Theater Organization on 1 July 1946.

a. Gen. Joseph T. McNarney, who was both the Commanding General, U.S. Forces, European Theater (USFET), and the Military Governor of Germany was the commander of all U.S. forces in the European Theater. His military headquarters were in Frankfurt, while most military government functions were centered in the Office of Military Government for Germany (U.S.) (OMGUS), which operated in Berlin under Gen. Lucius D. Clay, the Deputy Military Governor. General and special staff officers were located in Frankfurt. The headquarters subordinate to the Theater Headquarters, which had operated between the Theater Commander and the chiefs of the services, had been eliminated. The field forces in Germany consisted of the Third U.S. Army and the U.S. Air Forces in Europe (USAFE). Western Base Section with headquarters in Paris was responsible for the logistical support of all forces outside of Germany and Austria, while Continental Base Section with headquarters in Bad Nauheim, Germany, was responsible for logistical support in the occupied areas.

b. The military forces retained responsibility for security and logistics, but OMGUS had assumed most of the functions having to do with German government or economics. This division of functions had been developed to permit the smooth transfer of military government functions from the Army to another governmental agency, should such a move be ordered.

7. Strength.

a. The total assigned and attached strength of USFET on

1 July 1946 was 329,601 officers and men. Of this number, 28,399 were assigned to Headquarters and Headquarters Command, USFET; 99,486 were assigned to the Third U.S. Army Area; 14,504 were in Austria; 50,869 were assigned to Continental Base Section; 18,840 were under Western Base Section; 4,324 were under OMGUS, while an additional 10,991 were assigned to Berlin District; 48,287 were in the Air Forces; and the remaining 50,629 were assigned to various small commands or were nonoperating or staging personnel. There were 3,272 attached but not assigned.

b. On 1 July 1946, civilians employed by the U.S. forces in Europe totaled 375,466 of whom 262,730 were enemy or ex-enemy nationals; 60,460 were displaced persons; 42,842 were Allied or neutral nationals, and 9,434 were United States citizens.

(16)

c. On 1 January 1947, there were approximately 181,000 troops on duty in the European Theater of whom 143,000 were in the ground forces. In addition there were about 11,500 United States and 17,125 Allied and neutral civilian employees. The number of troops was gradually reduced until the established figure of 117,000 was reached on 1 July 1947. On 30 June 1947, the number of United States civilian employees had dropped to 9,910. The totals in other categories of civilian employees were: Allied and neutral, 6,673; displaced persons, 48,093; enemy or ex-enemy, 213,803.

(18)

8. Current Death Program.

On 1 July 1946, the American Graves Registration Command (AGRC)

was relieved of the responsibility for the current death program, which involved the operation of mortuaries and all work incidental to the handling of the remains of Americans deceased in Europe. (19) The entire responsibility was assigned to the Theater Chief Quartermaster. Prior to this time remains of currently deceased persons had been buried in U.S. military cemeteries in Europe, but starting on 1 July 1946 remains were sent to the United States, or at the request of the next of kin, buried in private cemeteries in Europe.

9. Observance of Independence Day.

On 4 July 1946, military units celebrated Independence Day in much the same way as in the United States. This was one of the indications of a return to normal life of the persons taking part in the occupation. General McNarney reviewed a parade in Frankfurt, troopers of the 508th Parachute Infantry Regiment made mass jumps near Frankfurt, and a flight of P-51 and P-47 planes from the 64th and 70th Fighter Wings passed over the principal cities of the Zone.

10. Social Passes Introduced.

A plan for "social passes," which admitted German girls accompanied by American or Allied hosts to U.S. Army social functions, was announced early in July. (20) Details under which the passes were issued were worked out by local commanders.

11. Regular Army Commissions.

The initial list of 490 European Theater officers selected for

(21)
commissions in the Regular Army was announced on 9 July 1946. Other names were announced at various times as appointments were approved by the War Department.

12. Malmedy Defendants Convicted.

On 11 July a United States military court found all seventy-three defendants in the Malmedy concentration camp trial guilty on the charges of murdering United States prisoners of war. (22)

13. The Offer for Economic Union.

a. On 16 July 1946, in a radio report on the Paris peace conference, Secretary of State James F. Byrnes said that General McNarney would receive orders to cooperate with any or all of the occupying powers in the realms of finance, transportation, communications, trade, and industry. He said that American taxpayers were paying \$200,000,000 a year for the occupation of Germany and that something should be done to reduce this burden. (23)

b. On 20 July 1946, General McNarney told the Allied Control Council that the United States would join its Zone in Germany with any or all the other Zones to form an economic unit. The British soon indicated that they would join in this move, but the proposal met with criticism from both France and the Soviet Union. (24)

14. The Fight against Venereal Disease.

An announcement on 12 July 1946 indicated that the venereal

disease rate among troops in Europe was probably the highest "in American military history."⁽²⁵⁾ The Theater Chief Surgeon reported that the rate for June 1946 had reached 264 cases per thousand men, being the highest recorded up to that time in World War II. The military forces were conducting a publicity campaign in an attempt to reduce the rate. One feature of the campaign was the stressing of the fact that penicillin was not a cure-all.

15. Civilian Internee Camps Transferred to German Control.

In an order dated 13 July 1946, General McNarney directed that more than 70,000 Germans interned in camps throughout the U.S. Zone be transferred from U.S. Army to German control.⁽²⁶⁾ Only the internees who were wanted in connection with alleged war crimes or were desired for reasons of security or for interrogation were retained in United States custody. Tribunals with German prosecutors were established in each camp in an effort to speed trials.⁽²⁷⁾ A charge that there had been disagreement between OMGUS and USFET on the question of the transfer of civilian internee enclosures to German control was vigorously denied by General Clay.⁽²⁸⁾ The transfer of civilian internee enclosures to German control was about completed by the middle of November.⁽²⁹⁾

16. The Peace Conferences.

a. On 14 May 1946, General Clay and Ambassador Robert D. Murphy, Political Adviser, USFET, went to Paris to appear before the Council of Foreign Ministers.⁽³⁰⁾ This Council had been established

during the Potsdam Conference to draw up the peace treaties. The German treaty was considered only briefly in May. The meeting of the Council of Foreign Ministers continued until 13 July 1946.

b. The representatives of twenty-one nations convened in Paris on 29 July 1946 to negotiate peace treaties. General Clay and Ambassador Murphy were again called to Paris on 18 August 1946 for consultation on the treaties. The Peace Conference remained in session until 6 October 1946 and completed drafts of treaties with Italy, Romania, Bulgaria, Hungary, and Finland.

c. Efforts of the Allied nations to end the state of war which still existed legally with Germany, Austria, Hungary, Italy, Romania, Bulgaria, and Finland provided a background for United States policy regarding its occupation forces in Germany. Military policies in Europe were based on the expectation that Allied troops would be withdrawn from Austria and Italy and that Allied Control Commissions in Hungary, Romania, and Bulgaria would be dissolved within a few months after peace treaties were signed. Troops for Austria were being furnished from the quota assigned to the occupation forces in Germany as a temporary measure, pending the liquidation of U.S. Forces, Austria. (31)

17. Prisoners of War in United States Custody.

On 29 June 1946, the number of German prisoners of war remaining in United States custody had been reduced to 205,893. (32) The last German prisoners of war in the United States sailed from New York harbor on 22

July 1946, and none were received from the zone of the Interior after
(33)
the second week of August.

18. Gold Returned to Hungary.

A heavily armed United States train, returning \$35,000,000 in
(34)
gold bullion and coin to Hungary, arrived in Budapest on 7 August 1946.

19. Conference of Training.

A conference of officers in charge of training was held in Frank-
furt on 9-10 July 1946. The current Theater directive on training was
explained by staff officers, and officers of field units had full oppor-
tunity to express their point of view. Problems arising in the field in
(35)
connection with training were stressed in this conference.

20. German Youth Activities Program.

Army youth leaders, in a three-day conference in Frankfurt
which closed on 9 August 1946, discussed Army assistance to German Youth
Activities. The conference resulted in the allocation of responsibilities
for the rehabilitation of German youth as between the Army and OMGUS,
focused attention upon many problems arising in the youth activities
program, and made progress toward the formulation of a comprehensive
(36)
program.

21. Liaison Detachments in Switzerland.

In July it was agreed that both a USFET and a Mediterranean
Theater Liaison Detachment would be continued in Switzerland, but the

commanding officer of the USFET Detachment was designated the senior and all matters pertaining to the Mediterranean Theater were to be presented through him. (37)

22. Distinguished Visitors.

Among the distinguished visitors who were in the European Theater during July 1946 were Gen. Carl Spaatz, Commander of the U.S. Army Air Forces, who made a three-day inspection tour of air installations starting on 1 July, and Assistant Secretary of War for Air, W. S. Symington, who arrived in Frankfurt on 24 July on a tour of the U.S. Zone of Germany. Symington was accompanied by Postmaster General Robert E. Hannegan, Assistant Postmaster General Gail Sullivan, and Lt. Gen. John K. Cannon, Commanding General of the Army Air Forces Training Command. Part of a Joint Congressional Commission, headed by Senator Allen J. Ellender arrived in Frankfurt on 22 July 1946. (38)

23. Attacks upon Planes in Yugoslavia.

a. On 9 August 1946, Yugoslav fighter planes fired on a United States C-47 transport, which was off its course and over Yugoslavia during bad weather on the regular run from Vienna, Austria, to Udine, Italy. A passenger, Capt. Ihsan Unesen, Turkish Liaison officer on duty with the Displaced Persons Branch of the G-5 Division of Theater Headquarters, was wounded. Capt. William Crombie, pilot, crash-landed his plane in a cornfield near Kranz, and Yugoslav officials took the five members of the crew and five passengers into custody. An exchange of

notes followed. The Yugoslav foreign office protested against alleged infringement of Yugoslav sovereignty on this and other occasions. U.S. Ambassador Richard Patterson said that the plane was on a regular flight and denounced the attack.

b. A second United States plane was shot down on 19 August 1946 and its five crew members, Capts. R. H. Adckaays, H. F. Schreiber, B. H. Freestone and Cpls. Mike Ucmko and T. J. Lower were killed.

c. On 22 August 1946, the U.S. Ambassador called upon Yugoslavia to free the crew and passengers of the first plane and to permit United States officials to investigate the crash of the second plane within forty-eight hours or the matter would be placed before the United Nations Security Council. In a previous protest on 12 July 1946, the United States alleged that Yugoslavian troops had made an unauthorized entry into the Allied Zone around Trieste and that firing had occurred. Yugoslavia freed the plane passengers on the day that the note asking their release was delivered and allowed Ambassador Patterson with a group of United States officials to go to the scene of the second crash for a formal investigation. The bodies of the crew members were delivered to United States officials.

d. On 21 August 1946, General McMarney canceled all Army transport flights from southern Germany to Austria and Italy. Air traffic between Vienna and Udine was resumed on 26 August 1946, using fully armed B-17 aircraft, without fighter escort. No passengers were carried until the end of the month.

(39)

24. Personnel Changes.

The principal changes in the staff of Theater Headquarters during July 1946 were: Col. George F. Herbert succeeded Brig. Gen. L. S. Ostrander as Adjutant General on 8 July, ⁽⁴⁰⁾ Ch. (Col.) Paul J. Maddox became Theater Chaplain on 23 July, and Brig. Gen. E. L. Ford became ⁽⁴¹⁾ Theater Chief of Ordnance on 26 July.

FOOTNOTES

1. Hq, CMGUS, Monthly Report of the Military Governor, No 11, 20 Jun 46, pp 1 and 9.
2. Stars and Stripes, 7 Jul 46; Hq USFET, Theater Commander's Weekly Conference, No 30, 16 Jul 46, par 15b; 27 Jul 46, par 19b; No 32, 30 Jul 46, par 15b; No 33, 6 Aug 46, par 12b.
3. Stars and Stripes, 11 Jul 46.
4. Ibid, 18 Jul 46.
5. Ibid, 1 Aug 46.
6. Ibid, 25 Jul 46.
7. Ibid, 12 Jul 46.
8. Hq, USFET, Theater Commander's Weekly Staff Conference, No 37, 2 Sep 46, par 8a.
9. Hq, USFET, Thirteenth Meeting of the Theater Commander with Major Commanders and Deputy Military Governor, 24 Jul 46, par 4.
10. Ltr, USFET, 30 Jul 46, file AG 330 AGU, subj: "Consolidated Strength Recapitulation of US Forces in the European Theater," p 13.
11. Hq, USFET, Theater Commander's Weekly Staff Conference, No 28, 2 Jul 46, par 42.
12. Ibid, No 31, 23 Jul 46, par 46; No 44, 22 Oct 46, par 31; USFET Press Release No 1893, 13 Jul 46.
13. USFET Press Release No 1854, 3 Jul 46; Hq, USFET, Theater Commander's Weekly Staff Conference, No 29, 9 Jul 46, par 29.
14. Hq, USFET, Theater Commander's Weekly Staff Conference, No 32, 30 Jul 46, par 31.
15. Ibid, p A.
16. Hq, USFET, Theater Commander's Weekly Staff Conference, No 31, 23 Jul 46, par 5.

17. Stars and Stripes, 28 Jan 47.
18. Hq, EUCOM, Deputy Commander in Chief's Weekly Staff Conference, No 2, 3, 19 Aug 47, par 16.
19. GO 207, USFET, 3 Jul 46; Hq, USFET, Theater Commander's Weekly Staff Conference, No 33, 6 Aug 46, par 37.
20. Hq, USFET, Theater Commander's Weekly Staff Conference, No 30, 16 Jul 46, par 10; USFET Press Release, No 1873, 9 Jul 46.
21. Stars and Stripes, 9-11 Jul 46.
22. Ibid, 12 Jul 46.
23. Ibid, 17 Jul 46.
24. Hq, USFET, Theater Commander's Weekly Staff Conference, No 33, 6 Aug 46, par 42b(2); No 35, 20 Aug 46, par 47.
25. USFET Press Release No 1888, 12 Jul 46; Hq, USFET, Thirteenth Meeting of the Theater Commander with Major Commanders and Deputy Military Governor, 24 Jul 46, par 2.
26. Ltr, Hq USFET, 13 Jul 46, file AGO 13.2 GEC-AGO, subj: "Disposition of Internees Held in Civilian Internment Enclosures," par 4e.
27. Stars and Stripes, 19 Jul 46.
28. Hq, USFET, Thirteenth Meeting of the Theater Commander with Major Commanders and Deputy Military Governor, 24 Jul 46, par 9.
29. Ibid, Seventeenth Meeting, 15 Nov 46, par 22; Theater Commander's Weekly Staff Conference, No 46, 5 Nov 46, par 7.
30. Stars and Stripes, 15 May 46.
31. Hq, USFET, Theater Commander's Weekly Staff Conference, No 34, 13 Aug 46, par 21.
32. Hq, USFET, Theater Commander's Weekly Staff Conference, No 29, 9 Jul 46, appendix 2.
33. See "Weekly, PW & C I Status Report as of 10 August 1946" in Hq, USFET, Theater Commander's Weekly Staff Conference, No 35, 20 Aug 46, appendix No 3; No 41, 1 Oct 46; appendix 3.

34. Stars and Stripes, 8 Aug 46.
35. USFET Press Release No 1875, 9 Jul 46; Hq, USFET, Theater Commander's Weekly Staff Conference, No 30, 16 Jul 46, par 31.
36. Hq, USFET, Theater Commander's Weekly Staff Conference, No 34, 13 Aug 46, par 27; Fourteenth Meeting of the Theater Commander with Major Commanders and the Deputy Military Governor, 14 Aug 46, par 3.
37. Hq, USFET, Theater Commander's Weekly Staff Conference, No 29, 9 Jul 46, par 8.
38. USFET Press Release No 1923, 22 Jul 46.
39. Hq, USFET, Theater Commander's Weekly Staff Conference, No 37, 2 Sep 46, par 15; No 38, 10 Sep 46, par 14; Hq USAFE, History, Aug 46, p 44.
40. GO 206, USFET, 8 Jul 46.
41. GO 221, USFET, 30 Jul 46; USFET Press Release No 1915, 19 Jul 46.

Chapter II

9 AUGUST 1946-30 SEPTEMBER 1946

Chapter II

9 AUGUST 1946-30 SEPTEMBER 1946

1. The Economic Union of the U.S. and British Zones.

a. On 9 August 1946, General Clay met Lt. Gen. Brian Robertson, Deputy Military Governor for the British Zone of Germany, and the two reached agreement upon the broad principles of economic unity between the U.S. and British Zones and the general framework of the organization for that purpose. They agreed to create German executive agencies in the fields of food and agriculture, finance, trade and commerce, industry, transportation, and communications. Military government officials and German staffs were preparing more detailed plans. France and the Soviet Union still had not accepted the United States offer
(1)
for economic union.

b. The announcement that the Bizonal Boards had been approved was made on 5 September 1946. The Food and Agriculture Board was established initially at Stuttgart, the Finance and Reichspost Boards at Frankfurt, the Economic Board at Minden, and the Transportation Board at Hamburg.
(2)

2. Study of Community Housing.

a. Housing conditions became especially critical in Frankfurt and Wiesbaden and it became necessary to defer all applications for the transportation of dependents in October, November, and December. It was announced on 9 August 1946 that the Community Planning Board, under the chairmanship of Maj. Gen. Carter P. Magruder, would consider housing problems with emphasis on the decentralization of military communities and the rehabilitation of damaged quarters. The Board also made a study of standards of German housing and their relation to the needs of the U.S. forces.
(3)

b. Some construction material was salvaged from partially destroyed buildings. In order to reduce the congestion in the Frankfurt Military Community, the 6835th Quartermaster Remount Depot, the 6814th Motion Picture Company, the 2d Radio Squadron Mobile, and the Army Exchange Service were moved to other locations.

3. Dr. Cavert Visits Chaplains.

Rev. Dr. Samuel McCrea Cavert, General Secretary of the Federal Council of the Churches of Christ in America, following a

conference which he held with chaplains in the U.S. Zone of Germany, declared on 10 August 1946 that people in the United States needed to know more about the constructive side of Army life in the occupied areas, and less about venereal disease rates and drunkenness. (4)

4. Orientation of Dependents.

The first of a series of five meetings to inform dependents of their responsibilities in the occupation of Germany was held in Frankfurt on 14 August 1946. The Information and Education Service prepared the programs, which included two motion pictures and three lectures bearing on phases of the occupation. Attendance at the meetings was obligatory for all dependents over fourteen years of age. Meetings similar to those in Frankfurt were held in other communities. The conferences were repeated from time to time for dependents recently arrived in the Theater. (5) During August, the War Department authorized dependents to come to the Theater at their own expense if their travel had been approved and they desired to use transportation other than that provided by the Army. (6)

5. Lt. General Morgan Released.

On 20 August 1946, the British War Office announced that Lt. Gen. Sir Frederick Morgan had been released as chief of the displaced persons operations for UNRRA. Mayer Cohen was appointed acting director.

6. Visit of Attorney General.

Attorney General Tom Clark arrived in Berlin on 22 August 1946 and discussed the Trading with the Enemy Act with General Clay.

7. Visit of Admiral Mitscher.

Admiral Marc A. Mitscher, Commander in Chief of the Atlantic Fleet, and a group of naval officers arrived in Frankfurt on 30 August 1946 for conferences with General McNarney.⁽⁷⁾

8. General McNarney's Outline of Policy for the Press.

General McNarney, at his press conference on 5 September 1946, said that the major portion of the yearly cost of the U.S. occupation of Germany, estimated at \$200,000,000, was being spent for food for the German people. He also remarked that discipline among U.S. occupation troops had improved to the point where "I am becoming rather proud of my army."

9. Secretary Byrnes' Speech at Stuttgart, 6 September 1946.

Secretary of State James F. Byrnes made an important foreign policy declaration in the speech which he delivered at Stuttgart on 6 September 1946. Members of the occupation forces from all parts of Germany were present in the Staats Opera House, along with many German officials and citizens. Byrnes came to Germany from the Paris peace conference. He pointed out that security forces probably would have to remain in Germany for a long time, and added that as long as an

occupation force was required in Germany the United States would provide a part of that force. He promised that the United States would continue its interest in the affairs of Europe and the world, but he rejected French demands for separation of the Ruhr and Rhineland from Germany and notified Poland and the Soviet Union that the United States might favor the return to Germany of territory beyond the Oder provisionally assigned to Poland at Potsdam. (8) The Byrnes speech was considered of such importance that it was published in full as a supplement to the I & E Bulletin of 29 September 1946 and distributed to troops in the European Theater.

10. Lichfield Trials.

The last of the Lichfield trials was concluded on 7 September 1946, with the acquittal of the last defendant. These trials arose from charges of cruelty in the treatment of prisoners at the 10th Reinforcement Depot, formerly located at Lichfield, England. During the course of the Lichfield trials, six officers and ten enlisted men were tried. Two enlisted men were tried at Headquarters, London Area Office, and the remainder of the defendants were tried at Headquarters, Continental Base Section, at Bad Nauheim, Germany. Three defendants were acquitted, while the others received sentences ranging from reprimand to two sentences of confinement at hard labor. The sentences of confinement were suspended by the Under Secretary of War, leaving penalties (9) of fines as the severest sentences resulting from the Lichfield trials.

11. Commissions Offered Enlisted Men.

Commanding officers of all echelons were directed early in September to interview enlisted men in an effort to speed up the procurement of 2000 second lieutenants from enlisted ranks. By 12 September 1946, interviewing boards had received 282 applications of which 33 had been approved. On 1 November 1946, General McNarney presented commissions to ninety-seven men who had completed a three weeks' training course in the Third Army School Center at Seckenheim.

12. Reduction of Occupational Troop Basis.

Information to the effect that the occupational troop basis for Germany and Austria would be reduced to 117,000 men (not including 40,000 in the Air Forces) was distributed to major commands on 19 September 1946. ⁽¹⁰⁾ The Theater plan to adjust to the reduction called for the elimination of nonessential activities and provided that tactical units would be self-supporting. In the first phase of the readjustment, units to be eliminated were the 3d, 5th, and 29th Infantry Regiments and the 508th Parachute Infantry Regiment. The 1st Division was to provide units to replace 9th Division units under Third Army control whenever possible, and 9th Division elements so replaced were to be inactivated. The 1st Division units were to be redistributed to Frankfurt, Bremen, Austria, Berlin, and Nürnberg. In the second phase of the readjustment, to be completed on 1 February 1947, supply depots were to be consolidated under Continental Base

- 23 -

Note: - Supply depots were already under Continental Base Section. CBS was phase out & actually did so 15 May 1947. (E.D.R.)
See page 58, par 15

Section functions were to be transferred to the chiefs of the services; Third Army, OMGUS, and Western Base Section headquarters were to be reduced in strength; and the remainder of the 9th Division was to be disbanded. The third phase of the readjustment, to be completed on 1 July 1947, called for the close of Third Army Headquarters, Western Base Section, Continental Base Section, and such other reductions as were necessary to reach the figure of 117,000. Enlisted men who were fathers and who had completed twenty months' service were returned to the United States in time to be discharged by 30 September 1946, while nonvolunteer enlisted men with eighteen months' service were returned to the United States in time to be discharged by 30 November 1946.

13. Reduction in Pretrial Confinement.

There were a number of complaints alleging excessive pretrial confinement in court-martial cases. In September 1946 Theater Headquarters issued a directive stating that no person could be kept in confinement more than eight days without charges being preferred, unless the additional delay could not be avoided, in which case it would be permitted only upon the approval of an officer exercising court-martial jurisdiction. No accused was to be held in confinement awaiting trial for more than twenty days without the personal approval of the major
(11)
commander concerned.

14. Scrip Currency Introduced.

On 14 September 1946, military payment certificates were

introduced in a carefully planned operation, which had been kept secret up to the last minute. A three-day moratorium was placed on all financial transactions, while Allied military marks were turned in to finance offices in exchange for the new certificates. (12) The British had changed from military marks to scrip currency on 1 August 1946, (13) and the French made the change in their Zone in January 1947. General McNarney had announced on 9 July 1946 that he had recommended the change (14) to the War Department. In an attempt to curb counterfeiting, new military payment certificates of a different color and with different identifying marks were placed in circulation on 10 March 1947. Old certificates amounting to about \$83,000,000 were called in during a 9-hour conversion period. (15) The prevalence of counterfeit scrip finally led to an order requiring registration of all \$10 certificates when they were presented at any Army installations.

15. Auto Lotteries Started.

The first Army Exchange Service automobile lottery was held in the Wiesbaden Opera House on 18 September 1946. Lotteries were held at frequent intervals thereafter. Effective on 31 March 1947, Headquarters, EUCOM, prohibited the sale or transfer of used cars for a short period while regulations governing such transactions were completed and placed in effect. (16)

16. Visit of General Eisenhower.

General of the Army Dwight D. Eisenhower and Mrs. Eisenhower

arrived in Southampton on 27 September 1946 for a tour of the European Theater, which included visits to Frankfurt, Berlin, Luxemburg, and Italy.

17. Captain Durant Sentenced.

On 30 September 1946, a military court at Frankfurt sentenced Capt. Kathleen B. Nash Durant, WAC, former manager of the Kronberg Castle officers' club, to five years at hard labor and dismissal from the service, following conviction on counts of absence without leave, larceny, and embezzlement in connection with the theft of an estimated \$1,500,000 worth of Hessian crown jewels taken from the castle.

18. Changes in Key Personnel.

New staff appointments in Theater Headquarters included Brig. Gen. Roy V. Rickard as Theater Provost Marshal on 1 August, (17)

Brig. Gen. E. L. Ford as Theater Chief of Ordnance, (18) and Lt. Col. Kathleen McClure

as WAC Staff Director on 26 August. (19) Lt. Colonel McClure served until

16 September when she was replaced by Maj. Ruby E. Herman. (20) Maj. Gen.

Edwin P. Parker, Jr., became Inspector General on 28 August. (21) On the

same date, Maj. Gen. Withers A. Burress was relieved as Inspector General (22)

and became Assistant Chief of Staff, G-2, at Theater Headquarters.

Maj. Gen. Clarence R. Huebner, who was appointed Deputy Chief of Staff (23) (24)

on 8 August, became Chief of Staff on 31 August. General Huebner

was announced as Deputy Commanding General in addition to his duties as (25)

Chief of Staff on 9 September. On 3 September, Col. James P. Murphy (26)

became chief of the Dependents School Service. The following day

Col. Louis W. Prentiss was announced as Acting Theater Chief of Engineers,
(27)
replacing Maj. Gen. C. R. Moore. Col. John G. Hill became Assistant
(28)
to the Chief of Staff at Theater Headquarters on 11 September.

FOOTNOTES

1. Hq, USFET, Theater Commander's Weekly Staff Conference, No 35, 20 Aug 46, par 47.
2. Hq, USFET, Theater Commander's Weekly Staff Conference, No 47, 12 Nov 46, par 33.
3. Stars and Stripes, 9 Aug 46.
4. USFET Press Release No 1980, 7 Aug 46.
5. Stars and Stripes, 14 Aug 46.
6. Cir 118, USFET, 24 Aug 46.
7. USFET Press Release No 2039, 27 Aug 46.
8. Stars and Stripes, 7 Sep 46.
9. Hq, USFET, Theater Commander's Weekly Staff Conference, No 38, 10 Sep 46, par 72.
10. Ltr, Hq, USFET, 19 Sep 46, file AG 32012 GCT-AGO, subj: "Reduction of Occupational Troop Basis."
11. USFET Press Release No 134, 17 Feb 47.
12. Cir 256, WD, 23 Aug 46; Cir 130, USFET, 13 Sep 46; USFET Press Releases Nos 2090, 13 Sep 46; 2133, 26 Sep 46.
13. Stars and Stripes, 2 Aug 46.
14. Ibid, 10 Jul 46.
15. Cir 19, USFET, 9 Mar 47.
16. USFET Press Releases Nos 2011, 10 Aug 46; 2025, 22 Aug 46.
17. GO 222, USFET, 1 Aug 46.
18. USFET Press Release No 2007, 15 Aug 46.
19. GO 241, USFET, 23 Aug 46.

20. GO 262, USFET, 17 Sep 46.
21. GO 245, USFET, 28 Aug 46.
22. GO 245, USFET, 28 Aug 46.
23. GO 228, USFET, 8 Aug 46.
24. GO 247, USFET, 31 Aug 46.
25. GO 257, USFET, 9 Sep 46.
26. GO 251, USFET, 3 Sep 46.
27. GO 252, USFET, 4 Sep 46.
28. GO 258, USFET, 11 Sep 46.

Chapter III

1 OCTOBER 1946-31 DECEMBER 1946

THE NÜRNBERG TRIALS

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1 OCTOBER 1946-31 DECEMBER 1946

THE NÜRNBERG TRIALS

1. End of War Crimes Trial of Leading Nazis.

Sentences which were announced by the International Military
(1)
Tribunal at Nürnberg on 1 October 1946 were:

Death by hanging: Hermann Goering, Joachim von Ribbentrop,
Wilhelm Keitel, Ernst Kaltenbrunner, Alfred Rosenberg, Hans Frank,
Wilhelm Frick, Julius Streicher, Fritz Sauckel, Alfred Jodl, Arthur
Seyss-Inquart, and Martin Bormann (tried in absentia).

Life imprisonment: Rudolf Hess, Walter Funk, and Erich
Raeder.

Twenty years imprisonment: Baldur von Schirach and Albert Speer.

Fifteen years imprisonment: Konstantin von Neurath.

Acquitted: Franz von Papen, Hjalmar Schacht, and Hans Fritzsche.

2. United States Responsibilities in War Crimes Trials.

These sentences were passed by an international tribunal, but the location of the trial in the U.S. Zone and the agreements preceding it placed a number of responsibilities on the U.S. forces. The trial followed an understanding reached on 8 August 1945 during the Potsdam Conference by the United States, Great Britain, France, and the Soviet Union regarding the prosecution and punishment of major war criminals which led to the establishment of the International Military Tribunal by the Allied Control Council for Germany. The Tribunal conducted the trials, but the U.S. Army was responsible for the confinement of the prisoners and the execution of those condemned to death, and for holding those who received prison sentences until they could be transferred to the Allied Kommandatura in Berlin.

3. Quadripartite Commission for the Detention of Major War Criminals.

Control Council Directive No. 35, dated 2 September 1946, provided that each zone commander would appoint a member of a quadripartite commission for the detention of sentenced war criminals. This agency was to supervise the execution of death sentences and the delivery to

the Kommandatura in Berlin of any persons who might be sentenced to prison. Members of the Quadripartite Commission for the Detention of Major War Criminals, appointed as a result of this directive, were:

United States: Brig. Gen. Roy V. Rickard.

Great Britain: Brig. E. J. Paton-Welsh.

France: Brig. Gen. L. Morel.

Soviet Union: Maj. Gen. P. Malkev.

Eight meetings were held in Nürnberg between 24 September and 6 December 1946, when quarterly sessions were decided upon. After death sentences were pronounced upon a number of the leading Nazi war criminals, the Commission checked security measures at the prison and found them satisfactory.

4. Selection of the Method of Execution.

Two methods of carrying out the death sentences were open to the Quadripartite Commission. Control Council Directive No. 35 had limited the choice to hanging or the guillotine. The Soviet delegate, however, preferred shooting. Brigadier Paton-Welsh and General Morel were in favor of the guillotines, while General Rickard advocated hanging. When the Soviet member was convinced that the choice was limited to the guillotine or hanging, he advocated hanging and that was the method which the Commission finally recommended. There was some doubt as to how far the International Military Tribunal would go in designating the method of execution and the Quadripartite Commission agreed that:

a. If the International Military Tribunal failed to specify the method of execution, hanging would be employed.

b. If the method should be hanging, the United States authorities would be the executive agents of the Commission.

c. If the International Military Tribunal should specify shooting, the United States authorities would be the executive agents of the Commission.

d. If the International Military Tribunal should specify the guillotine, the British would provide the apparatus and the French the executioners.

The Commission disapproved a request, made by Brig. Gen. E. A. Meyes, Theater Chief Surgeon, at the instigation of the Surgeon General, that autopsies be made following the executions. (2)

5. Notifications Regarding Appeals.

On 13 October 1946, the Quadripartite Commission notified prisoners who had made appeals for clemency to the Allied Control Council that the appeals were not favorably considered. The prisoners who had appealed were: Goering, Hess, von Ribbentrop, Keitel, Rosenberg, Frank, Frick, Streicher, Funk, Doenitz, Sauckel, Jodl, Seyss-Inquart, von Neurath, Raeder, and von Schirach. (3)

6. Investigation of Goering's Suicide.

Following the suicide of Hermann Goering, General Rickard appointed Col. B. F. Hurless, Lt. Col. W. H. Tweedy, and Maj. S. T.

Rosenthal as an investigating board. The appointments were confirmed

(4)

by Theater Headquarters. The findings of the board were:

That the small brass container, containing the suicide poison was in the possession of Goering at the time he was taken into custody by the U.S. Army.

That all reasonable safeguards were taken in the guarding of Goering, and that he was able to retain the poison in his possession through his own cleverness and thoughtful planning and that no individual or individuals connected with the prison be held responsible for the death by suicide of Hermann Goering.

7. The Executions.

a. Those present as observers or in other official capacities at the executions in Nürnberg on 16 October 1946 were:

United States:

Brig. Gen. Roy V. Rickard.
Col. Philip C. Clayton.
Col. Bernard F. Hurlless.
Lt. Col. Daniel P. Norman.
Lt. Col. John A. Beall.
Lt. Col. Harry T. Smith.
Maj. Jeal B. Stevens.
Maj. George N. Calvert.
Capt. John A. Alley.
Lt. Stanley Tilles.
Col. B. C. Andrus.
Ch. (Capt.) S. R. O'Connor.
Ch. (Capt.) Henry F. Gerecke.
Lt. Charles J. Roska, Medical Officer.
Lt. Roy A. Martin, Medical Officer.
S. Sgt. McKinley G. Buckner.
M. Sgt. John C. Woods, Hangman.
Sgt. Billey Ford.
Cpl. Heinz A. Kaghse.
Pfc. Joseph Malta.
Pfc. Lawrence Kibodeaux.

Lt. Maurice B. McLaughlin, Third U.S. Army photographer.
Arther Gareth, Mutual Broadcasting Company.
J. Kingsbury Smith, International News Service.
Fred Reitler, Official Recorder.
Capt. Rex Morgan, Graves Registration Officer.
Fred J. Bailey, Assistant to Graves Registration Officer.

Great Britain:

Brig. E. J. Paton-Welsh.
Selkirk Panton, Press.
Basil Gingell, Press.

France:

Brig. Gen. L. Morel.
Sacha Simon, L'Est Republicain.
Louis Daroche, Agence France-Presse.
Lt. Pierre Merle, Interpreter.
Lt. Leon Traucesetow.

Soviet Union:

Maj. Gen. P. Malkov.
Dr. Verobtsev, Medical Officer.
Capt. B. V. Afanasiev, TASS Agency.
Maj. V. A. Temin, Pravda.
Lt. Grishin, Interpreter.

Germany:

Dr. William Hoegner, Minister President, Bavaria.
Dr. Frederich Leisener, Chief Prosecutor.

b. The times at which the trap was sprung and at which the

men executed were pronounced dead were:

	<u>Sprung</u>	<u>Dead</u>
Ribbentrop	0114	0132
Keitel	0120	0144
Kaltenbrunner	0139	0152
Rosenberg	0149	0159
Frank	0158	0209
Frick	0208	0220
Streicher	0214	0228

	<u>Sprung</u>	<u>Dead</u>
Sauckel	0226	0240
Joel	0234	0250
Seyss-Inquart	0246	0257

8. Pictures.

The Allied Control Council directed that the following pictures be taken following the executions:

- One full length, nude.
- One full length, clothed.
- One of the head from the right.
- One of the head from the left.

Four prints were made from each negative and all prints were sent to the Allied Control Council. Negatives were sent to the Allied Control Council in a separate package. The photographs which were published were released to the press by the Allied Control Council in Berlin.

9. Disposal of the Bodies.

The Allied Control Council directed that the bodies be disposed of secretly, but left the decision as to the method to the Quadripartite Commission. Brigadier Paton-Walsh preferred that the bodies be buried, as this was the method normally employed for the disposal of executed criminals in England, but the other three members of the Commission favored cremation, which was the method decided upon. On 17 October 1946, the Commission issued the following official statement:

The body of Hermann Wilhelm Goering together with the bodies of the War Criminals executed in Nurnberg on 16 October 1946 in accordance with sentence imposed by the International Military Tribunal have been cremated and the ashes dispersed secretly.

OTHER EVENTS

10. Security Troops in Headquarters Area.

The 506th Parachute Infantry Regiment, which had been serving as a guard unit at Headquarters, USFET, was relieved on 10 October 1946 by the 2d Battalion, 18th Infantry. The former unit soon departed
(5)
to the United States.

11. Visit of General Eisenhower.

General of the Army Dwight D. Eisenhower, made a brief visit to the European Theater in September and October, arriving at Frankfurt on 13 October. He inspected troops and military government and displaced persons installations.
(6)

12. Stuttgart Offices Bombed.

In the evening of 19 October 1946, a bomb exploded on the windewall of the denazification office at Backnang, fifteen miles northeast of Stuttgart. Shortly afterwards, two more bombs exploded in the local military police station and the building of the denazification bureau in Stuttgart proper. No one was injured in any of the explosions. Damage at Backnang was slight. The first bomb, apparently made of TNT, went off at 1840 hours, but no one was in the building at the time. The second blast went off at 2020 hours at the Stuttgart Spruchkammer, or American-appointed German denazification board.

Twenty minutes later, the third bomb exploded in the building housing Company B, Headquarters, 504th Military Police Battalion, and the military jail, slightly damaging a front corner and blowing out several windows. On 27 October 1946, a bomb exploded on the window ledge of the switchboard room in the building housing the Spruchkammer at Esslingen at 2220 hours. No one was injured. On 20 November 1946, the Army announced the arrest of 23-year-old former SS Maj. Siegfried Kabus and fourteen others, charged with responsibility for bombings at Stuttgart, Esslingen, and Backnang. Kabus and ten others went on trial in Stuttgart on 3 January 1947. On 21 January the court sentenced Kabus to hang and the other ten to prison sentences. (7)

13. Shooting of an American Civilian by a Soviet Sentry.

General Clay's office revealed that a protest had been filed with Soviet officials as a result of the death of Harry D. Flory, Jr., U.S. civilian employee of OMGUS who was shot on 20 October 1946 by a Soviet sentry when he attempted to elude a Soviet patrol car escorting him to the Soviet Kommandatura for questioning. (8)

14. The United Nations General Assembly.

Several matters which directly concerned the U.S. forces in Germany were considered at the United Nations meeting which convened at Lake Success, New York, on 23 October 1946 and continued until 16 December 1946. Most important of these was the approval of the constitution of the International Refugee Organization (IRO) which had

been set up to take over refugee activities from UNRRA. The new organization was not to start operations until at least fifteen nations had agreed to contribute 75 percent or more of its estimated expenses. It was therefore necessary for Theater Headquarters to make plans to administer refugee camps in case that UNRRA expired before its successor was ready to function. Another matter discussed in the Assembly which was of interest in the Theater was the size of the occupation forces of the four powers occupying Germany.

15. Unilateral War Crimes Trials.

On 24 October 1946, OMGUS authorized the establishment of unilateral military tribunals for the trial of hundreds of German war leaders. Brig. Gen. Telford Taylor was appointed chief of counsel for war crimes and his office was transferred to OMGUS. General Taylor succeeded Justice Robert H. Jackson, who resigned.

(9)

16. Aid in Transporting German Harvest.

In the fall of 1946, the occupation forces cooperated with OMGUS in aiding the German economy by providing transportation for the harvest. One aspect of this program was the turning over to the Germans of as many railroad freight cars as possible. This assistance reached the point of providing facilities for moving 40,000 tons of supplies daily for the Germans. The Army allocated some 3000 trucks, or about one-fifth of all general purpose trucks possessed by the military communities, for use in transporting crops.

(11)

The program

of assistance was extended to the end of 1946, and fire wood, as well as critical food supplies, was transported. (12)

17. Kronberg Jewel Cases.

On 31 October 1946, Maj. David F. Watson was found guilty by a court martial of conspiracy and receiving stolen property in connection with the Kronberg jewel thefts and was sentenced to three years imprisonment and dismissal from the Army. (13) Capt. Kathleen B. Nash Durant, previously convicted of participation in the same jewel theft and sentenced to five years in prison, was tried again in a court martial in Frankfurt on 8 November 1946, on charges of obstructing justice by refusing to testify in the trial of Major Watson. (14) She was acquitted on these charges. The trial of the third officer accused of participation in the theft of the Hesse crown jewels, Col. Jack W. Durant, husband of the first defendant, began in Frankfurt on 16 December 1946. (15) The following day, the trial was adjourned because of unsuitable facilities for its continuance during inclement weather. (16)

18. Discontinuance of West African District.

The West African District Command, which had passed to the control of European Theater Headquarters on 31 May 1946, (17) was discontinued on 31 October 1946 and its personnel were transferred to the European Theater. (18)

19. Establishment of Berlin Command.

On 1 November 1946, Berlin District, was discontinued and all its staff and functions were assigned to OMGUS. Berlin District, which had been established on 21 May 1945, had served as the area command for the U.S. Sector of Berlin, and its commanding general had served as the United States member of the Kommandatura, the Allied agency for the military government of the city of Berlin. Concurrently with the merger of Berlin District with OMGUS, a subordinate operating headquarters, styled Berlin Command, was created within OMGUS. The general order making these changes stated specifically that Berlin Command was not to be considered a separate command, but that it was to be an integral part of OMGUS. Berlin Command, was, however, authorized to have a special staff, and its members, except the Adjutant General, were authorized to communicate in technical channels with appropriate members of the staff of Headquarters, USFET. The Commanding General, OMGUS, was authorized to designate the United States member of the Kommandatura. (19) Maj. Gen. Frank A. Keating, who had been Commanding General, Berlin District, and U.S. Member, Allied Kommandatura Berlin, since May 1946, continued in the latter capacity and was named Assistant Deputy Military Governor for Operations and Deputy Commanding General, OMGUS. (20) Col. Bryan L. Milburn was appointed commanding officer of the new Berlin Command, which took over (21) the strictly military functions of OMGUS in the U.S. Sector of Berlin. The strength of U.S. forces in Berlin, which at its peak was about

28,000 men, had fallen by 1 November 1946 to less than 10,000. The 16th Constabulary Squadron with about 1000 men, about 700 military police, and about 7,800 men in the headquarters made up the U.S. forces in Berlin, all under the command of CMGUS. The 3d Battalion of the 16th Infantry Regiment replaced the 3d Infantry Regiment as security troops, when the latter was inactivated on 26 October 1946. The Office of Military Government, Berlin District, became the Office of Military Government, Berlin Sector, and Col. Frank L. Howley retained his post as its director. (22)

20. General Clay's Visit to the United States.

General Clay and Ambassador Robert D. Murphy left for the United States on 8 November 1946 to confer with Secretary of State James F. Byrnes. The Council of Foreign Ministers was in session at New York, and was considering peace treaties with the smaller nations freed from Axis domination. (23)

21. Danube Vessels Released.

On 12 November 1946, General McNarney announced that about 600 Danube River vessels impounded by the U.S. Army in the U.S. Zones of Germany and Austria would be released to their owners in Czecho-slovakia, Bulgaria, Yugoslavia, Hungary, and Romania. The vessels were captured when U.S. forces entered Austria in 1945. The Balkan nations had repeatedly requested their release, but the United States contended that the craft should not be returned until the river was opened to international navigation, as it had been before the war. (24)

22. Discontinuance of Theater Signal Communications Service.

On 15 November 1946, the Theater Signal Communications Service was discontinued and its functions were assumed by the Chief Signal Officer of Theater Headquarters. (25)

23. Very Heavy Bomber Training Flights.

The first group of Very Heavy Bomber (B-29) planes to come to the European Theater on training flights arrived at Rhine-Main airport, Frankfurt, on 17 November 1946. (26) Various other groups came during the following months and remained for short periods of training.

24. Eleven Rescued from Plane Wreck in Alps.

One of the most spectacular airplane accidents in the European Theater took place on 19 November 1946 when a C-53 plane crashed in the Alps, twelve miles east of Interlaken, Switzerland. All on board were rescued. Passengers on the plane were: Brig. Gen. and Mrs. Loyal M. Haynes; Col. and Mrs. William C. McMahon and 11-year-old daughter Alice; Mrs. Ralph Tate, wife of Brig. Gen. Ralph Tate; and Mrs. Alberta Snavely, wife of Brig. Gen. Ralph Snavely. Crew members were: Capt. Ralph H. Tate, Jr., pilot; Lt. Irving S. Mathews, co-pilot; Sgt. Lewis Hill, radio chief; and S. Sgt. Wayne G. Felson, crew chief. Packages of food, medicine, and clothing were dropped from airplanes flying over the location of the wreck, soon after it was first sighted on 22 November. Rescuers on the ground reached the spot the following day. On 24 November, two small Swiss planes landed on the rim of a

glacier and the passengers and crew members of the wrecked plane were flown to Interlaken, where they were placed on a hospital train which took them to Vienna.

(27)

25. Consolidation of Bremen Enclave.

On 21 November 1946, consolidation of the Bremen Enclave into a single military community became effective. The community assumed responsibility for security except for guards within installations. It also took over all missions previously assigned to the 17th Major Port which were not related to the operation of the port. The 17th Major Port continued to handle the Bremerhaven military staging area, the dependents' staging area, the war brides' staging area, and the emigrants' staging area. It also handled all cargo and cleared vessels. The change was made to clarify administrative and operational functions.

(28)

26. Inspection of Negro Troops.

Marcus Ray, Civilian Aide of the Secretary of War, visited the European Theater in November and December 1946, and made a thorough inspection of the status and use of Negro troops.

(29)

27. Military Entry Permits Issued.

Military Entry Permits were required to be issued to all United States and Allied civilian employees by 1 December 1946. The documents were agreed upon by the United States, British, and French officials in Berlin and officers who issued them locally were agents of the Combined Travel Board, COMGUS.

(30)

28. Visit of Pastor Niemöller to the United States.

Pastor Martin Niemöller left Germany on 1 December 1946 for a tour of the United States under the auspices of the World Council of Churches.

29. Bilateral Pact Signed.

On 3 December 1946, Ernest Bevin, British Foreign Secretary, and James F. Byrnes, U.S. Secretary of State, signed a bilateral pact for the economic merger of the U.S. and British Zones of Germany. The pact was designed to make the territory self-sustaining within three (31) years.

30. Dependents Arrive by Plane.

The first wives and children of members of the occupation forces to arrive by plane in Germany reached Frankfurt on 8 December 1946. They were traveling under Project REUNION in Air Transport Command planes. Air transportation was provided in an attempt to reduce the number of women and children waiting in the port of embarkation.

31. Marriage Ban Lifted.

The first relaxation of the ban on marriages between Americans and Germans was announced on 11 December 1946, when General McNarney said that marriages could be performed immediately prior to the departure from the European Theater of the American involved. (33)

In the meantime, the first German fiancées left Frankfurt by air on 24 October 1946, under the legal provisions permitting aliens to join their ex-military intended spouses in the United States. Theater Headquarters approved the first marriage on 7 March 1947, when it granted permission for the wedding of Peter Rupaka, civilian employee, and Erika Schaefer of Frankfurt. By 31 March 1947, the number of applications had reached 726.

32. Peace Treaties with Axis Satellite Nations.

Final agreement among the Big Four on the peace treaties with Italy, Bulgaria, Romania, Hungary, and Finland was reached in New York on 12 December 1946 at a meeting of the Council of Foreign Ministers. The treaties were sent to Allied capitals for signature by foreign ministers, after which they were signed by representatives of the five former Axis nations at a ceremony in the French Foreign Ministry in Paris on 10 February 1947. The treaties were then submitted to Allied governments for ratification.

33. Payments Made to Prisoners of War.

Payment of more than \$80,000,000 in marks to dependents of prisoners of war and former prisoners of war for labor during internment at the daily rate of eighty cents was announced on 23 December by Theater officials. Payment was to be made on the basis of thirty cents to the mark, rather than the usual military rate of ten cents to the mark.

34. Christmas Gifts to German Children.

All members of the occupation forces were officially encouraged to contribute to funds for the entertainment of German children at Christmas time. (38) The Army replied to critics of this policy by pointing out that nearly 60 percent of the young displaced persons in the Zone were entertained at 1946 Christmas parties. A statement was issued by Theater Headquarters to counteract charges in the Allied press that displaced persons had been neglected and needy children in liberated countries forgotten, while liberal gifts were made to Germans. The statement said that only 20 percent of the German youth in the Zone had been entertained by the American, while 47,000 of the estimated 84,000 displaced persons children were guests. Well over one million candy bars, as well as many oranges and nuts, were contributed to both youth groups. Approximately 27,500 United States soldiers and 5,500 United States civilians and dependents made contributions of goods (39) or money.

35. The Christmas Amnesty.

On 24 December 1946, General McFarney in his first address to the German people, granted amnesty to approximately 800,000 Nazi followers. The amnesty applied to all persons not chargeable under the Law of Liberation from National Socialism and Militarism as major offenders and to offenders whose financial status conclusively showed (40) that they had not profited from Nazi greed and ambition.

36. Conferences.

a. A conference of German Youth activities officials was held in Frankfurt on 16, 17, and 18 December 1946. All current problems connected with the Youth program were discussed. The deliberations of the conference reemphasized that the supply of athletic equipment and other materials was still the most serious problem of the youth program. (41)

b. A conference on the organization, administration, and troop requirements of military communities was held in Frankfurt on 23 December 1946. (42) The conference was attended by commanders of military communities and major commands. The major problem discussed was the personnel requirements of the military communities. It was at this conference that announcement was first made of the intention to abandon the terminology of "military community" and "satellite Community," substituting "military post" and "sub-post." (43)

37. Changes in Personnel.

(44) Col. Ray B. Conner became Theater Fiscal Director on 7 October. Brig. Gen. Cornelius E. Ryan replaced Col. Owen Summers as Headquarters Commandant, USFET, on 21 October. (45) Brig. Gen. Don G. Shingler became Theater Engineer on 20 November. (46) Col. Albert C. Morgan became Theater Chief of Army Exchange Service on 22 November. (47) Col. John G. Hill became Secretary of the General Staff at Theater Headquarters on 1 December, while continuing as assistant to the Chief of Staff. (48)

FOOTNOTES

1. USFET Press Release, No 2153, 1 Oct 46.
2. Interview with Brig. Gen. Roy V. Rickard, PM, EUCOM, at Frankfurt, Germany, 22 Apr 47.
3. Hq, USFET, Theater Commander's Weekly Staff Conference, No 43, 15 Oct 46, par 39c.
4. Ltr, Hq, USFET, 24 Oct 46, file AG 340.4, subj: "Board of Officers."
5. USFET Press Release No 2170, 5 Oct 46; Stars and Stripes, 9 Oct 46; Hq, 18th Inf, Rpt of Opr, 1 Oct-31 Dec 46, par 33g.
6. USFET Press Releases No 2193, 12 Oct 46; Stars and Stripes, 13, 14, 15, 17, and 18 Oct 46.
7. USFET Press Releases No 2216, 21 Oct 46; No 2325, 20 Nov 46.
8. Stars and Stripes, 22 Oct 46.
9. GO 301, USFET, 24 Oct 46, GO 304, USFET, 26 Oct 46; Hq, USFET, Theater Commander's Weekly Staff Conference, No 45, 29 Oct 46, par 63a.
10. USFET Press Release No 2229, 25 Oct 46.
11. Ibid, No 2322, 20 Nov 46.
12. Ibid, No 2414, 14 Dec 46.
13. Stars and Stripes, 1 Nov 46.
14. USFET Press Release No 2277, 6 Nov 46; Stars and Stripes, 8 and 9 Nov 46.
15. USFET Press Release Nos 2365, 2 Dec 46; 2370, 3 Dec 46; 2394, 9 Dec 46; Stars and Stripes, 17 Dec 46.
16. Stars and Stripes, 18 Dec 46.
17. GO 163, USFET, 31 May 46.

18. GO 306, USFET, 28 Oct 46.
19. GO 303, USFET, 26 Oct 46.
20. GO 311, USFET, 31 Oct 46.
21. Stars and Stripes, 1 Nov 46.
22. Ibid, 2 Nov 46.
23. Stars and Stripes, 9 Nov 46.
24. USFET Press Releases Nos 2293 and 2294, 12 Nov 46.
25. GO 329, USFET, 14 Nov 46.
26. Stars and Stripes, 18 Nov 46; Hq, USFET, Theater Commander's Weekly Staff Conference, No 51, 10 Dec 46, par 20.
27. Hq, USFET, Theater Commander's Weekly Staff Conference, No 49, 26 Nov 46, par 72.
28. 17th Major Port, Ret of Opr. 1 Oct-31 Dec 46, p 1.
29. Hq, USFET, Theater Commander's Weekly Staff Conference, No 48, 19 Nov 46, par 25; No 49, 21 Nov 46, par 73; Stars and Stripes, 24 Nov 46.
30. Ltr, Hq, USFET, 16 Oct 46, file AG O14.331 GAP-AGO, subj: "Authority to Issue Military Entry Permits."
31. Stars and Stripes, 4 Dec 46.
32. Hq, USFET, Theater Commander's Weekly Staff Conference, No 47, 12 Nov 46, par 5; No 49, 26 Nov 46, par 34; Seventeenth Meeting of the Theater Commander with Major Commanders and Deputy Military Governor, 15 Nov 46, par 8.
33. USFET Press Release No 2402, 11 Dec 46; Cir 181, USFET, 19 Dec 46.
34. Stars and Stripes, 25 Oct 46.
35. USFET, PRD Release No 115, 25 Apr 47.

36. Stars and Stripes, 14 Dec 46.
37. USFET Press Release, No 2443, 23 Dec 46.
38. Hq, USFET, Theater Commander's Weekly Staff Conference, No 45, 29 Oct 46, par 42; No 52, 17 Dec 46, par 21; USFET Press Releases No 2264, 4 Nov 46; No 2396, 10 Dec 46; No 2411, 13 December 46; No 2430, 16 Dec 46; No 2421, 17 Dec 46.
39. USFET Press Release No 2456, 27 Dec 46.
40. USFET Press Release No 2412, 14 Dec 46; for text of General McNarney's address to the German people see ibid, No 2446, 24 Dec 46.
41. Hq, USFET, Theater Commander's Weekly Staff Conference, No 53, 24 Dec 46, par 21; USFET Press Release No 2434, 19 Dec 46.
42. USFET Press Release, unnumbered, 23 Dec 46.
43. Hq, USFET, Theater Commander's Weekly Staff Conference, No 53, 24 Dec 46, par 16.
44. GO 286, USFET, 14 Oct 46.
45. GO 297, USFET, 22 Oct 46.
46. GO 334, USFET, 20 Nov 46.
47. USFET Press Release No 2334, 22 Nov 46.
48. GO 343, USFET, 4 Dec 46.

Chapter IV

1 JANUARY 1947-15 MARCH 1947

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1. Ban on the Importation of Cigarettes.

A recommendation that the importation of cigarettes into Germany by persons or agencies other than post exchanges be prohibited by Theater directive was submitted on 26 December 1946 by a Military Government committee appointed by General Clay. ⁽¹⁾ The recommendation of another committee that cigarettes be eliminated as items of exchange at the Berlin Barter Market already had been approved and went into effect on 1 January 1947. The Berlin Barter Market, opened on 10 August 1946, and the one at Frankfurt, opened on 14 October 1946, were stores for the exchange of goods of all kinds among the Germans and ⁽²⁾ members of the occupation forces. A.J. Rockwell, member of the investigating committee and chief of the OMGUS legal division, said that

there was a legal basis for the ban on cigarettes because cigarettes were being introduced as a form of money. He held that the ruling that no person could have in his possession more than one dollar in United States currency constituted a precedent with respect to the prohibition of money imports. The ban on importation of cigarettes became effective on 9 June 1947. (3)

2. Changes in Command Announced.

First announcement of the proposed change of command in the European Theater was made in Washington on 7 January 1947. On that date it was announced that General Clay would succeed General McNarney, and that Lt. Gen. Geoffrey Keyes would take Gen. Mark W. Clark's post in Austria. It also was revealed that General McNarney would become Army Air Forces representative for the Joint Chiefs of Staff and the Military Staff Committee of the United Nations on 15 March 1947, and that General Clark would take command of the 6th Army Headquarters at San Francisco, succeeding Gen. Joseph Stilwell. (4) The following day General McNarney revealed that Maj. Gen. Ernest N. Harmon, commanding general of the U.S. Zone Constabulary, was appointed acting commanding general of the Third U.S. Army, replacing General Keyes.

3. General Clay's Statement of Policy.

General Clay, in an address to the German Länderrat (Council of States) in Stuttgart, soon after the announcement that he was to be elevated to Theater Commander, said that there would be no marked

change in United States occupation policies in Germany. General Clay also said that he could see no reason why the resignation of Secretary of State James F. Byrnes and the appointment of Gen. George C. Marshall, which was announced on 8 January 1947, should mean any change in United States policy. (5) On another occasion he said that Military Government was attempting to bring Germans and Americans together to discuss openly "the things we believe in." He said that the United States had never officially adopted a "hate-the-Germans" policy, and that the idea that there was such a policy had grown out of rules against fraternization.

4. Courier Service.

a. Pursuant to War Department instructions the Security Courier Service was established in the Theater by orders which were published on 27 December 1946 and which confirmed verbal orders of the Commanding General given on 30 November 1946. (5) This service was placed under the supervision of the Theater Adjutant General. There were two other classes of messenger service in the Theater. The Chief Signal Officer operated the Signal Messenger Service, and certain headquarters and posts maintained local services.

b. Signal Messenger Service, by 30 June 1947, was operating all Theater-wide intrahighquarters messenger services with the exception of that of the Constabulary. It employed enlisted men as messengers and air, rail, and motor transportation, and was able to deliver messages in less time than the Army Postal Service. During December 1946, regular

messenger runs to London, Brussels, Marseille, Le Havre, and certain other points in the area of Western Base Section were discontinued. Early in 1947, the Signal Messenger Service took over all of the OMGUS courier responsibilities. After 15 March 1947, troops for messenger service were limited to the 3139th Signal Service Battalion, the 3160th Signal Service Battalion, and Company "B" of the 3118th Signal Service Group. There was a gradual reduction in the material carried by special messengers and an increase in the use of the Army Postal Service.

c. The Security Courier Service did not maintain any messenger personnel, but arranged for officers to carry top secret material as required. Messages usually were sent to the major commands, the Mediterranean Theater of Operations, to military attaches stationed in Europe, or to the War Department.

5. The Search for Homes for Displaced Persons.

a. In January 1947 it was announced that 2,337 displaced persons of United States citizenship had been repatriated to date. Immigration centers at the time held 922 displaced American citizens, and the State Department estimated that there remained almost 3000 more displaced persons of United States citizenship in the U.S. Zone. (7)

b. A total of 51,220 Polish displaced persons were repatriated under a program which provided a special food ration from October until the end of December. (8) This plan was resumed on 15 April 1947. (9)

c. During January, an agreement was prepared in Brussels between the Belgian Government and the Inter-Governmental Committee on Refugees under which Belgium accepted 20,000 displaced persons to work in coal mines. (10)

d. The Mennonite Central Committee of Akron, Pennsylvania, sponsored the shipment of Mennonites to Paraguay and Canada. On 1 February 1947, 2,100 Mennonite displaced persons sailed for the Mennonite colony in Paraguay. (11)

e. Repatriation of Argentine nationals was carried out between 19 and 23 May by the Argentine Repatriation Mission. (12)

f. In an effort to correct widespread misunderstandings among displaced persons regarding the United States policy on non-forcible repatriation, General McNarney pointed out early in 1947 that displaced persons were forced to return to their homeland only if they were active collaborators with the Nazi regime, war criminals, quislings, or persons convicted of crimes. (13)

g. An estimate by the Displaced Persons Branch of the G-5 Division of Theater Headquarters indicated that about half of the 200,000 employable displaced persons in the U.S. Zone were employed in January 1947. (14)

h. Shipments of expellees from Czechoslovakia and Hungary were suspended in December because of the cold. A tabulation made in January indicated that 1,503,600 expellees had arrived in the U.S. Zone. These included approximately 1,335,000 Sudeten Germans from Czechoslovakia and 168,600 Swabians from Hungary. (15)

1. From V-E Day until August 1946, more than 100,000 Jewish persecutees were granted haven and care in the U.S. Zone of Germany. (16)
On 23 July 1946, Rabbi Philip Bernstein, Adviser on Jewish Affairs to General McNarney, went to Poland to investigate the condition of Polish Jewry. Upon his return he said that American consular service was needed in Poland to take care of persons who could legitimately migrate to the United States. He suggested that investigations be made, looking toward the caring for larger numbers of refugees in Austria, in zones of the other Allies in Germany, and in Italy. These were given as temporary expedients, but he added that the "wish of most of these people to migrate to Palestine, where the Jewish community is prepared to receive and settle them, should be met without a day's unnecessary delay." (17)

6. Reductions in Air Forces Requirements.

a. At the conclusion of the fighting in Europe the United States concept of its occupation air force was based on a "peripheral base" proposal, which would have provided operating bases outside occupied Germany as well as within the U.S. Zone. On 21 May 1945, the Joint Chiefs of Staff forwarded a memorandum to the Secretary of War and the Secretary of the Navy, recommending that negotiations be initiated to acquire eight bases in France, Italy, Denmark, and Norway.

b. After consultation with the State Department this proposal was reconsidered in September 1945, and bases in Norway and Denmark were

eliminated from consideration. By June 1946 it appeared that the entire "peripheral base" concept should be discarded. It then appeared that U.S. forces in Europe would soon be limited to those within the occupied Zones of Germany and Austria, and those necessary to maintain lines of communication.

c. In October 1946 General McNarney recommended that the occupational troop basis of the air component be reduced to provide a scale of tactical strength proportionate to that provided by the ground forces in the Theater. He proposed that by 1 July 1947 this strength should consist of approximately 7,500 troops.

d. The proposed reduction was studied by the War Department and the Army Air Forces. It was agreed that the deployment of Air Forces units in Europe had been nonremunerative. The Secretary of State, however, said that he could not at that time concur in the reduction, so the proposal was held in abeyance. On 20 February 1947, General McNarney said:

Combat Air Forces in the Theater are of no aid to me. They are instead an administrative burden. All I require is an Air Force of about 7,500 to provide air transport and communications.(18)

e. Shortly thereafter, the State Department agreed to the proposed reduction and the Joint Chiefs of Staff decided that the strength of the Air Forces in Europe would be gradually reduced and fixed 8,500 personnel as a planning figure for 1 June 1948.⁽¹⁹⁾

7. "Foreign Legion" Proposals.

a. Several inquiries were received from the United States regarding proposals for the formation of a "foreign legion" to be used in the occupation of Germany. One such inquiry came in March 1947. (20) General Clay said in reply: "We cannot run an American occupation with mercenaries."

b. Officers in Europe conceded that it would be possible to recruit a "foreign legion," provided that it was fed and uniformed at American expense and paid in dollars. Its pay might be substantially less than that of United States soldiers. It was considered possible to organize a force that would replace as much as 20 percent of the Army strength within a year, if its members were enlisted in the Army under full Army discipline. Experience with civilian guard companies had not been satisfactory from a disciplinary viewpoint, as members of these organizations frequently were involved in black-marketing or local disorders. They could not be used to guard supplies of great value. Officers in Europe assumed that a "foreign legion" would have to be made up largely of displaced persons who refused to be repatriated, and they believed that its formation might be regarded as an unfriendly act by the countries from which these persons had come.

c. It was considered practicable to increase the number of German police, but such an increase would not make possible the reduction of the occupying forces. German police already had been given as much jurisdiction as it was considered advisable to give them, including

border control. It was not desired to give them jurisdiction over displaced persons camps nor over American and Allied personnel. It was feared that such jurisdiction might lead to disorders which would increase the need for United States troops. (21)

8. Austrian Treaty Negotiations.

General Clark left Vienna on 9 January 1947 to attend the London meeting of the Deputy Foreign Ministers, where the Austrian Treaty was to be considered. He was accompanied by Col. F. H. Cox, who had supervised the preparation of the United States draft of the treaty; Col. E. B. Howard; J. A. Rundell; Francis P. Williamson, chief of the State Department's Central European Division; and a number of other advisers. (22) Ambassador Murphy also took part in the London negotiations. Austrian Foreign Minister Karl Gruber left Vienna for London on 21 January 1947. The Deputy Foreign Ministers failed to agree on many of the points of the Austrian treaty, and alternate clauses were included in the document which was submitted for the consideration of the Council of Foreign Ministers when it met in Moscow on 10 March 1947.

9. General Keyes Transferred to Austria.

General Keyes went to Vienna on 13 January 1947 to replace General Clark as Commanding General, U.S. Forces, Austria. Although General Clark did not officially relinquish his command until some months later, he was absent from Austria much of the time in treaty

negotiations. General Harmon, Commanding General, U.S. Constabulary, became acting Third Army Commander on 10 January 1947, replacing General
(23)
Keyes.

10. Trade Agreement with France.

A joint Anglo-American announcement on 24 January 1947 disclosed that the merged British and U.S. Zones of Germany had signed a trade agreement with the French Zone of Germany for an interchange of goods amounting to \$6,600,000 during the first quarter of 1947. Negotiations were conducted at the seat of the German bizonal economics
(24)
committee at Minden.

11. Visit of Ex-President Hoover.

On 4 February 1947, Ex-President Herbert Hoover arrived in Frankfurt to make his second survey of the European food situation. Hoover was accompanied by a group of ten experts when he arrived at Rhine-Main airport. The party went directly to the Victory Guest House for conferences with military officials. Hoover's visit included the
(25)
U.S. and British Zones in Germany and Austria.

12. Visit of Representative of the Secretary of War.

Anson C. Goodyear, personal representative of Secretary of War Patterson, was in Germany in March to investigate the morale of U.S. forces.

13. Inauguration of 40-Hour Week.

The 40-hour work week for United States, Allied, and neutral civilian employees whose salaries were paid from appropriated funds became effective on 9 March 1947. This change resulted in pay reductions as high as 20 percent for some individuals, and saved the government (26) an estimated \$2,500,000 annually.

14. Visit of Ex-Governor Stassen.

Harold E. Stassen, ex-governor of Minnesota and prominent Republican possibility for the presidency, landed at Rhine-Main Airport on 10 March 1947. He remained in Frankfurt several days before going to Vienna. Since departing from Washington, D.C., on 22 February 1947, Stassen had visited Belgium, France, Greece, Italy, and Switzerland. With Stassen were Jay Cook of Philadelphia and Robert E. Matteson.

15. Bizonal Communications Established.

The Bizonal Executive Committee for Communications assumed responsibility for civil telecommunications and postal services in the U.S. and British Zones on 6 March 1947. The senior directorates of Communications and Posts, which had been formed in the U.S. and British Zones, were discontinued when the bizonal agency took over. Military Government retained control over policy changes, international services, interzonal changes, changes in rates, and certain other major administrative matters. The chairman of the Bizonal Executive Committee for communications was Christian Blank and the deputy chairman, Willy Steinkopf. There were representatives from each of the eight Laender in the

in the combined U.S. and British Zones.

16. Inactivation of Third U.S. Army.

The Third U.S. Army, which had transferred its major functions to the U.S. Constabulary, became inoperational on 15 February 1947. (28)
It was inactivated on 15 March 1947.

17. New Agencies Established.

a. On 11 January 1947, the 7755th Dependents School Detachment was established as the agency to operate the elementary and high schools for minor dependents in the U.S. Zone. It was stationed at Heidelberg, assigned to the Third U.S. Army, and placed under the operational control of the Assistant Chief of Staff, G-1, USFET. (29)

b. On 5 February 1947, the Theater Military Prison was established at Mannheim. It was placed under the command of Continental Base Section and under the technical supervision of the Theater Provost Marshal. (30) The establishment of the Theater Military Prison followed closely upon the discontinuance of the Würzburg Rehabilitation Center, and marked the institution of the policy of returning to the United States all prisoners sentenced by general courts martial to periods of confinement at hard labor, and whose sentences had been confirmed. The Theater Military Prison became the place of confinement of prisoners who were sentenced, but who were awaiting review of their sentences. (31)

c. On 15 February 1947, the Theater Military Labor Service was established as a special staff agency of Headquarters, USFET,

charged with the supervision of organized civilian guard and labor units and the operation of the 7711th Theater Civilian Guard Training and Replacement Center. It was stationed at Weinheim and placed under the supervision of the Assistant Chief of Staff, G-4, USFET. Col. Richard G. Prather was named as its chief. (32)

18. Changes in Staff.

Col. Edward J. F. Glavin became Theater Chief, Information and Education Service, on 13 January 1947. Brig. Gen. William E. Bergin became Adjutant General on 20 February. Lt. Col. Alfred B. Jaynes became Theater Chief of Claims on 28 February. (33) (34) (35)

19. Transfers of Offices and Headquarters.

a. The Field Information Agency Technical (FIAT), the U.S. Army agency engaged in investigating German scientific and technical advances in order to make them known to the victorious Allies, moved its headquarters from Höchst, beginning on 24 November 1946, to Karlsruhe, where its headquarters were officially established on 4 January 1947. (36)

b. In February and March 1947, the office of the Theater Chief, Troop Information and Education, was transferred from Höchst to Bamberg. The move did not affect the location of the American Forces Network, whose headquarters remained in Höchst, and the Stars and Stripes, whose headquarters remained in Frankfurt and operating plant in Pfungstadt. (37) At the same time, the 7700st Information

and Education Group was established, to be the operating unit of
(38)
Troop Information and Education in its new location.

20. Conference.

A conference of military district and post commanders was
(39)
held in Frankfurt on 6 and 7 March 1947.

FOOTNOTES

1. Stars and Stripes, 27 Dec 46.
2. Weekend, 30 Mar 47.
3. Press Releases Nos. 180, EUCOM, 20 May 47; 227, 27 Jun 47.
4. Stars and Stripes, 7 Jan 47.
5. Ibid, 9 Jan 47.
6. GO 363, USFET, 27 Dec 46.
7. USFET Press Release No 48, 18 Jan 47.
8. USFET Press Release No 41, 16 Jan 47.
9. EUCOM Press Release No 13, 14 Apr 47.
10. USFET Press Releases Nos. 49, 20 Jan 47; 118, 11 Feb 47; 150, 21 Feb 47; 224, 14 Mar 47.
11. Ibid, No 89, 31 Jan 47.
12. EUCOM Press Release No 168, 15 May 47.
13. USFET Press Release No 107, 6 Feb 47.
14. Ibid, No 55, 22 Jan 47.
15. Ibid, No 76, 28 Jan 47.
16. Ibid, 2029, 23 Aug 46.
17. Ibid, 1964, 3 Aug 46.
18. Cable SX-2455, 20 Feb 47, USFET to AGWAR.
19. JCS 521/21, 12 Feb 46.
20. Cable WX-93583, 10 Mar 47, AGWAR to USFET.
21. Cable CC-8313, 10 Mar 47, OMCUS to USFET.

22. Stars and Stripes, Rhine-Main Final, 10 Jan 47.
23. GO 5, Hq USFET, 10 Jan 47.
24. Stars and Stripes, 25 Jan 47.
25. USFET Press Release No 100, 3 Feb 47; Stars and Stripes, 5 Feb 47.
26. Stars and Stripes, 1 Mar 47.
27. USFET Press Release No 188, 5 Mar 47.
28. USFET Press Release No 129, 14 Feb 47.
29. GO 8, USFET, 11 Jan 47.
30. GO 21, USFET, 5 Feb 47; GO 40, USFET, 26 Feb 47.
31. USFET Press Release No 141, 19 Feb 47.
32. GO 30, USFET, 14 Feb 47.
33. GO 10, USFET, 13 Jan 47.
34. GO 34, USFET, 20 Feb 47.
35. GO 45, USFET, 5 Mar 47.
36. USFET Press Release No 28, 11 Jan 47.
37. USFET Press Release No 148, 20 Feb 47.
38. GO 28, USFET, 12 Feb 47.
39. USFET Press Release No 176, 1 Mar 47.

Chapter V

15 MARCH 1947-30 JUNE 1947

Chapter V

15 MARCH 1947-30 JUNE 1947

1. Changes in Organization.

a. U.S. Forces, European Theater, was redesignated European Command as of 0001 hours, 15 March 1947. (1) General Clay assumed command of EUCOM upon the date of its activation. (2) A number of other organizational changes in the European Command became effective on 15 March 1947.

b. The Bremerhaven Port of Embarkation, which combined under one command all district, port, and pest functions, within the Bremen Enclave, became operational on 15 March 1947. (3) The new command operated U.S. Army ports at Bremen and Bremerhaven. It was under command of Continental Base Section until the latter became inoperational on 15 May 1947.

c. Police functions of OMGUS were expanded on 15 March 1947, when it assumed operational control of the German border police. These police formerly had operated under the U.S. Constabulary. Constabulary troops continued to man border crossing points used by persons over whom the German police had no power of arrest. The Constabulary also was responsible for military security in areas adjacent to zone borders. Authorized crossing points were designated for United States and Allied personnel going into Czechoslovakia and Austria and the French and Soviet Zones of Germany. (4)

2. General McNarney's Outline of Future Tasks.

In his farewell address General McNarney outlined the remaining tasks of the occupation in these words:

We are now entering the second phase of the task-- the long-term job of guidance of the German people in their economic, political, and social rehabilitation according to democratic principles. This is your job.

Through example and precept you must guide the German people toward a democracy which desires to live at peace with her neighbors.

By firmness tempered with justice you must prevent the rise of lawless undemocratic elements in order that the Germans shall not stray from the path of democratic procedure upon which they have been started. The road back for the German people will be long and hard. They will need your assistance.

One other task of major importance still confronts you. I refer to the several hundred thousand unfortunate individuals who through Nazi greed and cruelty have been uprooted from their homes. These people are now in temporary haven in the U.S. Zone.

You must complete the humanitarian task of their repatriation or resettlement.

3. Discontinuance of Western Base Section.

Western Base Section at Paris was discontinued at 2400 hours on 31 March 1947. (5) Its closing was a milestone in the withdrawal of U.S. forces from the French capital, which, as headquarters for the European Theater of Operations and for Theater Service Forces, had been a center for extensive activity. Western Base Section had furnished logistical support for U.S. forces in the liberated countries since the Headquarters of Theater Service Forces had moved to Frankfurt, Germany, in December 1945. After Western Base Section was discontinued, the principal U.S. Army unit remaining in Paris was the Headquarters of the American Graves Registration Command, European Area.

4. The Moscow Conference.

Secretary of State George C. Marshall, who had succeeded James F. Byrnes in January 1947, left Washington, D.C., by plane on his way to the Soviet capital, where he arrived on 9 March. On the following day he started conferences with Georges Bidault, French Foreign Minister; Ernest Bevin, British Foreign Secretary; and V. M. Molotov, the Soviet Foreign Minister. Marshall's party included advisers John Foster Dulles, Benjamin Cohen, Ambassador Robert Murphy, Freeman Matthews, and Charles E. Bohlen. Gen. Mark Clark, United

States representative for the Austrian peace treaties, arrived by plane, as did Brig. Gen. William H. Draper, chief economic adviser for Germany. General Clay arrived in Moscow the following day to assist Marshall in the negotiations and remained there until 5 April. The conference adjourned on 24 April 1947 without agreement having been reached on either the German or Austria treaty, but a commission was appointed to study points of disagreement on the Austrian treaty.

5. Railway Supervision Reduced.

Operational military supervision was removed from United States military trains operating on the Reichsbahn, starting on 1 April 1947. Military passenger train operation was transferred from United States military to German responsibility as rapidly as possible. (6) The number of Railway Transportation Officers and other United States supervisors was reduced and German station-masters and conductors were substituted.

6. Military Liaison Mission to the Soviet Occupation Forces.

a. The U.S. Military Liaison Mission to the headquarters of the Commander in Chief of the Soviet Occupied Zone of Germany at Potsdam was organized on 7 April 1947. (7) The agreement between Headquarters, Soviet Occupation Forces in Germany, and Headquarters, EUCOM, providing for the exchange of liaison missions, was signed by Col. Gen. Malinin, Deputy Commander in Chief and Chief of Staff of the Group of Soviet Occupation Forces in Germany, and Lt. Gen. C. R. Husbner,

Deputy Commander in Chief, EUCOM. The U.S. Mission, headed by Brig. Gen. Walter W. Hess, was established in Potsdam. The Russian Mission was established in Frankfurt-am-Main. The Army, Navy, and Air Forces were represented on each mission. The strength of each mission was limited to fourteen.

b. The missions were set up under a protocol entitled "Control Machinery for Germany," prepared by the European Advisory Committee sitting in London in 1944 and 1945 and ratified by the powers at the Potsdam Conference in 1945. In the fall of 1945, General Eisenhower, then Theater Commander, arranged for liaison between USFET Headquarters in Frankfurt and the French Headquarters in Baden Baden and British Headquarters in Bad Oeyershausen. On the proposal of Marshal Zhukov, it was arranged that his deputy, Marshal Sokolevski and General Eisenhower's deputy, General Clay, or their representatives, should maintain liaison between the U.S. and Soviet forces of occupation. In the winter of 1946, the Soviet occupation authorities suggested that liaison be established between the Soviet and American Commanders in Chief, and the missions were established following this suggestion. (8)

7. Polish Government Asked to Recall Liaison Officer.

On 11 April 1947, General Huebner requested the Polish Government to recall Col. Tadeusz Podwysocki, Chief of the Polish Military Mission at Frankfurt since 20 September 1946. General Huebner said

that Col. Pedwysocki had made anti-American speeches. The Polish official was in Warsaw when the request for his recall was announced, and he did not return. (9)

8. Wire Barriers Removed.

On 13 April 1947, General Huebner cabled major commands to discontinue nonessential security measures and to eliminate unsightly barbed wire and similar enclosures. (10) In compliance with these instructions, the guards at the gates of the residential compound at Höchst, Germany, were removed, and crews began taking down the fence. Eleanor M. C. Fleming, president of the Dependents Association of the Höchst community, petitioned for the retention of the fence. Col. Herbert B. Powell, Chief of Staff of Headquarters Command, in answering the appeal, said that all possible steps would be taken to safeguard American property, but that the wire barrier no longer appeared necessary. The Army continued to keep a fence around the Frankfurt compound, where Headquarters offices were located, and retained guards at the gates; but throughout the U.S. Zone, fences were removed from areas used merely for residential purposes. (11)

9. Tour of Businessmen.

Upon invitation from the Secretary of War, fourteen businessmen from the United States arrived at Tempelhof Airfield in Berlin on 19 April 1947 for a 20-day tour of the U.S. and British Zones of Germany. They surveyed German industry and studied the military government program for German economics.

10. Visit of Chief of Chaplains.

Maj. Gen. Luther D. Miller, Chief of Army Chaplains, arrived in Europe on 21 April 1947 and toured the U.S. Zones in Germany and Austria and the Mediterranean Theater. (12)

11. Visit of General Parks.

Maj. Gen. Floyd L. Parks, chief of the Public Information Division, War Department, arrived in Germany on 23 April 1947 for a series of conferences with public information officers. Col. Frank Dorn, assistant commandant at the Army Information School, Carlisle Barracks, Pa., accompanied General Parks.

12. Tour of Belgian Commander.

Maj. Gen. Jean Piren, Commanding General, Belgian Occupation Forces in Germany, accompanied by four staff officers, arrived at Rhine-Main airfield on 28 April 1947 for a five-day tour of U.S. Zone installations, General Piren and group came to the U.S. Zone as guests of General Huebner, the Deputy Commander in Chief. (13)

13. Sales Policies of Post Exchanges.

a. The Board of Directors of the European Command Exchange Service was established to consider all Army Exchange matters of primary importance, especially those involving general planning, large-scale projects, expenditures, and radical changes in current policies. It held its first meeting in April. Maj. Gen. Miller G.

White, Deputy Chief of Staff, EUCOM, emphasized at the meeting that while a profit motive necessarily must be considered, it must be subordinated to service to the Command. The Board of Directors established sales policies as follows:

- (1) Necessities were to be sold as near cost price as possible.
- (2) Gross profits were not to exceed 25 percent.
- (3) Nondamaged stock was not to be reduced below 80 percent of cost price in order to dispose of slow-moving items.

b. Stars and Stripes, under the direction of the Chief of Troop Information and Education, was designated to handle the procurement, distribution, and sale of all periodicals in the European Command, formerly handled by Army Exchange Service.

c. Authority to establish rationing policies was vested in the Chief of Special Services, except for items rationed by European Command directives and others which the Board might consider it necessary to control. All watches were taken off the ration list, inasmuch as there were 81,000 available. All ration restrictions were removed from clothing, except shade 33 uniforms and material.

d. Members of the Board, all of whom were present at the first meeting, were:

- Maj. Gen. J. M. Bevans, Director, P&A, EUCOM.
- Maj. Gen. Carter B. Magruder, Director, SS&P, EUCOM.
- Brig. Gen. Leroy H. Watson, 1st Military District.
- Brig. Gen. Clarence P. Townsley, 2d Military District.
- Brig. Gen. Loyal M. Haynes, USFA.
- Brig. Gen. John H. McCormick, USAFE.

Brig. Gen. Robinson E. Duff, Headquarters Command,
EUCOM.

Brig. Gen. Cornelius M. Ryan, OMCUS.

Also present at the meeting as technical advisers, were:

Maj. Gen. Alexander R. Bolling, Chief, Special Services.

Col. Albert C. Morgan, Chief, Army Exchange Service.

Col. Ray B. Connor, Chief of Finance, EUCOM.

Col. Paul Kellogg, Deputy, Inspector General, EUCOM.

Col. H. Gray, Jr., Army Exchange Service.

Col. R. N. Armstrong, Army Exchange Service.

Lt. Col. M. Goers, Army Exchange Service.

14. Art Objects and Silver Returned to Hungary.

On 22 April 1947, a special train commanded by Maj. Harry I. De Busk and guarded by thirty-seven men from the 1st Military Police Service Group, returned to the Hungarian Government \$20,000,000 worth of seized Nazi art and 6,783 bars of silver valued at \$3,000,000. (15)

15. Red Cross Clubs Transferred to Army.

a. The first meeting between representatives of EUCOM and the American Red Cross, to carry out the proposal of the latter organization to turn over the operation of its clubs and other recreational facilities in the U.S. Zone of Germany to the U.S. Army, was held on 30 April 1947. The meeting was attended by Maj. Gen. James M. Bevans, Director of Personnel and Administration, EUCOM; Maj. Gen. Alexander R. Bolling, Chief of Special Service, EUCOM; Herbert E. Kunde, Deputy Commissioner, ARC, EUCOM; Bert Edgert, ARC representative to EUCOM; and Louise A. Wood, Director of Clubs, EUCOM. As a result of this meeting, a specific number of clubs, the exact number to be determined

monthly, were to be turned over to the U.S. Army for operation beginning on 1 July 1947. The period between 1 May and 1 July was devoted to planning by ARC and U.S. Army officials for an orderly transfer of facilities.

b. There were ninety-six Red Cross clubs in operation on 1 May 1947. Military post commanders determined which clubs were to remain under the Red Cross and which would come under the Army. Most of the 630 American Red Cross employees in club work were given the opportunity to transfer to Army clubs. All supplies and equipment owned by the ARC in the clubs was to be turned over to the Army. Upon completion of the program, clubs and recreational supplies in American Red Cross warehouses in the U.S. Zone were to be turned over to the Army without charge. This program affected only club and recreational facilities operated by the Red Cross for the occupation forces. Other Red Cross services, including Field Service, and the First Aid, Water Safety, and Accident Prevention Programs, continued under Red Cross auspices. (16)

16. Real Property Requisitions.

On 30 April 1947, the European Command adopted the policy of not requisitioning German property unless comparable property was released by the occupation forces. Requests concerning property were handled by the Land Office of Military Government, which negotiated with German governmental agencies. (17)

17. Discontinuance of Continental Base Section.

Continental Base Section became inoperative on 15 May 1947
(18)
after sixteen months of service. It was established in January 1946
and Brig. Gen. Thomas F. Bresnahan took command in February 1946. Its
headquarters was in the Grand Hotel at Bad Nauheim. General Bresnahan
took command of the Bremerhaven Port of Embarkation, which became a
major command under the European Command on the same date that Con-
(19)
tinental Base Section became inoperative.

18. Food Prices Compared.

The Office of the Chief Quartermaster, Headquarters, EUCOM,
conducted a survey of commissary food prices in the European Theater
during May, which indicated that food prices in the European Command
were lower, in almost all instances, than current retail prices in the
United States. Prices in the European Command were checked against
items of the same brand as advertised in Washington, D.C., newspapers.
Prices on all items sold in commissaries, with the exception of food-
stuffs and milk procured in Europe from sources outside the occupied
(20)
countries, were fixed by the War Department.

19. Household Servants.

Household servants of members of the occupation forces, in-
cluding maids, firemen, and gardeners were paid from the German economy,
but the number permitted each household was reduced to one early in 1947.

Personal servants, such as tutors or governesses, were hired through labor offices, but were paid by their employers according to local or military government wage standards. Such employees were furnished one meal daily, which at first was paid for from the German economy but later was charged to the employer.

20. Visits of Relatives of Members of the Occupation Forces.

In June 1947 it was announced that U.S. military and civilian personnel could make applications for visits from their relatives by blood or marriage, provided the visitors could be accommodated in regularly assigned quarters occupied by the sponsors. The maximum stay was fifteen days.
(21)

21. Restrictions upon Entrance into Displaced Persons Camps.

After 21 April 1947, displaced persons camps in the U.S. Zones of Germany and Austria, which then contained about 366,000 persons, closed their gates to any except "hardship" cases. There were then about 166,000 displaced persons living outside the camps in the local economy. General Clay said that this move was necessary as part of the reduction in connection with the transition from UNRRA to IRO, which was to take place on 1 July 1947. Borders of the U.S. Zone were not closed to persecutees, but those who entered were dependent upon German officials for aid.
(22)

22. Soviet Inspection of Displaced Persons Camps.

An inspection of repatriation activities among Soviet nationals in the U.S. Zone of Germany was started on 28 May 1947 by Maj. Gen. Y. D. Basilov, Maj. Gen. S. Y. Vershinin, and Lt. Col. V. E. Golovanov, members of a Soviet mission. They arrived in the U.S. Zone after making a similar inspection in the British Zone. Their itinerary included Frankfurt, Stuttgart, Munich, Regensburg, Ansbach, and Berlin. There were at that time nineteen Soviet officers and thirteen enlisted men stationed in the U.S. Zone for the purpose of handling repatriation of Soviet nationals. Since the end of the war approximately 1,043,150 Soviet nationals had been repatriated, and Theater officials estimated that on 1 May 1947 there were in the U.S. Zone 8,097 Soviet nationals living in displaced persons camps and 12,680 outside camps. ⁽²³⁾ The inspection was completed on 6 June 1947.

23. Summer Camps for Displaced Children.

Summer camps for the children of displaced persons was opened on 16 June 1947. Thirty-two camps accommodated 22,000 children. Each child received a daily food ration of 3000 calories. The project was organized by the world Young Men's Christian Association and Young Women's Christian Association in cooperation with Headquarters, EUCOM, and welfare organizations affiliated with UNRRA. ⁽²⁴⁾ Counselors and administrators for the camps, numbering about 200, were trained at the "Y" International Staff Training School at Stuttgart.

24. Transfer of Displaced Persons Responsibilities to IRO.

a. Representatives of the preparatory commission of the International Refugee Organization (IRO) arrived in Frankfurt on 22 April 1947, and conferred with officials of Headquarters, EUCOM, concerning the transfer of responsibilities from UNRRA to IRO. Alfred E. Davidson and Col. Vernon M. Hammer came to Europe as representatives of Arthur J. Altmyer, Executive Secretary for the Preparatory Commission, and William W. Cox was legal adviser to the group. (25)

b. An agreement between the Executive Secretary of IRO and the Commander in Chief, EUCOM, defining responsibilities of IRO and the Commander in Chief for the care of displaced persons was prepared in final form on 31 May 1947. The War Department approved the agreement with minor amendments on 16 June 1947, and the transfer of responsibility took place on 1 July 1947. The U.S. Army provided essentially the same support to IRO that it had been providing for UNRRA. (26)

c. Much of the burden of caring for displaced persons fell on the German economy. Repair and maintenance of buildings and living accommodations was a German responsibility insofar as possible, but supplies procured outside Germany were subject to reimbursement by IRO. Rail transportation for displaced persons within the U.S. Zone was chargeable to the German budget. The cost of subsistence, fuel, clothing, medical attention, and housing was borne by the German economy, up to the German level of supply. Additional supplies furnished by

War Department agencies were subject to reimbursement by IRO. Displaced persons, paid from German funds, were employed in the maximum number practicable on projects under control of Headquarters, EUCOM. Displaced persons and Germans employed by IRO were also paid from German funds.

d. Maintenance of law, order, security, and public health were command responsibilities to be maintained at War Department expense. U.S. Army nonexpendable property, including vehicles, which had been on loan to UNRRA, were transferred to IRO on memorandum receipt. Spare parts and maintenance services were obtained, if possible, from the German economy; but additional supplies including gasoline and oil, were furnished by the U.S. Army to IRO on a reimbursable basis.

e. Money advanced by IRO to reimburse the War Department for expenditures from appropriated funds was transferred directly to the War Department by the headquarters of IRO. All costs to the German economy were applied against the German budget and charged to the "Care and Maintenance of Displaced Persons."⁽²⁷⁾

25. Status of Displaced Persons on 1 July 1947.

On 1 July 1947, there were 518,258 United Nations displaced persons in the U.S. Zone of Germany. This figure included 37,289 who were employed in civilian guard and labor service units working for the Army. There were 333,118 receiving official United Nations care in displaced persons camps in the U.S. Zone. Those living in the German economy numbered 147,851. The Jewish population numbered 121,118, and there were 109,303 Poles, 40,929 Latvians, 26,320 Lithuanians,

13,003 Estonians, 2,693 Soviet nationals, 4,989 Yugoslavians, and 12,105 stateless persons. Other small groups included French, Norwegian, Czechoslovakian, Belgian, and other nationals. Total repatriation since the end of the war to 30 June 1947 amounted to 2,507,194⁽²⁸⁾ and the total resettlement figure for the same period was 37,511.

26. German Scientists Sent to the United States.

German scientists taken to the United States under Project PAPERCLIP numbered 401 on 1 July 1947. In addition there were 409 dependents of German scientists in the United States at that time. The Germans volunteered for employment and signed six-months trial contracts. They were paid from five to ten dollars a day, payable in marks to their families in Germany, and a daily allowance of six dollars for living expenses in the United States. Each member of the scientist's family was guaranteed 2,300 calories of food daily, and adequate fuel, clothing, and housing in a special housing area in Landshut, Bavaria. If the German's services proved valuable, he was permitted to sign a long-term contract and his family could join him in the United States. The War Department made a number of these men available to American industry under an arrangement worked out with the Department of Commerce.⁽²⁹⁾

27. Schools for Dependent Children.

Schools for dependent children, which had opened in October 1946, were dismissed in July for the summer vacations. About 3000

students had attended, and eighty were graduated from the high schools which were operated in Berlin, Erlangen, Frankfurt, Heidelberg, and Munich. About 500 were enrolled in the five high schools and the remainder in forty-one elementary schools. The Dependents School Service, which operated the schools in the U.S. Zone of Germany, had hired 120 teachers who came from thirty-four states representing every geographical region in the United States. Most of these were on one-year leaves of absence from their schools. All instructors were American, except the Germans and displaced persons who were hired to teach the German language, a subject which was studied by approximately 90 percent of the school students. Each school had a library and the library books and textbooks were chosen by the U.S. Office of Education. Schools in Austria were operated by a staff division of U.S. Forces, Austria, and were separate from the schools in Germany. (30)

28. Exchange Service Centralized.

Effective on 26 June 1947, the Army Exchange Service was centralized and became known as the EUCOM Exchange Service. It was an operational branch of Special Services, and had direct operational supervision over all post exchange installations. Prior to this change in organization, major commands were directly responsible for Army Exchange Service operations within their areas. Post commanders continued to be responsible for administration and discipline, but were relieved of operational responsibilities. Col. A. C. Morgan, chief

of Army Exchange Service at the time of the change, assumed the new
(31)
title of EUCOM Exchange Officer.

29. Liquidation and Manpower Board Discontinued.

The Liquidation and Manpower Board was discontinued on 1 July 1947 and its functions and staff were transferred to the Office of the Director of Operations, Plans, Organization, and Training, Headquarters, EUCOM. (32) The Board had been in operation since 14 January 1946, (33) when it was established for the purpose of keeping the Commanding General informed of progress made in liquidating and (34) reducing the various elements of the command. It had investigated and made recommendations regarding the discontinuance of many elements and units, and had sought methods for the most effective use of manpower.

30. Changes in Personnel.

On 15 March 1947, Maj. Gen. Frank A. Keating became Commanding General of OMGUS and Brig. Gen. Cornelius E. Ryan became (35) Commanding General of Headquarters Command, EUCOM. On 13 March 1947, (36) Capt. Sue Lynch succeeded Maj. Ruby Herman as Deputy WAC Staff Director. On 1 April 1947, Brig. Gen. Robinson E. Duff became Commanding General (37) of Headquarters Command, EUCOM. The assignment of Col. James L. Harbaugh Jr., as Judge Advocate, EUCOM, became effective on 5 April (38) 1947. Col. Charles W. G. Rich, formerly executive officer of Western Base Section, became Assistant to the Deputy Chief of Staff, EUCOM,

(39)

on 11 April 1947. On 16 April 1947, Maj. Gen. Robert LeG. Walsh succeeded Maj. Gen. Withers A. Burress as Director of Intelligence, EUCOM. General Burress became Commanding General of the Constabulary.

(40)
Col. Warren C. Rutter became Deputy Budget and Fiscal Director on 21 April 1947. Col. Otis McCormick succeeded Col. Edward J. F. Glavin as Chief of Troop Information and Education, EUCOM, on 7 May 1947.

(41)
On 24 June 1947 Col. Stanley G. Saulnier, became acting Deputy Inspector General, EUCOM, replacing Col. Paul V. Kellogg. On 15 June 1947,

(42)
Col. Vance W. Batchelor became Chief of the Military Labor Service, EUCOM, replacing Col. Richard G. Prather. Brig. Gen. F. H. Lanahan departed on 18 May 1947 for the United States, and Col. Edward F.

(43)
French was appointed acting Theater Chief Signal Officer. On 19 June 1947, Judge Louis E. Levinthal of Philadelphia was named by General Clay as adviser on Jewish affairs to the Military Governor of Germany (U.S. Zone). Judge Levinthal succeeded Rabbi Philip Bernstein, who had held the position during fourteen months.

FOOTNOTES

1. GO 48, USFET, 10 Mar 47.
2. GO 1, EUCOM, 15 Mar 47.
3. Stars and Stripes, 15 Mar 47.
4. Ibid, 5 Mar 47.
5. GO 6, EUCOM, 20 Mar 47.
6. EUCOM Press Release No 6, 18 Mar 47.
7. GO 17, EUCOM, 8 Apr 47.
8. EUCOM Press Release No 66, 8 Apr 47.
9. Stars and Stripes, 12 Apr 47.
10. Ibid, 14 Apr 47.
11. Ibid, 16 Apr 47.
12. Ibid, 22 Apr 47.
13. EUCOM Press Release No 108, 24 Apr 47.
14. Ibid, No 116, 25 Apr 47.
15. Stars and Stripes, 23 Apr 47.
16. EUCOM Press Release No 129, 30 Apr 47.
17. Stars and Stripes, 25 Apr 47.
18. EUCOM Press Release No 165, 15 May 47.
19. GO 56, EUCOM, 9 Jun 47.
20. EUCOM Press Release No 278, 30 Jun 47.
22. Ibid, No 246, 20 Jun 47.
22. Stars and Stripes, 17 Apr 47.

23. EUCOM Press Release No 199, 28 May 47.
24. Ibid, No 200, 28 May 47.
25. Ibid, No 110, 24 Apr 47.
26. Hq, EUCOM, Deputy Commander in Chief's Weekly Staff Conference, No 16, 1 Jul 47, par 30.
27. Ibid, par 30.
28. EUCOM Press Release No 338, 22 Jul 47.
29. Ibid, No 169, 16 May 47.
30. Ibid, No 85, 16 Apr 47; No 319, 16 Jun 47.
31. Ibid, No 256, 23 Jun 47.
32. GO 64, EUCOM, 18 Jun 47.
33. GO 10, USFET, 10 Jan 46.
34. Cir 4, USFET, 4 Jan 46.
35. GO 50, USFET, 10 Mar 47.
36. GO 54, USFET, 13 Mar 47.
37. GO 13, EUCOM, 27 Mar 47.
38. GO 32, EUCOM, 24 Apr 47.
39. GO 20, EUCOM, 11 Apr 47.
40. GO 25, EUCOM, 15 Apr 47.
41. GO 30, EUCOM, 21 Apr 47.
42. GO 37, EUCOM, 7 May 47.
43. GO 67, EUCOM, 24 Jun 47.
44. GO 71, EUCOM, 30 Jun 47.

45. EUCOM Press Release No 173, 16 May 47.

46. Ibid, No 250, 19 Jun 47.

PART TWO

The Office of the Commander in Chief

CHAPTER VI

THE COMMANDING GENERAL, USFET,

FROM 1 JULY 1946 UNTIL 15 MARCH 1947

CHAPTER VI

THE COMMANDING GENERAL, USFET,
FROM 1 JULY 1946 UNTIL 15 MARCH 1947

TRENDS IN MILITARY POLICY

1. Dominant Trend in Policy.

a. The keynote of the military policy of the Theater through the period 1 July 1946 to 30 June 1947 was economy. In August 1946 General McNarney received the following message from General Eisenhower:
(1)

On 1 and 2 August the President directed that Government expenditure be curtailed to the utmost in an effort to balance the Federal Budget and afford relief to the taxpayers.

The War Department has been assigned by the Commander in Chief a mission world-wide in scope. Within that, each Theater Commander has a specific mission or task to perform. I desire the mission to be accomplished with maximum economy.

Addressing his staff at a conference on 27 August 1946, Gen. McNarney
(2)
declared:

I assume that the greatest saving could be made in a reduction of the service and tactical troops, which then could be released from service in the Army. However, at the present time, I am not prepared to recommend any reduction in the ground troops due to the fact that our commitments have not decreased as we expected them to and in view of the situation in Austria and Italy. While I believe some reduction can be made in Air Force units in the Theater, I cannot recommend a reduction in the over-all Army Air Force, and the only saving in reducing the Air Force Theater Troop Basis would therefore be that resulting from the lower costs in maintaining such units in the ZI rather than overseas.

After referring to some minor activities the elimination of which might result in a certain saving, Gen. McNarney dealt with the question of effecting a reduction in cost of the occupation by making further demands
(3)
on German indigenous supplies, and stated:

In view of the present situation in Germany and our obligations under the disease and unrest formula, I do not believe, and am not prepared to recommend, that the Military impose any further drain upon the German economy. I believe we have gone as far in that direction as we can, and we may even have to retrench somewhat.

b. An intensive drive was put into effect to achieve the maximum economy in all occupation activities, as a result of which economic measures were instituted in nearly every field. The inauguration of the pay-as-you-go system on trains for all except duty personnel,
(4)
the

discontinuance of the intercontract paid leave policy, the rationing of gasoline,⁽⁵⁾ and the restriction of logistical support and services⁽⁶⁾ provided for nonmilitary organizations were all examples of implementation of this policy of economy.

c. As a part of the economy movement, there was an effort to increase the efficiency of the occupation forces, especially through elimination of undesirable or inapt personnel. The Theater Commander took a personal interest in promoting the campaign to discharge this type of personnel. At a conference on 29 October 1946, he referred to a Third U.S. Army study of offenders who were repeaters, which indicated that, if the individuals concerned had been discharged after their second offense, one thousand fewer incidents would have occurred. He urged that the fullest use be made of the authority given by the War Department for the elimination of such personnel,⁽⁷⁾ both officer and enlisted,⁽⁸⁾ and stated that, if necessary, procedure must be simplified.

2. Post Supply System.

By the end of 1946 plans had been completed for a change in the Theater supply system, which would make the military community the basic supply agency by 1 February 1947.⁽⁹⁾ When the military post system replaced the community system of organization, the supply plan was designated the "Post Supply System." It became effective on 15 March 1947, replacing the system in which supply operations had been channeled through Continental Base Section.

3. The IRO Agreement.

On 16 June 1947, an agreement was signed between the Theater Commander and the Executive Secretary of the International Refugee Organization, which was the body designated to replace UNRRA. In terms of the agreement, IRO was to be responsible, once it was fully operational, for the subsistence, fuel, clothing, medical supplies, and accommodation for displaced persons. This marked a change in policy from the UNRRA period, when the Army had been responsible for the greater part of displaced persons supply. In the interim before IRO became operational, the Civil Affairs Division of EUCOM continued to supply assembly centers.

4. Measures Taken against the Black Market.

Measures were taken to hamper, if not eliminate, black-market activities. The first had to do with currency control, a step beyond currency control books. In September 1946 Military Payment Certificates, commonly known as scrip, were introduced on a Theater-wide basis, replacing Allied marks. It was made illegal for Germans to have scrip in their possession. By March 1947 possession of large quantities of scrip by black marketeers and activities of counterfeit experts had made continued use of this money inadvisable. The scrip was accordingly withdrawn from circulation in March 1947 and replaced with a new issue. An attempt to check on the military and civilian personnel involved in black-market activities took the form of investigation of all sums of scrip handed in for exchange that appeared to be excessive. The

last measure designed to curb black-market activities which was put into effect within the period 1 July 1946 to 30 June 1947 was the banning after 9 June 1947 of the import into the Theater of cigarettes from the United States.

CHANGE OF POLICY TOWARD GERMANS

5. General Trend.

On other than purely military matters, the major trend in Theater policy during the year under review was a shift in attitude toward the German population, and this movement away from the immediate posthostilities standpoint was reflected with increasing clarity in many fields of occupation activity. One development to which it led was a system of social passes issued to German nationals which permitted them to enter Red Cross and other clubs and snack-bars. (15) Later it was decided to admit Germans escorted by U.S. personnel to motion picture showings, and the ban on marriage with German nationals was lifted. (16)

6. Policy toward German Youth.

In July ~~amnesty~~ amnesty was extended to certain types of juvenile Nazi. This action was explained by the Theater Commander as follows; (17)

This general amnesty for the youths who were swayed by the most insidious Nazi doctrine and ideology in their most impressionable years was based upon the knowledge that it was exactly this younger generation

upon whom we and the Germans would have to depend for leadership in Germany in the future. By providing them with full opportunity for rehabilitation, Military Government was able to give heart to those forces which were anxious to get on with the job of instituting democracy in Germany. In this response of Military Government to the proposals of the German Council of States, the give-and-take policy of our occupation has again been demonstrated; a policy which, in this instance and in many others, has redounded to the benefit of all concerned and has further promoted the inculcation of democratic procedures.

As a continuation of this policy, increasing stress was laid on German Youth Activities, and through the year efforts were made to improve the quality and execution of the program. Its scope was enlarged to include more than purely athletic activity. Discussion groups were stressed and attempts were made, to provide suitable activities for girls, to encourage their participation in the youth program. For this phase, the aid of American women was solicited. (18) The Theater Commander himself pointed out the vital importance of the task of reeducating youth, and at the German Youth Activities Conference on 7 August 1947 "impressed upon those in attendance the extreme importance of the job, stating that it was perhaps more important than any other job that we can do." (19)

7. Christmas Amnesty.

Other important developments in this line were the Christmas amnesty and the gradual handing over of responsibility to the Germans. The Christmas amnesty was announced by General McNarney in his address on 24 December 1946 at the Remmerberg in Frankfurt, as follows: (20)

Finally, I have approved an extension of the terms of the youth amnesty to approximately 800,000 individuals who are not chargeable under the Law of Liberation from National Socialism and Militarism as major offenders or offenders and whose financial status conclusively shows that they have not profited from Nazi greed and ambition. This amnesty will also include those persons not chargeable as major offenders, who suffer from more than 50% disability. I am sure this amnesty will permit German administration to proceed more vigorously to seek out and punish the active Nazis who brought destruction on their country, and at the same time will encourage those who come under its terms to seek the ways of democracy.

8. Transfer of Responsibility.

The most important instances of the transfer of responsibility were in connection with the bizonal development. As early as July 1946, the transfer to German authorities of U.S. operated civilian internment camps started, and by the second quarter of 1947 only one of the fifteen camps remained under United States control. Certain Counter Intelligence Corps functions were also considered for transfer to the German police, and a gradual transfer to the Reichspost of signal functions took place. German correspondents were admitted to the Theater Commander's press conference from 20 February 1947, when General McNarney held his final Berlin conference. (22) By 1 May 1947, the German rail authorities had assumed control of rail operations in Germany. (21)

9. Declaration of New Policy Trend.

Perhaps the most momentous declaration of policy during the period was the speech made by Secretary of State James F. Byrnes on 6

September 1946 at Stuttgart. The first Theater-level pronouncement to underline the significance of this speech was the address made at the Rommerberg by General McNarney on Christmas Eve, when he said: (23)

I can assure you that the American occupation forces in Germany are not motivated by revenge. They have no wish to prolong the difficulties with which you are faced. The policy of the U. S. Government in regard to Germany was clearly set forth in an address by the Hon. James F. Byrnes at Stuttgart on September 6 Secretary Byrnes also said: "The American people want peace. They have long since ceased to talk of a hard or a soft peace for Germany. This has never been the real issue. What we want is a lasting peace. We will oppose harsh and vengeful measures which obstruct an effective peace. We will oppose soft measures which invite the breaking of the peace."

10. New Orientation Lines.

With the establishment of these new lines of policy, it became obvious that a corresponding change must be effected in the orientation of troops. Incidents in the Theater and adverse publicity in the United States brought matters to a head, and the Theater Commander directed a complete revision of the Theater Troop Information program to eliminate such items as certain motion pictures used in the early posthostilities program, which were now considered to be undesirable in their presentation of the German nation, and to accentuate more positive aspects of the occupation.

11. Measures to Assist the German Economy.

Efforts to assist the German economy were intensified during the period 1 July 1946 to 30 June 1947.

a. Operation SPUD. One of the major instances of Army assistance to the Germans was Operation SPUD, in which potatoes were moved by army trucks. This was not the first or only example of assistance given the German people by the U.S. forces, but it was notable for its magnitude. Thirty-one organized truck companies and 20 percent of the trucks of forty-six communities participated in the movement, which took place from 31 October 1946 to 1 January 1947.

b. Disposal of Captured Enemy Material. A change in policy resulted in the turning over to the Germans for use as fertilizer of nitrates obtained from captured enemy ammunition and in the demilitarization and transfer to Military Government authorities for use in the German economy of all captured enemy material not to be used by U.S. forces.

(24)

MILITARY GOVERNMENT MATTERS

12. Reparations.

In May 1946 dismantling of reparations plants in the U.S. Zone was halted, with certain exceptions, until the issue of the treatment of Germany as an economic unit should be settled, because further dismantling would endanger the achievement of the permitted economic level in the Zone and would create an additional financial burden for the United States. The exceptions were certain plants allocated for

advance delivery and all war plants. This action by the U.S. authorities was thrown into relief by the activity of the Soviet Union in Austria. There the Soviet authorities, under the pretext of seizing former German assets, were carrying out a widespread program of requisitioning, despite protests from the U.S. and British authorities. (26)

Attempts to stem the flood of confiscation included a revised control agreement by the Allied Control Council, intended to specify more clearly what were German assets and subject to confiscation, and the uniting of the People's Party and the Socialist Party in placing all Soviet-confiscated industries on their list of concerns slated for nationalization. (27) (28)

13. Restitution.

The signing of peace treaties with the ex-enemy satellite countries on 10 February 1947 led to expansion of the restitution program to include the countries of Bulgaria, Finland, Hungary, Italy, and Romania, as the treaties provided for the restitution to these countries of property removed by force or duress by German authorities. (29)

14. Denazification.

The Theater policy of shifting responsibility to the Germans is clearly illustrated in the important field of denazification. Under Military Government operation, the program had been confined in general to removal from office of Nazis and militarists until March 1946, when the Law of Liberation from National Socialism and Militarism was

promulgated and the program was expanded to include the discovery and punishment of all active Nazis and militarists. At the end of April the actual operation of the denazification courts passed to the German authorities and the role of Military Government became one of supervision and liaison. During the early period of German operation, progress was not considered satisfactory, and the Deputy Military Governor addressed the German authorities on 5 November 1946, expressing his disappointment and stating that, if no marked improvement was shown in German procedure within sixty days, Military Government would resume operation. By 4 February 1947, however, the situation had improved sufficiently for the Deputy Military Governor to express his satisfaction. (30)

PRELIMINARY PLANNING FOR ZONAL FUSION

16. Early Interzonal Meetings of German Officials.

Problems of mutual interest to the U.S. and British Zones were discussed in joint meetings of officials from each zone as early as January 1946, and in February the Ministers President of the U.S. Zone met in Stuttgart with their counterparts from the British Zone. In April 1946 the Legal Committee of the Länderrat met with representatives of the German Legal advisory Board of the British Zone, and in July members of the Länderrat and the Zonal Advisory Council held a meeting in Hamburg, in the British Zone. Permanent liaison was established between food and agricultural officials of the two zones in May 1946. (32)

17. Early Interzonal Meeting of U.S. and British Officials.

Similar discussions on economic fusion were held by U.S. and British officials. These led to the preparation by Lt. Gen. Lucius D. Clay, Deputy Military Governor of the U.S. Zone, of a paper on the general principles of agreement, which was discussed at a joint meeting in Berlin on 9 August 1946. ⁽³³⁾ At this meeting, attended by General Clay and Lt. Gen. Brian Robertson, British Deputy Military Governor, their assistant deputies, and representatives for politics, economics, finance, trade and industry, food and agriculture, civil administration, and government affairs, ⁽³⁴⁾ agreement was reached on the following points:

a. That several German executive agencies for the two zones will be created, one for each function agreed upon. These agencies, insofar as they are granted powers, will be executive for both zones. They are to work directly with U.S.-British Military Government with no German machinery interposed.

b. In order to create each of these German executive agencies, a German Advisory Board will first be appointed, with an equal number of representatives from each zone. Boards will work under supervision of Allied representatives designated. Each board will adopt its own procedures and submit its recommendations regarding terms of reference, location of the executive agency, and its organizational structure. Procedures will not provide for unanimous consent and will allow submission of minority opinions.

c. For each executive agency there will be created a small allied staff, tentatively three members U.S. and three British. This staff will not be responsible for plans or policy but will generally supervise the German agency and serve as its channel of communication with Military Government. This staff will be integrated rather than joint, with a rotating chairmanship. The senior U.S. member will be chairman during the U.S. and Russian months of the Allied Control

Authority and the senior British member during the British and French months in Berlin. Communications from this Allied staff, either in its own behalf or on behalf of the German agency which it supervises, will be transmitted by the staff as a whole rather than separately through U.S. and British channels, As a practical matter it is recognized that the Deputy for the month always has the right of appeal through his own national channels if agreement cannot be reached.

The channel of communications between the proposed organizations and the functional divisions of OMGUS and the Control Council, Germany (CCG), was to be through a special secretariat, which was also to provide secretarial assistance for further meetings. It was specified that the German agencies were not to be located in one place, since such a centralization might give the impression of a joint bizonal political capital being created, whereas political unity was not among the objectives of the fusion. Procedure was prescribed for the appointment of the various advisory boards that were to set up the executive agencies, functions of the boards were defined, and U.S. and British representatives were appointed to implement the agreements reached at the meeting. Further details were worked out on 4 and 14 September 1946 at the first formal meetings of the Bipartite Board, composed of the Deputy Military Governors of the zones. The general principles of economic union were defined as: a common standard of living to include a common ration in the two zones; a pooling of resources of the two zones for their common advantage; and a common import and export policy limited to agreed items and quantities. Interrelations between Land, Military Government, and Bizonal

authorities were outlined as follows: the Land authorities would continue to function in conformity with directives of the bizonal executive agencies; the bizonal agencies would cooperate closely with appropriate functional agencies, and their findings would be mandatory on approval (37) by Military Government.

18. Establishment of German Bizonal Agencies.

During September bizonal executive agencies were organized for various economic functions, and plans were under way for the establishment of further agencies. Agencies were located as follows: Trade and Industry at Minden, and Transportation at Hamburg and Bielefeld in the British Zone; Food and Agriculture at Bad Kissingen, and Finance at Frankfurt in the U.S. Zone. (38)

19. Signing of the Preliminary Agreement.

On 13 September 1946, the "Preliminary Agreement on the Establishment of a German Economic Administration" was signed by Dr. Viktor Agartz, Prof. Dr. Holting, and Dr. Kuhnert, representing the British Zone on the Executive Committee for Economics, and by Dr. Ludwig Erhardt, Dr. Köhler, and Dr. Mueller, U.S. Zone representatives on the same committee. (39) The location initially selected for the committee was Minden, but a working party had been appointed to investigate other locations for a final site. The Executive Committee had held its first meeting in Frankfurt from 10 to 12 September 1946, and had drafted and adopted by-laws to be submitted to the Bipartite Board for approval. (40)

20. Terms of the Preliminary Agreement.

In terms of the agreement, the Executive Committee for Economics consisted of the Ministers of Economics of the U.S. Länder and three representatives of the British Zone, each of whom was provided with an alternate. Its functions was the enactment of directives for all the participating Länder on basic principles of German Economic and Economic Penal Law, foreign trade, production of goods, distribution of goods, internal trade, price formation and control, industrial standardization, economic statistics, and production, allocation, and distribution of gas, water, and electricity. The Executive Committee was also responsible for the examination of Control Council law proposals referred to it, and the issue of directives for the execution of such Control Council laws and regulations as were referred to it. The agreement also provided that implementation by the Länder of the Executive Committee's decisions was mandatory and would be carried out by the various economic administrative offices of the Länder in the U.S. Zone and by corresponding agencies in the British Zone, and that laws and legal orders would be issued by the Länder in the U.S. Zone and by such methods as might be prescribed in
(41)
the British Zone.

21. Establishment of the Bipartite Economic Control Group.

At the second meeting of the Bipartite Board on 14 September 1946, consideration was given to General Clay's proposal regarding a
(42)
bipartite control group to supervise the bizonal organization. It

was decided that a bipartite economic control group would be established with the following responsibilities: interpretation to the bizonal organization of Military Government economic policy, approval of decisions of the Executive Committee for Economics; transmittal of its decisions and recommendations to Berlin; assistance in recruiting and screening personnel for the bizonal organization; and acting as liaison channels, when necessary, between the bizonal organization and Military Government. (43)

The staff of the Control Group was to consist of eighteen U.S. and British members of sufficient seniority to make routine decisions without reference to Berlin. The date for both the Executive Committee and the Control Group to begin to function was 1 October 1946, and the former was to assume its assigned responsibility in full as soon as feasible and not later than 1 January 1947. (44)

22. Development of Bizonal Organization and Activities.

From September to November 1946, considerable progress was made in the setting up of the executive committees. On 14 September the Bipartite Board approved the establishment of three agencies as of the following dates: Finance on 13 September, Food and Agriculture on 24 September, Transport on 1 October 1946. (45) The agency for Post and Telecommunications was approved on 15 October. (46) At the same time bizonal administration extended its scope to cover new fields. At a conference of German officials from both zones on 4 and 5 October 1946, a committee was set up, comprising one representative from each Land, for the purpose

of investigating denazification procedures in the two zones and establishing uniformity in the bizonal area. The first meeting of the committee followed on 24 and 25 October 1946, at Bad Homburg in the U.S. Zone. (47)

On 17 October 1946, labor officials from the two zones met in Stuttgart to discuss common problems. (48)

In November 1946 the Bipartite Board approved the creation of an additional agency to handle civil service matters for the combined zones, (49) and in the following month the Lander-rat appointed one representative and an alternate from each Land in the (50) bizonal area.

23. Transfer of Authority from Land to Bizonal Organization.

With the progress in organizational development of bizonal agencies, authority was gradually shifted from the Land administration, which had previously been the competent body, to the new bizonal bodies. The first instance of this occurred on 15 November 1946, when the authority of the Commissioner for Price Formation and Price Control was transferred to the Chief of the Main Department for Price Formation and Price Control of the bizonal Executive Committee for Economics. (51) This was followed in January 1947 by transfer of the functions of the Senior Directorate of Communications and Posts, U.S. Zone, to the Main Administration for Post and Telecommunications of the Executive Committee for (52) Communications.

24. Increase in Land Representation.

In November 1946 the Bipartite Board agreed in principle to a

proposal that the Bremen Enclave in the U.S. Zone and the Hansastadt Hamburg in the British Zone should be granted Land status and representation on the bizonal executive agencies. (53)

25. Changes of Location of Committees.

The initial sites of various committees were found to be unsuitable because of either accommodation or transport facilities. By November 1946 the Food and Agriculture Committee was located in Stuttgart in place of Bad Kissingen, and in December 1946 Theater Headquarters opened negotiations with Continental Base Section on the subject of making facilities available in Bad Nauheim for this agency and for the Executive Committee for Economics, currently in Minden in the British Zone. (54)

26. Signature of U.S.-British Pact.

Discussions between the U.S. and British Governments, which had opened in Washington in the middle of November 1946, culminated on 2 December in the signing of an agreement providing for full economic integration of the U.S. and British Zones of occupation in Germany. (55) (56)

The terms of the agreement added a new body to the existing bizonal machinery; the Joint Export-Import Agency (U.S.-U.K.), or JEIA, which was to be responsible for foreign trade.

27. Joint Export-Import Agency (U.S.-U.K.)

a. Organization of JEIA. As established by the Bipartite Board, JEIA consisted of two members of the Bipartite Economic Control

Group, one American and one British, each representing his Military Government. Each member had a deputy and such additional Allied staff as he required. Working within the framework of the directives of both governments and of the Bipartite Board, JEIA was to implement policy, supervise the execution of export-import programs, screen requests for imports, supervise and develop foreign trade relations, and provide for the proper billing and accounting for all exports and imports and collections of proceeds for all exports. (57) The principal office was to be located at Minden, with branch offices in the Land capitals and such other cities as might be desirable. The functions of the Land-level agencies were to be: conducting inquiries and submitting reports on export-import matters; facilitating the handling of foreign buyers in the area; issuing export licenses in the name of JEIA; checking the conformity of the Land Ministry of Economics' operations with policy and pricing; and general liaison with agencies on the Land level of Military Government. (58)

b. Channels of Communication. Decisions of the Bipartite Economics Panel were conveyed to the JEIA through the chairman of the Bipartite Economics Control Group and of JEIA, who were also members of the Control Group. Direct communication was authorized, however, between the chairman of JEIA and the senior commerce representatives in Berlin, and also between JEIA and the Bipartite Economic Panel, provided that the chairman of the Economic Control Group were fully informed. (59)

c. Joint Foreign Exchange Agency. To deal with the financial

aspects of JEIA's operations, another bipartite agency, the Joint Foreign Exchange Agency, was organized at the sixth meeting of the Bipartite Board on 3 February 1947. This Agency, which worked under the Bipartite Finance Panel, was authorized to open and operate accounts with approved banks in the countries where JEIA was operating. (60)

28. Over-all Organization.

With the formation of these agencies, the first complete organizational pattern for bizonal and bipartite machinery was concluded.

29. Interrelation of Authorities.

a. Quadripartite and Bizonal. The relationship between quadripartite and bizonal authorities was defined in a bipartite paper approved in February 1947. This provided that quadripartite decisions in the economic field would be implemented by bizonal machinery; Coordinating Committee and Control Council decisions would be transmitted by British and U.S. elements of the Allied Secretariat to the Bipartite Secretariat, which would, in turn, refer the decision to the appropriate panel. The panel would then draft the implementing instructions to be sent to the Control Groups and would send copies to the Bipartite Secretariat. (61)

b. Bizonal and Land. The connection between Land and bizonal authorities were also clarified. At the request of the Deputy Military Governor, the Länderrat would prepare proposals on such matters as directly concerned Military Government, including implementation of

quadripartite and bizonal decisions. Legislation arising out of bizonal decisions would be referred to the Länderrat prior to approval of such legislation by the Bipartite Board. After approval, the legislation would be sent to the Legislative Assembly. (62) Members of the Land authorities had complained that they were not granted a sufficient measure of participation in decisions reached by zonal and bizonal agencies. From April 1947 this was remedied: members of zonal or bizonal agencies could be requested to attend Land meetings, and information concerning their decisions and proceedings would be made available to Land authorities on request. The Land position, however, was to remain purely advisory and was not to be in the nature of political control. (63)

30. Länderrat and Zonal Advisory Council.

As the bizonal machinery was stabilized and took over a greater portion of the administration in the zones, the question arose as to the continuing functions of Land and zonal agencies. General Robertson, British Deputy Military Governor, stated that he proposed shortly to inform the Zonal Advisory Council that it would no longer be consulted on economic matters. General Clay, for his part, proposed to retain the Länderrat, since certain functions such as the administration of justice and the restitution laws within the province of the Länderrat were not covered by bizonal agencies and since he felt that the abolition of this body would lead to resumption of the attacks, which had already been leveled, that the bizonal merger was a political fusion. (64) Addressing a Länderrat meeting on 3 June 1947, General Clay again expressed the

opinion that the Länderrat should continue until political unification
(65)
of Germany had been achieved.

31. Increase in Bizonal Agencies.

The number of bizonal agencies continued to increase. A Civil Aviation Panel consisting of the head of the Civil Air Branch of the Armed Forces Division of OMGUS and the head of the Air Branch, Combined Services Division of the Control Commission for Germany (British Element), was established in April 1947; a bizonal Statistical Committee was approved in principle but its establishment temporarily deferred; a Joint Committee for Personnel with responsibility for administering the personnel program for bizonal staffs was approved in June 1947.

32. Reorganization of Bizonal and Bipartite Machinery.

The increase in the number of agencies had rendered the organizational machinery bulkier than was desirable, and in May 1947 planning was in full swing for a reorganization on simpler lines. On 29 May U.S. and British Military Governments signed the agreement establishing the Economic Council, which drew into a single bizonal structure the functions currently distributed among the six executive committees. The new organization provided for an Economic Council with members from each Land in proportion to its population; an Executive Committee composed of one representative from each Land; and several Executive Directors to head the bizonal agencies. The Executive Committee's

position was a dual one. In issuing implementing regulations within the scope of the authority delegated to it by the Economic Council, the Committee was subordinate to the Council; but it was not subordinate to the Council in making recommendations on ordinances for adoption by that body; in coordination of ordinances, supervision of their execution, and in implementing regulations. (70) After discussion, the Bipartite Board agreed that members of the Economic Council should not be members of the Landtage, and that in the event a member of a Landtag was elected to the Council, he would be required to resign from the Landtag. (71) The Bipartite Board also agreed that, in the interim period before the new organization took over operations, the existing executive committee would undertake the duties to be carried out eventually by the Economic Council and the Executive Committee, but that all actions taken in this interim would be subject to ratification by the Economic Council when it started to function. (72)

33. Appointments.

Chairmen of the Bipartite Control Office were appointed in June 1947. Clarence L. Adcock, retired major general and former Assistant Chief of Staff, G-5, USFET, and Assistant Deputy Military Governor, was the U.S. appointee, and Sir Gordon N. McCready, formerly Regional Commissioner for Land Niedersachsen, represented the British. (73) Their function was to represent the Bipartite Board in administrative control of the Executive Committee and, through it, of the Executive Directors. (74)

The first meeting of the Economic Council was held in Frankfurt on 5 June 1947. The Council numbered fifty-four members, the ratio to population represented being 1 to 750,000. The members had been elected by the Landtage in proportion to the votes polled by the various political parties at the latest Land elections; the eight members of the Executive Committee had been designated by the eight Land governments. (75)

34. Centralization of Bizonal and Bipartite Machinery.

The next stage in the organization of bizonal and bipartite machinery was the decision to centralize all agencies in one location. On 8 May 1947, at a luncheon meeting of Allied correspondents, Walter Kolb, Lord Mayor of Frankfurt, announced that Military Government officials had chosen Frankfurt as the economic capital of the combined (76) zones.

FOOTNOTES

1. Theater Commander's Weekly Staff Conference, No 36, 27 Aug 46.
2. Ibid.
3. Ibid.
4. Theater Commander's Weekly Staff Conference, No 7, 29 Aug 47.
5. Theater Commander's Weekly Staff Conference, No 52, 17 Dec 46.
6. Theater Commander's Weekly Staff Conference, No 15, 24 Jun 47.
7. Cable WX-83443, 19 Oct 46, AGWAR to USFET.
8. Theater Commander's Weekly Staff Conference, No 45, 19 Oct 46.
9. EUCOM, SS& P, Rpt of Opr. 1 Jan-31 Mar 47.
10. Theater Commander's Weekly Staff Conference, No 16, 1 Jul 47.
11. Theater Commander's Weekly Staff Conference, No 14, 17 Jun 47.
12. Cir 256, WD, 23 Aug 46, "Military Payment Certificates."
13. Cir 19, USFET, 9 Mar 47.
14. Ibid.
15. PED Release 1873, USFET, 18 Jul 46.
16. Cir 181, USFET, 19 Dec 46; Stars and Stripes, 12 Dec 46.
17. USFET, Occupying Germany, Nov 45-Mar 47, by Gen. Joseph T. McNarney, Mar 47.
18. Theater Commander's Weekly Staff Conference, No 48, 19 Nov 46.
19. Theater Commander's Weekly Staff Conference, No 34, 13 Aug 46.
20. Stars and Stripes, 25 Dec 46.
21. Theater Commander's Weekly Staff Conference, No 6, 11 Feb 47.

22. Theater Commander's Weekly Staff Conference, No 9, 4 Mar 47.
23. Stars and Stripes, 25 Dec 46.
24. Theater Commander's Weekly Staff Conference, No 18, 15 Jul 47.
25. MG of Gany, Monthly Rpt of Mil Governor, No 21, 1-31 Mar 47.
26. Theater Commander's Weekly Staff Conference, No 31, 23 Jul 46.
27. Theater Commander's Weekly Staff Conference, No 29, 9 Jul 46.
28. Theater Commander's Weekly Staff Conference, No 32, 30 Jul 46.
29. MG of Germany, Cumulative Review, No 21, Reparations and Restitution.
30. Ibid, Denazification and Public Safety.
31. MG of Germany, Cumulative Review, 8 May 45-30 Nov 46, German Governmental Organization and Civil Administration.
32. Ibid.
33. BISEC, OMCUS, Office/SG, Minutes of Joint US-British Meeting on Economic Unity, 9 Aug 46.
34. Ibid.
35. Ibid.
36. MG of Germany, Monthly Rpt of Mil Governor, No 15, 1-30 Sep 46.
37. Ibid.
38. Ibid.
39. BISEC, BIB, Rpt by Bipartite Economic Cttee, 13 Sep 46, BIB/4(46)9.
40. Ibid.
41. BISEC, BIB, Preliminary Agreement on the Establishment of a German Economic Administration, BIB/P(46)5(Final).
42. BISEC, BIB, Minutes of 2d Meeting, 14 Sep 46, BIB/M(46)2.

43. BISEC, BIB, Proposal for the Establishment of a Bipartite Economic Control Grp, 16 Sep 46, BIB/P(46)13.
44. Ibid.
45. USFET, Theater Commander's Weekly Staff Conference, No 40, 24 Sep 46.
46. USFET, Theater Commander's Weekly Staff Conference, No 43, 15 Oct 46; SGS, Rpt of Opr, 1 Oct-31 Dec 46, (SECRET).
47. MG of Germany, Monthly Rpt of Mil Governor, No 16, 1-31 Oct 46.
48. USFET, Theater Commander's Weekly Staff Conference, No 45, 29 Oct 46.
49. MG of Germany, Monthly Rpt of Mil Governor, No 17, 1-30 Nov 46.
50. MG of Germany, Monthly Rpt of Mil Governor, No 18, 1-31 Dec 46.
51. Cf No 58.
52. MG of Germany, Monthly Rpt of Mil Governor, No 19, 1-31 Jan 47.
53. Cf No 58.
54. Cable SX-7420, 28 Dec 46, USFET sgd McNarney to CBS.
55. Stars and Stripes, 15 Nov 46.
56. Text of Agreement, 2 Dec 46, sgd the Hon James F. Byrnes, and the Rt Hon Ernest Bevin (copy in SGS file 092, vol I, subj: "Inter-allied Relations").
57. BISEC, BIB, JEIA, (US-UK), 6 Feb 47, BIB/P(46)25, 2d Rev, BIECO, P(46)16 Revise.
58. Ibid.
59. Ibid.
60. MG of Germany, Monthly Rpt of Mil Governor, 1-28 Feb 47.
61. BISEC, BIB, Bizonal Implementation of Quadripartite Decisions, (memo by the American member), 6 Feb 47, BIB/P(47)5/1.

62. MG of Germany, Monthly Rpt of Mil Governor, No 21, 1-31 Mar 47.
63. OMGUS, Statement by Dep Mil Governor at Plenary Session of Zonal Advisory Council, 30 Apr 47 (copy in PID file 337, subj: "Deputy Mil Governor").
64. BISEC, BIB, Minutes of 10th Meeting, 23 May 47, BIB/M(47)6.
65. Statement by the Mil Governor at 21st Meeting of the Länderrat, 3 Jun 47 (copy in PID files, Frankfurt, Germany).
66. MG of Germany, Monthly Rpt of Mil Governor, 1-30 Apr, 1-31 May 47.
67. MG of Germany, Monthly Rpt of Mil Governor, 1-31 May 47.
68. Ibid.
69. Ibid.
70. BISEC, BIB, Minutes of 11th Meeting, 29 May 47, BIB/M(47)7; DISEC, BIB, Creation of a Bizonal Economic Council, 20 May 47, BIB/P(47)46 (SECRET)
71. BISEC, BIB, Minutes of 10th Meeting, 23 May 47, BIB/M(47)6.
72. Ibid.
73. MG of Germany, Monthly Rpt of Mil Governor, 1-30 Jun 47.
74. Ibid.
75. Ibid.
76. Stars and Stripes, 9 May 47.

Chapter VII

ORGANIZATION OF THE OFFICE OF THE COMMANDER IN CHIEF IN BERLIN

Chapter VII

ORGANIZATION OF THE OFFICE OF THE COMMANDER IN CHIEF IN BERLIN

PLANNING FOR EUCOM

1. Review of Previous Directives.

All of the previous orders and directives having to do with the authority and responsibilities of the Deputy Military Governor and the Office of Military Government for Germany (U.S.) were reviewed in a staff study which was completed in October of 1946. (1) In this staff study it was assumed that the Control Council for Germany possessed paramount authority on matters affecting Germany as a unit. It was further assumed, that the Theater Commander was vested with supreme executive, legislative, and judicial authority within the U.S. Zone, in addition to his authority as commanding general of the United States forces of occupation. It was assumed that this authority of the Theater Commander was a delegation of power through proper channels by the President of the United States, and that the Theater Commander

might redelegate some of his power, unless specifically restricted by law or by higher authority from doing so. In Washington, governmental policy with regard to United States participation in the occupation and government of occupied countries was formulated by the State Department. It was assumed that that Department would eventually take over administration in Germany.

2. Inauguration of Unified Command.

Toward the end of 1946 the Joint Chiefs of Staff were engaged in planning a general reorganization of the command of U.S. forces outside the continental United States, with the objective of a greater degree of unified command. (2) Their unified command plan, which was approved on 12 December and forwarded to the Theater on 17 December 1946, (3) assigned to the Commanding General, USFET, a triple mission: the support of U.S. policy in Europe within the scope of his command responsibility; the occupation of Germany; and the planning and preparation, with the resources at his disposal, for meeting a general emergency. The unified command to be exercised by the commanding general was to consist of component army, army air, and naval forces, each commanded directly by an officer of that component. Appropriate members from the various components were to form a joint staff for the Theater Commander, while commanders of the component forces were authorized direct communication with appropriate headquarters on matters such as training, administration, and supply, which were not

(4)
a responsibility of unified command. Gen. Joseph T. McNarney, then Theater Commander, communicated with the Joint Chiefs of Staff early in January, pointing out that the accomplishment of his mission in Germany was achieved mainly by Military Government and by ground and service forces, that the naval component was small, and that with the improved political situation the air forces might be materially

(5)
reduced. In view of these special circumstances, General McNarney requested that the European Command be authorized direct command over ground forces without the establishment of an intermediate headquarters. (6)
Consideration was given to this request by the Joint Chiefs of Staff and, in view of the fact that the functions of the European Theater were primarily administrative and the channels of command functional rather than service, approval was granted. (7)

3. Theater Flanning.

Meanwhile, in the European Theater, the assistant chiefs of staff, on the direction of the chief of staff, drew up a plan for the organization of the Theater by 1 July 1947, on the assumption that the Theater Commander would be relieved of military government responsibility "in the foreseeable future." (8)
The outline plan for the Theater reorganization, to be completed by 1 July 1947, prescribed the division of the U.S. Zone into post areas, and laid down the dates of inactivation for several major commands to be phased out. The remaining major commands were to be: ~~U.S.~~ Naval Forces, Germany, USAFE, USFA, CMCUS

(for military administration only), Districts 1 to 4 (Wurttemberg-Baden, Grosshessen, Bavaria, and the Bremen Enclave), the American Graves Registration Command, and the Headquarters Command, USFET. (9) This plan was further elaborated in January 1947, and stress was laid on the need for increased emphasis on training, since the entire reorganization was based on a reduction of personnel without an equivalent reduction in occupation tasks. (10) As late as the date of this plan, however, no change had been announced in the structure of Theater Headquarters.

4. Reorganization of Theater Headquarters.

With the departure of General McNarney imminent and the assignment of Lt. Gen. Lucius D. Clay as Theater Commander Designate, the reorganization of Theater Headquarters became the subject of study in the Theater. The major organizational change proposed was the establishment of an Office of the Theater Commander in Berlin, which would include in addition to certain OTCUS officials several representatives of the staff divisions heretofore located in Frankfurt, such as the Inspector General, the Budget and Fiscal Director, and the Director of Intelligence. On 12 February 1947, a staff study was prepared covering the action necessary to implement General Clay's desires concerning the establishment of this office, (11) and presenting the drafts of what were later published as General Orders 37, 38, and 48. The responsibilities of the new office in Berlin were detailed as: all claims of value between \$2,500 and \$5,000; death sentences imposed by Military Government courts

and War Crimes courts; correspondence with high-ranking representatives of foreign governments; correspondence in which the personal pronoun must be used or which required the Theater Commander's signature; matters of policy handled by the chief of Civil Affairs requiring coordination with OTCUS; the establishment of, or correspondence on, major policy changes; appointment of major commanders and chiefs of the major divisions; Military Government matters of concern to the State Department; Theater civilian policies and controversial matters involving employee relations, where censure or adverse publicity might result; civilian awards; investigation arising out of correspondence from members of Congress; important projects involving inter-Allied goodwill; and changes in Theater organization. (12) The announcement of the actual change of title of the Theater and of General Clay's appointment were received from the War Department at the end of February. (13) The date of the creation of the European Command was stated to be 15 March 1947, and General Clay was designated Commander in Chief as of that date, with responsibility for exercising unified command over all forces previously reporting to the Commanding General, USFET, and for military government responsibility in Germany. (14) The Chief of Staff, U.S. Army, was designated as the executive agent for the Joint Chiefs of Staff for the European Command. (15)

5. Announcement of the Establishment of EUCCOM.

The official order redesignating USFET as EUCCOM, effective 15 March, was published on 10 March 1947, ⁽¹⁶⁾ and listed the appointment of the various key personnel in the new organization. The Office of the Commander in Chief, EUCCOM, was established in Berlin, to consist of the Political, Economics, Governmental Affairs, and Finance Advisors, the Directors of Personnel, Intelligence, Management Control, and Budget and Fiscal, and the Inspector General. COMCUS was assigned the responsibility for administration of the office and for establishing and maintaining the secretariat. Where the main body of a division remained in Frankfurt but the chief of the division was on the staff of the Office of the Commander in Chief, the division in Frankfurt was headed by a deputy. In Theater Headquarters in Frankfurt, the general staff divisions were redesignated. G-1 Division became Personnel and Administration; G-2 Division, Intelligence; G-3 Division, Operations, Plans, Organization and Training; and G-4 Division, ⁽¹⁷⁾ Services, Supply and Procurement.

6. Establishment of U.S. Ground and Service Forces, Europe.

As of 15 March 1947 also, Headquarters, U.S. Ground and Service Forces, Europe, was established in Frankfurt, with Maj. Gen. C.R. Ruebner commanding and Maj. Gen. M.G. White as Chief of Staff. General and special staff duties were to be performed by the offices

and personnel of the general and special staff divisions of Theater Headquarters. All ground and service force units, except those assigned to Military Government, the Office of the Commander in Chief, the Air Forces, the U.S. Navy, and exempted War Department agencies, were assigned to the U.S. Ground and Service Forces, Europe. The headquarters was nonoperational, and the purpose of its establishment was to provide "a ground and service commander with command functions required by administrative and logistic support." His principal function was the establishment and maintenance of high standards of discipline. (18)

Maj. Gen. Frank A. Keating was appointed commanding general of OMCUS (19) and Deputy Military Governor, U.S. Zone, (20) and Brig. Gen. Cornelius E. Ryan commanding general of Headquarters Command, EUCOM. (21)

ORGANIZATION OF THE OFFICE OF THE COMMANDER IN CHIEF, EUCOM

7. Preparation of the Plan.

Selection of General Clay as General McNarney's successor had the effect of elevating OMCUS, which had been subordinate to USFET. It was not intended that EUCOM should in any way be subordinate to OMCUS, and in order to avoid that consequence it was decided to establish the Office of the Commander in Chief separate from OMCUS and EUCOM. The outline for the plan for the Office of the Commander in Chief was prepared by General Clay personally, aided principally by Col. David L.

Robinson, Jr., OMGUS Control Officer, who was later designated Director of Management Control in the new office. USFET Headquarters worked out the remaining features of the reorganization, which was effected by the publication of General Order 48 on 15 March 1947. (22)

8. Theater Headquarters Structure.

The Headquarters structure of the European Theater included the Office of the Commander in Chief, EUCOM, and Military Governor in Berlin; the Office of the Deputy Commander in Chief and Chief of Staff and Commander of the Ground and Service Forces, which remained in Frankfurt; and Headquarters, Office of Military Government for Germany (U.S.), which continued in Berlin under the direction of the Deputy Military Governor and Commanding General, OMGUS. The Office of the Commander in Chief was described as remaining free of operations, functioning only as an immediate adjunct of the Commander in Chief himself. It was not to perform duties which could be delegated to EUCOM or OMGUS.

9. Basic Policy Considered.

Consequently, elements were established only for those activities which could not be delegated. These included consideration of basic policy matters, coordination of the two commands, EUCOM and OMGUS, and ultimate control of the operations of both. For policy advice three former OMGUS division heads were brought into the office—an Economics Advisor, Governmental Affairs Advisor, and Finance Advisor—and the existing Political Advisor was retained. Offices were

established in fields including budget and fiscal, intelligence, and personnel, where relations of EUCOM and OMCUS were closest, and control was set up for coordinating organizational and administrative relations in general. This office also provided a facility for control of all operations through development and analysis of reports from OMCUS and EUCOM. The Inspector General provided another means of over-all control. These latter offices were filled with officers drawn in some instances from EUCOM (Intelligence, Inspector General, Budget and Fiscal) or OMCUS (Management Control), or left for recruitment in the Zone of the Interior.

10. Early Organization.

As established on 15 March 1947, the Office of the Commander in Chief included: the Political Adviser, Ambassador Robert D. Murphy; the Economics Adviser, Maj. Gen. William H. Draper, Jr.; the Governmental Affairs Adviser, Mr. Henry Parkman; the Finance Adviser, Mr. Jack Bennett; the Director of Management Control, Col. David L. Robinson, Jr.; the Director of Intelligence, Maj. Gen. Withers A. Burress; the Inspector General, Maj. Gen. Edwin P. Parker, Jr.; and the Budget and Fiscal Director, Col. John J. Dubblede, Jr. Col. Peter P. Rhodes was named Deputy Director of Intelligence for Military Government matters. A Director of Personnel was included, but no one was announced for the position at that time. On 16 April, 1947, Maj. Gen. Robert LeG. Walsh became Director of Intelligence, replacing Maj. Gen. Withers A. Burress.

11. The Deputy Commander in Chief and Chief of Staff, EUCOM.

In the absence of the Commander in Chief, the Deputy Commander in Chief was to assume command and act as Military Governor. He was to become a member of the Policy Group for all matters concerning units under his direct command.

12. Executive Officer.

The Executive Officer was to be responsible for the direction and coordination of all activities of the Office of the Commander in Chief. His assistant was to perform secretariat services. Neither the Executive Officer nor the assistant was appointed prior to 30 June 1947.

13. Advisers.

In functioning as a Policy Group, the advisers, the Deputy Military Governor, and such other persons as the Commander in Chief might designate acted under the chairmanship of the Commander in Chief or of someone else designated by him. Each adviser had a field of primary interest and the plan of the organization was that the several fields taken together would cover the entire range of occupation policies. Each adviser, when functioning in his assigned field, reported directly to the Commander in Chief.

a. The Political Adviser. The Political Adviser continued his duties as adviser to the Commander in Chief. Since his main office was already functioning in Berlin, there was little change in organization.

The portion which remained in Frankfurt operated as part of the personal staff of the Commander in Chief. The Political Adviser's main function in the Policy Group was to participate in collective deliberations on matters affecting more than one field. ⁽²³⁾ He kept State Department authorities in Washington informed on the status of planning in Germany and the Theater Commander informed regarding international developments.

b. The Economics Adviser. The Economics Adviser was the former chief of the Economics Division of COMUS, which included six highly specialized branches, ⁽²⁴⁾ namely: Industry, Food and Agriculture, Trade and Commerce, restitutions, Decartelization, and Supply Accounting.

c. The Finance Adviser. The Finance Adviser also came from COMUS, and was concerned with the decentralization and supervision of the public and private financial structure of Germany. ⁽²⁵⁾ The COMUS division was responsible for the blocking and control of foreign exchange, and for the administration, custody, and accounting of the tangible and intangible properties of Allied nationals and of German property confiscated or seized by Military Government. It was charged with the fulfillment of the commitments of the Military Governor regarding German external assets. Thus the Finance Adviser was able to make recommendations on those matters having to do with German assets and finances.

d. The Governmental Affairs Adviser. The Governmental Affairs Adviser, who also came from OMCUS, was a specialist in the field of Governmental affairs and in close touch with German governmental organization.

14. Other Functions of Office of the Commander in Chief.

The functions of the remainder of the staff of the Office of the Commander in Chief were shared by the four Directors and the Inspector General as follows:

a. Director of Management Control. The Director of Management Control was responsible for determining what reports were required from OMCUS and EUCOM and for analysing and summarizing those reports. He gave advice on organizational and procedural problems and was to work with the Director of Civilian Personnel and the Budget and Fiscal Director on manpower allocations.

b. The Director of Civilian Personnel. The Director of Civilian Personnel could initiate or review policies covering the administration of U.S., Allied, neutral, or indigenous civilian personnel. He was to advise MC officials on the recruitment of personnel for key positions and advise and consult both OMCUS and EUCOM regarding civilian personnel administration. It was his function to review existing or proposed military personnel policies where civilian and military policies were interrelated and, in coordination with the Director of Personnel and Administration, EUCOM, to develop policies

affecting both categories. The position of Director of Civilian Personnel remained vacant until 4 September 1947.

c. The Director of Intelligence. The Director of Intelligence, who moved his office from Frankfurt to Berlin, was responsible for basic policies covering the collection, analysis, and dissemination of all intelligence within the European Command, insured that the intelligence agencies of EUCOM and OTCUS carried out their missions efficiently, and provided the Commander in Chief, European Command, and the Policy Group with such intelligence as they required. His duties included preparation of a master intelligence plan, interpretation of basic policies pertaining to all commands and agencies, and review of intelligence matter submitted to the War Department. He maintained liaison with the Director of Intelligence of the War Department, Military Attaches, and the Political Adviser on requirements of the State and War Departments for intelligence from the European Command.

d. The Budget and Fiscal Director. The Budget and Fiscal Director, who came from the EUCOM staff, was concerned with appropriated funds and with funds derived from the German economy for U.S. military use. He prepared budget directives and outlined methods for the justification of estimates. He was responsible for making available to all elements of the Command such funds as were necessary to implement approved programs. He also supervised accounting and control procedures and prepared reports.

e. The Inspector General. The Inspector General, who came from the EUCOM staff, was responsible for inspections, investigations, surveys, studies, and reports of activities of all units, offices, agencies, and commands under the Commander in Chief.

15. The Bureau of the Budget Team.

In April 1947 General Clay, upon the initiative of Colonel Robinson, requested the U.S. Bureau of the Budget to send a team to the European Theater to work with the Director of Management Control in developing recommendations for making the new organization effective, including particularly a design for a system of reports and controls to enable General Clay in Berlin to control the operations of EUCOM, which maintained its headquarters in Frankfurt. During the war, the Bureau of the Budget had acquired considerable experience on Army administrative problems, both in the Zone of the Interior and overseas. The request was approved. Members of the team who came to Germany were: L.W. Hoelscher, chief, James L. Sundquist, Lt. Col. Francis ImMasche, Robert H. Rawson, Albert G. Sims, Gerald P. Bushnell, and Dr Hiram M. Stout. Colonel Robinson returned to the United States and the Bureau of the Budget staff performed directly for General Clay the planning job which would normally have belonged to the Director of Management Control.

16. Basic Assumptions.

In its consideration of the organization of the Office of the

Commander in Chief, the team from the Bureau of Budget took note of the possibility of an early transfer of administration to the State Department. In the event that this transfer took place, some disposition would have to be made of the Office of the Commander in Chief. The team considered three plans. Plan "A" proposed that the Office be developed as a long-range institution. Plan "B" was for a short-range office, to be eliminated in the event the State Department assumed control. Plan "C" was for a short-range office, but one in which the elements of the Office of the Commander in Chief from EUCCOM and ONCUS would revert to those commands in the event of a transfer of administration to the State Department. Plan "C" was the one generally followed and the Office was set up in such a manner that its elements could revert to their commands of origin. (26)

17. Problems Considered.

The Bureau of the Budget team took up four main problems in connection with Theater administration. They were: clarification of relationships among ONCUS, EUCCOM, and the Office of the Commander in Chief; development of a system of reports which would provide the Commander in Chief with information on projected work and on progress in activities undertaken by the European Command; establishment of a manpower control and reporting system, the purpose of which was to inform the Commander in Chief of the utilization of personnel and facilities and permit closer control of manpower allocations by EUCCOM;

and study of the organization and functioning of intelligence activities in both the European Command and Military Government. The last problem was covered in a report by Dr. Stout; Colonel Imfiasche prepared a report on utilization of personnel and facilities; a special unit was established in the Office of the Director of Operations, Plans, Organization and Training, EUCOM, and an outline for reports was drawn up.

18. Recommendations of the Team.

Recommendations regarding the organization of the European Command were submitted on 10 May 1947 by Mr. Hoelscher. These recommendations accepted the general plan under which the Office of the Commander in Chief had been established and proposed refinements and clarification. The main changes proposed were: the chief of the office to be a civilian; the office to be distinct from both EUCOM and COMUS and not include officers serving in two capacities; development of policy and long-range planning functions; addition of a Cultural Affairs Adviser; and clarification of the point that the Director of Personnel would be concerned almost wholly with civilian personnel. The plan was approved by General Clay, and he gave instructions that it be put in written form to be circulated for comment.

19. Issue of Directives Based on Plan.

a. Draft copies were ready by 17 May and were circulated to key officers in EUCOM and COMUS, who were requested to return their comments to the Control Officer by 4 June. These comments were

incorporated into a revised draft and three proposals were distributed on 17 June 1947. These included: a General Order describing the over-all organizational relationships in the European Command; a letter regarding the organization of the Office of the Commander in Chief; and a letter regarding the Policy Group.

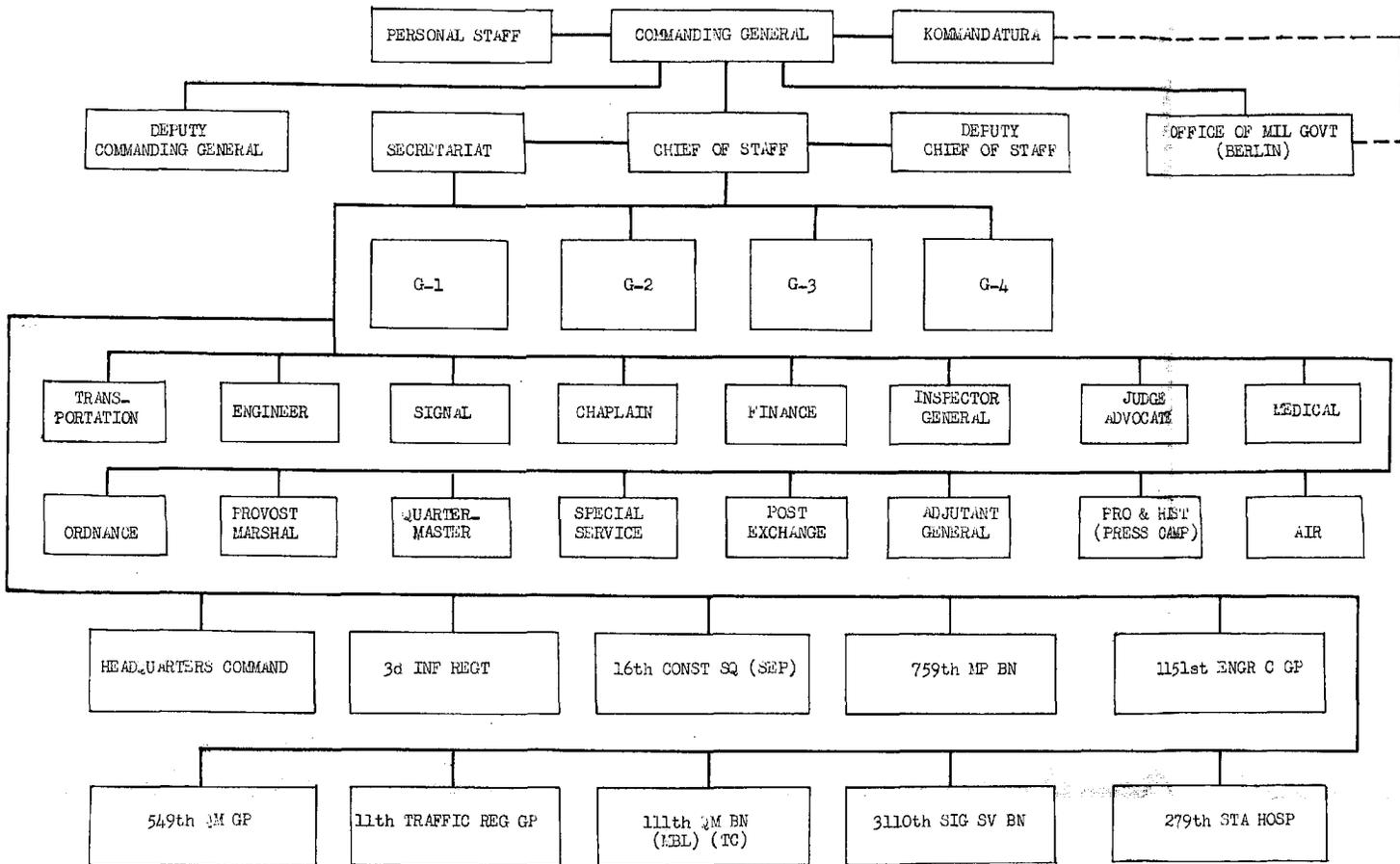
b. Heads of offices and divisions of COMUS met on 20 June 1947, with a EUCOM representative present, in the main conference room of the Director's Building for a discussion of these documents. Representatives of the various divisions presented their views and General Clay gave decisions on the points which arose. The discussion centered on the Policy Group, the main question being whether the Deputy Commander in Chief and the Deputy Military Governor should be added to the membership. Since it was concluded that the advisers would act primarily as individuals rather than collectively, it was decided to withhold the papers on their functions as a policy group until such time as the Office of the Commander in Chief was more fully organized. A General Order was distributed on 24 June 1947 and a letter the following day. These outlined the organization of the Office of the Commander in Chief. An executive officer and assistant were authorized, but no appointments were made. The designation of the Director of Personnel was changed to "Director of Civilian Personnel." With the Deputy Military Governor and such other persons as the Commander in Chief might designate, the Policy Group was to function collectively under the chairmanship of the Commander in Chief in considering

broad policy matters concerning units under his command.

c. The plan equipped the Office of the Commander in Chief to come with those aspects of the occupation in which the activities of Military Government and the occupation forces raised questions of policy or coordination requiring resolution at the highest level possible. The fields represented were those in which the Commander in Chief must keep in closest daily contact and which must be kept under his personal control. The Office, however, was not fully organized prior to 30 June 1947. ⁽²⁷⁾

HEADQUARTERS BERLIN DISTRICT
 STAFF ORGANIZATION AND MAJOR SUBORDINATE UNITS

1 JULY 1946



FOOTNOTES

1. Staff Study, COMUS, 31 Oct 46, file AG 322 AG, subj: "Revision of General Orders of USEFT Covering Authority and Responsibilities of the Deputy Mil Governor and the COMUS."
2. JCS, 1259/27, 11 Dec 46, Unified Command Plan.
3. Memo, MD, CG, Opr Div, 17 Dec 46, file P&O 384, TS (17 Dec 46) subj: "Unified Command Plan," for CG, USEFT.
4. JCS 1259/27, 11 Dec 46, Unified Command Plan.
5. Cable SX-1161, 8 Jan 47, CG, USEFT to JCS.
6. Ibid.
7. Memo, CofC, US Army, JCS 1259/31, 28 Jan 47, with Encl "A."
8. Staff Study, USEFT, 13 Dec 46, subj: "Organization of the ET."
9. Ibid.
10. Ltr, USEFT, 31 Jan 47, file AG 322 COT-AGO, subj: "Plan for Reorganization of US Forces in ET."
11. Staff Study, USEFT, G-3 Div, 12 Feb 47, subj: "Reorganization of Theater Headquarters."
12. Ibid., Tab "D."
13. Cable WARY-972711, 24 Feb 47, JCS to CG, USEFT.
14. JCS, 1259/33, 17 Feb, "Creation of European Command"; see also JCS, Corrigendum, 19 Feb 47.
15. JCS 1259/33, 17 Feb 47, "Creation of European Command."
16. CO 48, USEFT, 10 Mar 47.
17. Ibid.
18. CO 49, USEFT, 10 Mar 47.
19. CO 50, USEFT, 10 Mar 47.

20. GO 38, USFET, 21 Feb 47.
21. GO 50, USFET, 10 Mar 47.
22. Except where otherwise stated, the remainder of the chapter is based on an interview with Mr James L. Sundquist, Dir of Management Control, Office of Commander in Chief, EUCOM, in Berlin, Germany, on 11 Sep 47.
23. IEG, Pol Adv to Dir Management Control, 3 Jun 47, file AG 322 EUD'C-B, subj: "Comments on Documents Relating to Organization."
24. Status Rpt, OMCUS, 1 Mar 46, p 9.
25. Ibid, p 10.
26. Ltr, OMCUS, 27 May 47, file 322(GO), subj: "Request for Comments on Documents Relating to Organization," accompanying chart, "Provisions of Alternative Draft Orders."
27. Cf n. 22; see also GO 66, EUCOM, 24 Jun 47; and ltr, EUCOM, 25 Jun 47, file 322 GGT-AGO, subj: "Organization of the Office of the Commander in Chief, European Command."