



☆ XVII ☆



The German Problem

SECRETARY Marshall arrived in London by plane on November 21 for the Conference of the Council of Foreign Ministers that had been tentatively arranged in Moscow in April. This time he had no great hopes and, after the weeks of frustrating sessions of the spring, he did not intend to go through such a routine again. He gave special instructions to John Hickerson, chief of the Office of European Affairs at the State Department, to pay careful attention to developments, and if there appeared absolutely no basis for negotiation, he planned to terminate the meeting. But if there was any evidence of a willingness to reach an agreement, he was prepared to spend all the time needed to achieve one, for he believed that Europe desperately needed peaceful solutions.¹

Little had occurred in Europe since the April adjournment to encourage him about the Soviet Union's attitude. In accordance with Moscow Conference decisions, representatives of the four occupying powers met in Vienna from May 12 to October 11 to discuss terms of an Austrian treaty. After rehashing the points of the earlier conference, they adjourned without taking any final action. The head of the U.S. delegation, Joseph M. Dodge, reported to Marshall that "the heart of the problem is the matter of the amount and the nature of the Soviet claim on Austria." These claims "were unbearably excessive, far more than was agreed at Potsdam, and far more than a free Austria can afford."²

Also in accordance with recommendations at Moscow, a meeting of deputies was held November 6-22 to settle some of the disagreements that had been deferred by the Foreign Ministers in April. Here too little progress had been made before the London Conference began.

Not long before leaving for the session in London, Marshall had

made an effort to hasten the congressional approval of the European Recovery Program legislation, and to clarify the U.S. position in Germany, with a major speech carried over a national radio hookup before a meeting organized by the Chicago Council on Foreign Relations and the Chicago Chamber of Commerce, at the Palmer House on November 18. Again he declared the importance of European security to that of the United States:

The stabilizing influence which Europe as a concert of independent nations exercised on the remainder of the world was a basic factor in assuring the security of our own nation—a fact which we acknowledged by twice committing our total resources to the preservation of the integrity of the continental community, free of single-power domination³

Two of the three great powers that had helped defeat Hitler wished to restore the former Europe, while a third seemed willing to allow chaos to continue. Though Marshall disagreed with such a reaction, he was careful not to attack that power, for

we cannot expect the same conceptions to be held by all countries. Different races, different traditions, different histories and rates of development lead to different results, but on fundamentals I think we find a general agreement among peoples the world around

He denied that the United States was trying to thrust Europe into a role of dependency. Since the war, the United States and Great Britain had reduced their control throughout the world, meanwhile, the Soviet Union had consistently expanded its frontiers. The United States was accused of wishing to dump its surplus goods on Europe. This, he said, must have a strange sound to “those Europeans now desperately seeking the very essentials of life.”

As for good will toward the Soviet Union, he repeated what he had said to Stalin the previous spring, that at the close of the war the people of the United States had had as high a regard for the Soviet people and their sacrifices and the Soviet Army and its leaders as for any people in the world. Since that time, the Soviet government had proceeded in such a way as to change that feeling. In recent meetings of the United Nations, there had been a high degree of vituperation and abuse, but he believed that it was helpful to have a forum for free debate.

At the forthcoming meeting in London, the critical problem would be Germany. He wanted to leave no doubt of the need to prevent a renewal of German militarism and to guard against giving Germany priority over any other part of Europe in economic recovery. But rehabilitation of the German economy was essential to European recovery; the occupying powers owed it to their own people to make Germany productive again, to reduce the direct costs of the occupation on taxpayers. And German stability required the restoration of a measure of self-government and the establishment of peace.

A summer of name-calling had further soured relations with the Soviets. In declining to meet with Western European countries to arrange European Recovery aid from the United States, the Soviet Union had not only accused the United States of bad faith, but had also excoriated the states of Western Europe for selling their souls.

The United States did not intend to watch the disintegration of the international community to which it belonged.

But at the same time we are aware of our strength, and of the fact that there is great need in many countries for our help and our friendship, we can afford to discount the alarms and excursions intended to distract us, and to proceed with calm determination along the path which our traditions have defined

Several changes had been made in the U.S. delegation since the spring meeting. Charles Bohlen had succeeded Benjamin Cohen as counselor; Carlisle Humelsine would handle the tasks of General Carter (left behind because of an emergency appendicitis operation). Lieutenant General Geoffrey Keyes, now High Commissioner of Austria, was replacing General Mark Clark. The delegations of the four countries still had the same heads: Marshall, Bevin, Molotov, and Bidault. Ambassador to Russia Smith, General Clay, and Robert Murphy were in their familiar roles, and John Foster Dulles was again on hand to represent the Chairman of the Senate Foreign Relations Committee. Ambassador to Britain Lewis Douglas, with whom Marshall would stay, was an important figure in the negotiations. Marshall had known and liked Douglas during World War II and had strongly recommended him to Truman for the ambassadorship to the United Kingdom when the President's first choice, Max Gardner, suddenly died. Marshall had admired his combination of firmness and smoothness in handling problems as a member of the board that coordinated shipping under Admiral Emory S. Land during the war.

Douglas told his guest how warmly the British were preparing to welcome him. The King wanted Marshall to come to lunch, the Society of Pilgrims hoped to get him for a speech, and Lord Halifax, chancellor of Oxford University, was inviting him to come to All Souls' College in early December to receive an honorary degree. Old friends from the war years were planning lunches and dinners for any free time he would have.

Problems in the London meeting promised to repeat those of the Moscow sessions, but the atmosphere would be distinctly friendlier. Although Marshall had stayed with a valued old friend in Moscow, he had not otherwise been at ease. The constant escort of Russian security guards, even during a walk in the park, stifled him, and he had been sure that the U.S. Embassy was bugged.

On the evening before the opening of the Council of Foreign Ministers, Marshall and Douglas dined with Bevin, Sir Edmund Hall-Patch (Deputy Under Secretary of State for Foreign Affairs), and Defense Minister A. V. Alexander to discuss the problems they expected to meet the next day. Bevin and Marshall stayed after the others had gone, to consider topics, outside the German question, that would dominate the meetings.

The foreign ministers' meeting opened formally at Lancaster House on November 25. A clash arose immediately when Molotov opposed Marshall's proposal to take up the Austrian treaty first. Since the ministers had seemed closer to agreement on that point than on anything else, the American thought that a positive decision would "reassure the people of the world." Molotov held up proceedings until the following day, when he agreed that the Austrian accord be taken up first but asked that it then be referred to their deputies with instructions to report back on December 5.⁴

In making this concession, the Soviet Minister accused the United States and Britain of delaying the German treaty in hopes of imposing an imperialist peace rather than the democratic one sought by the U.S.S.R. Marshall sternly demanded that he drop the propaganda and stick to business. The United States wanted the substance, not a shadow, of a German settlement.

Marshall settled resignedly into the pattern of operation that he had followed at Moscow. The delegation worked at 5 Grosvenor Square, near the U.S. Embassy, looking out on the wintry foliage of a square so well known to Americans stationed in London during the war, a memorial was being built there to Franklin Roosevelt. The Secretary met his advisers at his office each morning to analyze the discussions of the previous day. Briefings were easier than at Moscow, because they were now traveling over familiar ground and

positions could be prepared well in advance. General Clay seemed much more in accord with Marshall's policy than at Moscow, and spoke highly of the Secretary during this period. He wrote.

Marshall was in top form and measured his decisions and moves in the light of the speech which he had made in Chicago to define American policy. It was evident that he enjoyed developing any divergencies in viewpoint within the delegation so that they could be weighed in reaching his decisions. I found these meetings invigorating and helpful. It was interesting to note the technique used by Marshall, who held open staff meetings and listened to conflicting views, as compared to that of Byrnes, who had preferred to discuss special issues with the several experts before making up his mind.⁵

Marshall observed France was still making it difficult to present a solid Western front to the Soviets, so he began early to work on Georges Bidault. Knowing that France's insistence on Allied Control of the Ruhr gave Molotov an opportunity to advance a claim to share control, a move opposed by Britain and the United States, Marshall warned that temporary settlements, which might seem to satisfy the French public, might adversely affect U.S. public opinion on the European Recovery Program. France's insistence on a special regime for control of the Ruhr meant that the question of a Soviet demand for participation in that regime would be put forward.⁶

Bidault knew that opposition groups in the U.S. House of Representatives were proposing cuts in proposed interim aid to France, and he said that the French Communists were using this as an argument for refusing to trust the United States. Still, though such appeals were part and parcel of the current Communist drive for power, Bidault thought that the present French government would be able to handle the situation.

When the council met later that evening, Bevin proposed that a special commission be established to deal with all claims against Germany made by states bordering on that country. Bidault and Marshall agreed, but Molotov killed the proposal. When Bidault announced that the United States and Britain had agreed that the Saar should be economically integrated with France, Molotov made no comment.⁷

This Western cooperation led Molotov to ask if it was true that Bevin planned to establish a three-power government in western Germany. Bevin retorted that he had been trying for months to achieve a democratic government for Germany and that he was

being pilloried at home for assuming that Four Power agreement could be reached. The British did not assume in advance that the conference would fail, but they must be expected to take action if the present council took none. Marshall interjected that U.S. backing of German unity was a matter of record and that the American offer of September 1946 to unite the American zone with other zones still held good. Molotov responded by making a motion asking that the meeting go on record against the formation of a government for any zone of Germany.

The London Conference held only seventeen sessions, compared with the forty-three in Moscow, but most of the old disputed issues were trotted out again. Hotly contested was the makeup of permanent committees to draw up provisions for a peace treaty with Germany. Marshall and Bevin insisted that all countries that had had a crucial part in the war should have a hand in the peace. Molotov and Bidault held that those other than the Big Four should sit in only on those parts of treaties vital to them. Marshall also wanted the conference to include all those countries that had been at war with Germany and states that were neighbors of Germany. Molotov objected that this would mean fifty-five nations, instead of the twenty-five he envisaged. He specifically rejected Marshall's efforts to include China, and spoke disparagingly of including Latin American countries that had declared war on Germany. Marshall reminded him that some of these countries had provided ports and airfields through which supplies had been sent to the Soviet Union.⁸

The chances of an Austrian treaty appeared slight when Molotov charged that the United States had violated Austrian sovereignty in giving economic assistance and had intervened to prevent the Soviet Union from reaching an agreement with Austria. Well aware that the Austrian President feared Soviet intervention, Marshall branded the statement as untrue. He was getting tired of this delay, and held to his initial intention of pushing on to the next item on the agenda.⁹

After ten days of tedious quibbling, Marshall asked if it was possible to accept the British plan presented at Moscow as the basis for the principles of a new German government. Molotov challenged the proposal by stating that, even as Marshall pressed this motion, Mr. Harriman in Washington was calling for a new government in West Germany. The U.S. Secretary denied that there was any basic division in their views and asked if the Soviet Union was determined to delay any political and economic unity for Germany until Germany paid \$10 billion in reparations. If that was his idea,

how did he expect them to pay it?¹⁰ He and Bevin agreed that if this sum were required, it would have to come out of German production in the British and American zones, and those two countries would ultimately have to pay the bill.

By December 4, sensing that time was running out with no actions taken, Marshall and Bevin had examined measures they might use to salvage anything from the stalemate. Bevin had been considering making some concession on the Austrian treaty, while Marshall thought of listing a number of possible actions and announcing that if the Soviets did not want to go along, the United States would proceed alone. Bevin assured him that in such a case he could rely on the British, who seemed prepared for a breakdown in negotiations. Marshall admitted, "Quite frankly, what would be popular in the United States would be that I should break off and tell the Russians to go to the devil. . . ." But, he reflected, this action would have only a temporary popularity, and later, when its implications were clear, a different view would prevail.¹¹

Marshall was still not ready for a final break; even if the two nations ended up having to say they would go it alone, they should make it clear that they were not making a permanent break. They must choose their ground carefully and not let the Russians maneuver them into a position where it could seem that they were breaking up the conference over some inconsequential matter.

In the following session, Molotov piled up old issues, demanding \$10 billion in reparations, the abandonment of Bizonia, and the establishment of a central administration. These demands were accompanied by a slashing attack on the European Recovery Program and a charge that the United States was planning to set up a separate government for western Germany. Lord Pakenham, representing an ailing Bevin, termed the statement a "shocking attack on the Western powers which was not conducive to an atmosphere in which agreement could be reached."¹²

President Truman must have concluded at this point that Marshall needed backing from Washington in case he had to make a final break. On December 11, Lovett passed along the President's assurance: "Your firm and constructive actions in London have my complete support. We are all with you. Warm regards. Harry S. Truman."¹³

Although Molotov had dropped some of his more offensive tactics after the attack by Pakenham, Marshall saw more difficult times ahead. He believed that Molotov might be preparing to take advantage of a British-Russian trade agreement, then in the making, which would make it difficult for the British to oppose a proposal

the Soviets might make concerning reparations. Marshall feared that U.S. actions might be misunderstood both by the British and the American public if Molotov could possibly arrange it. He considered the situation so delicate that he asked Lovett to delay for the moment the return of Ambassador Douglas to Washington to aid in negotiations there on other questions, so that he would have his aid with the British if needed.

Molotov resurrected well-known arguments from Moscow on reparations, zonal control, and the like on December 12. Germany, he insisted (and some able Western writers have supported his argument), could pay the \$10 billion from current production if the country was allowed to produce without hindrance. His final blast was a charge that the United States was trying to make Germany a strategic base against the democratic states of Europe.

The Western leaders were prepared for this outburst; they all made sharp rejoinders, and the meeting adjourned for the day. General Clay, who observed the scene, recalled that Marshall's advisers were busy passing him suggested replies. "He hardly gave them a glance as with superb and quiet dignity he told Molotov that it was evident his charges were designed for another audience and another purpose, and that such procedures in the Council of Foreign Ministers made it rather difficult to inspire respect for the dignity of the Soviet Government." As Clay recorded, "This was the only time I ever saw Molotov wince perceptibly."¹⁴

In effect, the conference was ended, but there were a few final scenes on Monday. In what the Westerners regarded as still another propaganda maneuver, Molotov asked that the council hear delegates to the German People's Congress speak for the German people on pending proposals. Believing that the delegation was made up of hand-picked agents of the Soviet Union, the Westerners declined. Bidault and Bevin replied to some of the Russian's earlier charges; then Marshall summed up the council's progress. He showed how Molotov had blocked agreement on the Austrian treaty and made acceptance of the German treaty dependent on "terms which would enslave the German people and retard European recovery." He proposed that the council adjourn without discussing the remaining items on the agenda, "since no real progress could be made because of Soviet obstructionism."¹⁵

Molotov attempted a rejoinder. He denied responsibility for the impasse and charged Marshall with seeking an adjournment so that the United States could have a free hand in Germany.

On that shrill note, the council adjourned, after referring the

Austrian treaty to the deputies for further study. No date was set for another meeting. Marshall and Bevin hoped that the next conference could be held in a better atmosphere; they did not voice their feeling that another meeting would not be held.¹⁶

At 6:00 P.M. on December 17, Marshall went to the Foreign Office to make a farewell call on Bevin. The Foreign Secretary appeared to be in a deep study. His advisers, such as Gladwyn Jebb, had been looking for possible answers to the questions Bevin had put to Marshall: What comes next? Where is the power to rest? Bevin thought that there now must be a Western democratic system, including the United States, Britain, France, Italy, and the British dominions. This would not be a formal alliance but "an understanding backed by power, money and resolute action." In a suggestive phrase, he added, "It would be a sort of spiritual federation of the West." He preferred that the understanding be informal but thought that if the consolidation of the Western powers could be achieved, the Soviet Union would see that it could go no further.¹⁷

The concept was not new. First Churchill, then the Labour government, had favored the idea of a Western community. In the United States, Clarence Streit had enlarged his wartime proposal of a Western union for defensive purposes. But Bevin raised the issue with Marshall at a crucial moment. Just as the American's perception of Soviet policy at the Moscow Conference had led him to the Marshall Plan, so did the Soviet performance in London impel him toward undertaking new American responsibilities in Europe.

Bevin was groping for the spirit that would spark the North Atlantic Treaty Organization. The result would not be so informal and unstructured as he suggested, but it followed his idea of a Western agreement to halt the advance of the Soviet Union toward the West. The British Foreign Secretary wanted the whole problem of Germany to be fully examined by the Western powers. In a consideration of the future political organization of Germany, the aim should be a united Germany. Bevin noted talk of a three-power treaty that was like the Four Power Pact sought by Byrnes. Now, he believed, the Benelux countries and Italy should be included. "The essential task was to create confidence in Western Europe that further communist inroads would be stopped. The issue must be defined and clear."

In this bold outlining of future steps, Bevin displayed an optimism that followed the powerful Trade Union Congress's recent

endorsement of his foreign policy and pledge of support to the Marshall Plan; the congress had also “decided to oppose the communists resolutely if they attempted to start any trouble here.”

Marshall believed that they must distinguish between the material and spiritual aspects of their programs. As he had said at the Society of Pilgrims dinner on December 13, he thought that if the powers concerned acted sensibly, “material regeneration should be the outcome of the European Recovery Program, the purpose of which was the rehabilitation of the European patient.” But, in his opinion, what “was already being done on the material plane should now be given greater dignity.” He agreed with Bevin that there did not have to be a written agreement, but there should be a clear understanding “Indeed, there was no choice in the matter. They had to reach such an understanding. They must take events at the flood stream and produce a coordinated effort.”

On the 18th, Bevin and Marshall met at Douglas’s residence with the Ambassador, Robertson, Clay, Murphy, and Frank Roberts to discuss Germany. Marshall drew from Clay an outline of ways to deal with occupied Germany. Clay spoke first of proposed currency reforms, which he still wanted handled on a quadripartite basis. The Secretary agreed and said that Clay should make clear to the Soviets that we wanted their agreement and were not expecting to be turned down. He was anxious to “avoid ‘a frozen front,’ which was tragic to contemplate.”¹⁸

A working political organization for West Germany was next examined. Clay proposed expanding the existing Economic Council, looking eventually “to the creation of an elected German government,” at least in the British-American zones. Marshall believed that any arrangement agreed on by Clay and Robertson would be acceptable in London and Washington. It would make clear to the Soviets that at last they were up against a solid front. He hoped that the Russians would not be misled by “any wishy-washy” press articles in Britain or the United States.

Clay next focused on the continued presence of the Allies in Berlin. Despite the difficulties, he thought they should hold on as long as possible. If the task became too difficult, he and Robertson would so report to their government, but not until that became necessary. Foreseeing a possible Soviet challenge, Marshall asked about the Allied capacity to hold out. Clay replied confidently that they had “adequate resources on which to live in Berlin for some time.” He did not foresee the serious nature of a future Soviet challenge. He still hoped that quadripartite action could be strengthened. There was to be no “unseemly haste” in working out

plans for a political showdown in Bizonia and no attempt to force French participation in a trizonal agreement—the initiative was to come from the French.

Left unsettled was the matter of reparations. Bevin still clung to the belief that the Allies should deliver to the Soviets the “share of dismantled industrial equipment to which the Soviet Union would be entitled under the Postdam Protocol.” Marshall did not argue the question but insisted that it be submitted to the President and Cabinet. Clay recalled his earlier proposal that, although dismantlings and allocations should be allowed to continue, the Soviet share should be placed in escrow “pending the development of the general situation in Germany.”

The London meeting of the Council of Foreign Ministers proved a greater failure than the Moscow Conference, illuminating clearly the division of East and West that the Moscow meeting had foreshadowed. Before the American delegates left for home, they discussed with the British united action in Germany.

Marshall flew home from Northolt Airport at 4.00 P.M. on December 18 and arrived in Washington the following morning. After a brief stop in the capital, he went to Pinehurst to spend the holidays with Mrs. Marshall.

Not long after his return to his State Department office in the new year, Marshall was pleased to hear from Bevin that the British Cabinet wished to go ahead rapidly with “a stable, peaceful, and democratic Germany and to avoid the creation of a situation which could eventuate in the emergence of a Communist controlled Germany.” Marshall agreed the trend should be in the direction of a West German government that “would be responsive to popular will,” and that would perform clearly defined and limited government functions, although it should not be constituted as a government for West Germany. There should be an evolutionary development dependent on “which action is taken in the Soviet zone.”

Marshall referred to the political principles presented by the Western Allies at Moscow. Within the requirement of security and the extension of the bizonal area to include the French, “emphasis should be given to the need of affording the Germans greater initiative and freedom of action commensurate with the extent of the responsibility which they are to assume, particularly in connection with food production, collection and distribution.”¹⁹

Meanwhile, in Berlin, the British and American zonal commanders had begun to consider their late-December instructions. On

January 6, they went to Frankfurt, where they discussed measures for strengthening and extending bizonal organization. Caught by surprise at these moves, the French strongly protested to London and Washington. Bidault came back from a vacation on the Riviera dismayed by angry blasts from his political opponents. He implored Caffery to "endeavor to persuade your people to make it a little easier for us. What happened at Frankfurt is being exploited in such a fashion here as to make my position well-nigh impossible; and you know that I have burned my bridges behind me."²⁰

Despite explanations made later, there is little doubt that General Clay, goaded by what he considered French intransigence, had plunged ahead. The associate chief of the Division of Western European Affairs, Woodruff Wallner, summed it up: "The British and ourselves have a different conception of how far and how quickly and with how little communication Clay and Robertson should proceed in bizonal reconstruction." However, both Washington and London were equally surprised at the scope of the Frankfurt decisions and the dramatic manner of their presentation to the world.²¹

Clay's habit of energetic action with more regard for military dispatch than diplomatic niceties had caused mutterings before. He had fared better with Secretary Byrnes than he did with Marshall, who was accustomed to granting his colleagues independence in military matters but not in those having political consequences.

Marshall assured the French that there was no intention at the moment of setting up a West German state, that Clay had been instructed to give them details, and that in any Anglo-American fusion in West Germany, the French would be welcome to participate. Bidault remained uneasy, however, troubled by rumors that representatives of the United States and Britain were holding secret meetings in Washington. These preliminary talks about some form of Western alliance had been held without the French because of the fear that there might be serious opposition in Paris. Marshall again spoke soothingly. The British had recently proposed a meeting to discuss mutual problems in Germany, but Marshall had insisted it be preceded by a meeting of the British and the French. He also downgraded newspaper trial balloons: "If I were affected by every press report it would be impossible for me to fight the very real battle which I was putting up. M. Bidault must realize the importance of this battle not only to France but to all of us. I must expect that he will help us."²²

Seeking to force revelations of what was afoot in the Washington talks, the French Foreign Office asked why the United States was

no longer pushing the Four Power Pact. State Department representatives hinted that something else was being considered: "The whole question of Western European security should be dealt with primarily by European initiative and . . . our representatives at the [forthcoming] London talks would be open-minded." In fact, two days before, Secretary Marshall had told President Truman that the Four Power Pact was "unworkable in the absence of four-power agreement and does not provide a basis for tripartite discussion. Although we maintain an active interest in the subject we do not contemplate further specific proposals at this time."²³ The United States and Britain were headed toward a Western union and NATO.

Privately, Marshall made clear to the U.S. ambassadors in London and Paris that the "French pre-occupation with Germany as major threat at this time seems to us outmoded and unrealistic." Germany had been disarmed and demilitarized. The Soviet Union was now reshaping eastern Germany into a totalitarian pattern with an economy that fitted into an Eastern European mold.

Unless Western Germany during the coming year is effectively associated with Western European nations, first through economic arrangements, and ultimately perhaps in some political way there is a real danger that the whole of Germany will be drawn into Eastern orbit, with all obvious consequences that such an eventuality would entail.

Solution of German problem, at least in so far as Western Germany is concerned, has a two-fold aspect.

- (a) economic and political reorientation of Germans, fostered by common policies of Western occupation powers, and
- (b) integration of Western Germany into Western European community ²⁴

The United States and Britain had not given up on the eventual unity of Germany, but they were opposed to the establishment of unity under conditions that meant Soviet domination of all Germany. Though they did not rule out the chance of an agreement with the Soviet Union on this point in the future, they considered the possibility remote for the time being.

Such was the uncertain situation when the first part of the London Tripartite Conference met, February 23 to March 6. Organized at the ambassadorial level to seek Western agreement on unsettled questions left by the recent London Conference, Britain, France, and the United States were joined by representatives of the Bene-

lux countries. Ambassador Douglas, General Clay, Ambassador Murphy, and Assistant Secretary of State Charles Saltzman represented the United States; Maurice Couve de Murville of the French Foreign Ministry and René Massigli, French Ambassador to London, sat in for France; and Sir William Strang, General Robertson, and Sir Edmund Hall-Patch, Deputy Under-Secretary of State, headed the group for Great Britain. The Benelux countries asked that hereafter they be represented in all conferences dealing with German questions. Marshall suggested that Italy be invited to present its views on economic questions.²⁵

As the meeting opened, Bevin objected to stopping deliveries to the Soviets of resources from the Western zones. Earlier agreements had promised the Soviet Union a share of dismantled plants and other resources in the Western occupation areas, but, during the argument over economic arrangements, Clay and Robertson had stopped dismantlings and deliveries. The British repeated Bevin's earlier argument that deliveries of reparations had been promised at Potsdam and should be carried out regardless of Soviet violations of other agreements. Ambassador Douglas reported to Marshall that he believed Bevin's mind could be changed, however, since he had remarked that afternoon that he had never seen the House of Commons so "violently anti-Soviet."²⁶

Douglas was proved wrong: Bevin dug in. Some of the British Cabinet believed that a question of good faith was involved and that it was unwise to goad the Soviets too far. Douglas, usually friendly to the British, warned Bevin that the Congress might impose drastic limitations on appropriations for the European Recovery Program if the deliveries were made. Bevin showed what was worrying him by asking whether, if the deliveries were not made, the Soviets would disrupt quadripartite control or would undertake "to drive us out." With unusual assurance, Douglas said that he doubted that the Russians would move, since that would be a hostile act. He thought that the Western powers should not be overly apprehensive about Soviet action. But Bevin held firm. Betraying no sign of being intimidated by reference to the stopping of aid, he hoped that his country "would not have to operate under a threat affecting the European Recovery Program and believed that this would react badly against the United States." Douglas recognized his earlier error. He sensed the growing anxiety of the British and the French and reported that he did not think he could influence Bevin to change his mind before he himself returned to Washington that Saturday.²⁷

Finding that the question of security against the Germans ran

through the fears of several of the countries, Douglas talked with Strang and Massigli on March 5, and later with these two and the Dutch representative, to indicate that the United States was prepared to provide for consultation in case of a German threat and would also consider setting up a military-security board as an adjunct to a military government. He also reflected developments at home by saying that it was unlikely that U.S. forces would be withdrawn from Europe until "the threat from the east had disappeared."²⁸

The London Tripartite Conference recessed on March 6 with the idea of meeting again in April. Its communiqué held no surprises. Failure to get Four Power agreement in the council meeting forced the three powers to ensure the economic reconstruction of Western Europe and to arrange a basis on which the Germans could participate in the community of free peoples. The delegates had examined Germany's relationship to the European Recovery Program and concluded that a close association of the economic life of West Germany with Western Europe was essential to the economic and political well-being of all. Acceptance of the division of Germany was being more thoroughly nailed down.²⁹

The delegates agreed that the resources of the Ruhr must never again be used to aid aggression and their access to these resources must be increased for extensive parts of Europe, including Germany. A federal form of government, adequately protecting the rights of the several states, was hailed as the best form for the restoration of German unity.³⁰

For the next three weeks, the French, British, and U.S. military governors discussed questions relating to the greater fusion of their interests. Clay and Murphy wanted a provisional government or administration before the adoption of a constitution, while French Governor Pierre Koenig pressed for a constituent assembly first, fearing that the U.S. proposal would bring a Soviet propaganda attack. He was willing to consider the calling of a constituent assembly in the fall, and if such an assembly adopted a constitution that the three powers could approve, it might be possible to establish a West German government in 1949. Clay and Robertson urged greater speed. Robertson feared that the hammer and sickle might end up on the Rhine and Clay warned that delay might lose the support of 45 million Germans.³¹

Marshal Vasily D. Sokolovsky's walk out of the Allied Control Council during this period led the French to take a second look. Couve de Murville, of the Foreign Office, then vacationing on the Riviera, told Clay he would like to discuss the current situation.

Flown to Berlin in Clay's plane, the Frenchman said he had concluded that war might come with the Soviet Union in the next two or three years or even in 1948. The French were prepared to advance the date for a constituent assembly. Relieved, Clay said he was willing to postpone the establishment of a provisional government if the French would agree to a constituent-assembly meeting by September 1.³²

With this meeting of minds, attention turned back to the London Tripartite Conference, which resumed on April 20 and continued until June 1. Remaining to be settled were the questions of control of the Ruhr, the deliveries of reparations, and the French acceptance of the conclusions.

It seemed at first that a subsidiary quarrel would have to be settled between the State Department and Douglas on the one hand and Clay and Murphy on the other. Douglas kept referring to Marshall's Chicago speech with its declaration that the resources of the Ruhr should not be left under the exclusive control of any future German government and should be used for the European community as a whole. Determined to protect the interests of Germany and his own authority, Clay apparently saw a danger in Douglas's statements. His strong reactions led the Ambassador to ask Washington if the government intended to follow Marshall's pronouncement. Apparently nettled by the positions taken by Clay and Murphy, Marshall declared that the principle enunciated in Chicago "has never been challenged by any responsible authority here and has served as the basis of all discussions I have had on the subject of the Ruhr."³³

Douglas asked for State Department intervention when Clay and Murphy objected to a proposal for an international authority to make allocations for coke, coal, and steel in accordance with the OEEC program. Clay feared that control would pass from the governors to the Administrator for the Ruhr. Douglas argued that the United States was merely being asked to do the same as the other countries, which feared that Clay's demands would allow the Soviets to claim that the United States was dominating the Ruhr. Clay "was violently opposed, particularly in regard to the OEEC," and said he was advising the Department of the Army of his position.³⁴

Secretary of the Army Kenneth Royall now took up the cudgels for Clay, opposing putting control of the German economy under the OEEC, subject to some degree to the approval of the ECA Administrator. He suggested that Congress had been assured that Clay would have the predominant voice in the control of German

foreign trade, and that any shifting of the control would meet with congressional disapproval.³⁵

Lovett, acting for Marshall, was not upset by the reference to Congress. He said that arrangements in Germany should be coordinated with the recovery administration and noted that the government's position with respect to Germany must be understood in relation "to the subsequent and overriding policy of the President and Congress as expressed in the Economic Cooperation Act which covers the European economic problem as a whole "

Douglas worked more closely with Clay on reparations than on the control of the Ruhr. Although he still doubted that Bevin would budge on deliveries to the Soviet Union, Douglas had tackled him again on May 1. He argued that, since the Soviets had walked out of the Allied Control Council, their share of the reparations should be put on ice. The French, who had feared that their deliveries might be held up, agreed, and Clay added that deliveries to the Russians should be made only after they met all other conditions.³⁶

After a week of talks, the British accepted a suggestion similar to one made earlier by the Americans. Seventy-five percent of the reparations would be delivered to countries sharing in reparations. Of the 25 percent being allotted to the Soviet Union, 15 percent would be exchanged for commodities and the other 10 percent held up until other conditions were met. Though Douglas accepted this, he doubted that the Soviets would agree.

With this problem at least temporarily out of the way, the next issue was the settlement of French uncertainties on the proposed constituent assembly. Apparently feeling that the United States was in no position to give vital aid in case of a showdown, the French wanted to delay provocative action. Marshall said that he sympathized with the French position but thought that their recent actions had "some appearance of a last-minute pressure campaign." Douglas and Strang argued that weakening on this point would be considered by the Soviets as a sign of weakness and would be damaging to German morale. The American delegation recommended that, if the French held to their position, Britain and the United States should go ahead with bizonal arrangements and leave security matters until France clarified her position. Marshall and Lovett accepted the recommended proposal. Marshall, of course, was influenced by his current cooperation with Bevin in studying the whole question of Western European security. In asking the French to cooperate, he emphasized that the United States in-

tended to strengthen free nations in their resistance of aggression³⁷

Bidault was desperately unhappy. He told Ambassador Caffery that he wanted to go along with his allies, but pleaded that they not "make it too hard on me." His opponents would ask, he said, what the United States would do if the Soviets took aggressive action in Berlin. "In the long run if war comes, the victory on your side is certain but what will happen to us in the meantime." Three days later, he seemed to feel a little better; he said to Caffery, "Tell your Government I am on your side and in the long run I am sure we will work something satisfactory out, but at the same time I must think about our public opinion here." Marshall had not liked the haughtiness of General de Gaulle, but at times he must have longed for a firmer hand in France. Learning that the French Assembly's Foreign Relations Committee was about to have a debate on matters being decided in London, he warned that nothing was more likely to destroy the work of the London Conference. He wanted to send a strong official statement, but Caffery persuaded him to allow a more personal approach³⁸ Ambassador Murphy pressed Washington for congressional approval of the London agreements before the French began their debates

Douglas reported Bevin's promise to make strong representations to Paris. More hand-holding was necessary; from Paris, Caffery cabled that Bidault's nervousness increased as a showdown approached in the French Assembly. What would happen if the Russians tried to force the Allies out of Berlin? Would the Americans drop the bomb, or would they act speedily enough? "It would be easy for the Russian armies to overrun France and we shudder to think of what would happen to our beautiful country. We are defenseless, as you well know."³⁹

Marshall suggested that Caffery speak to some of de Gaulle's advisers concerning the importance of approving the London agreements. He followed with a personal message to Bidault.

My Government has now decided to give definitive approval to the London agreements on Germany. . . . Unity of purpose and action shown at London by the three governments and Benelux also marks a further important step in our efforts to enhance our joint security against any aggressor . . .⁴⁰

In Brussels, U.S. Ambassador Alan Kirk was asked to appeal to Belgian Foreign Minister Paul-Henri Spaak to intervene with Bidault and see if he could get a socialist political leader to speak with

Léon Blum, former socialist Premier. When the French Council of Ministers agreed on June 9 to submit the agreements for debate, Caffery reported that there was strong Cabinet opposition, one member angling for Bidault's job in case he fell from office, others insisting that East and West Germany not be divided. Outside the Assembly, de Gaulle made it clear he would not approve the Anglo-American proposal. Marshall authorized our Ambassador to say it was possible that modifications could be made later in some of the agreements. Meanwhile, the other powers were ready to act. To avoid any suggestions of pressure on Britain, Marshall waited for Bevin to announce Britain's acceptance in the House of Commons. When the Benelux countries followed shortly afterward, Marshall proclaimed that the United States also approved.⁴¹

Marshall's actions and the intervention of Britain and Belgium apparently decided the fight in the French Assembly. In a wild session that saw both Communist and Gaullist motions to delay or reject the recommendations, the Foreign Affairs Committee, by a 21-20 vote, submitted the agreements to the full Assembly. Once the Communists and Gaullists had united, uncertain socialist members came to the support of the London Tripartite agreements. Still, there was no reason for special celebration, because strong reservations had been added and the French Government was urged to impose a veto on any actions that went contrary to the principles they set forth. Final French approval awaited the vote of the full Assembly.⁴²

At issue in France was the support of some of the Conservatives. Caffery learned from Joseph Laniel and Paul Reynaud that there was considerable opposition to the agreement among their supporters. Reynaud suggested that it might help if Washington made clear to French leaders that, unless Paris agreed, the United States would go along with Britain without the aid of France. He added that overseas press criticism of de Gaulle might be of assistance. Apparently on the assumption that Marshall's earlier statements concerning American determination to go through with the agreements were sufficient, the Americans decided not to follow this advice. Marshall was more worried about the proposed instruction to the government to veto certain actions. This was defended as an effort to calm some of the French Socialists, who insisted that the quadripartite arrangement be continued. Douglas and Strang replied to Jean Chauvel of the French Foreign Office that he could recall British and American efforts at the London Conference to bring in the Soviets and indicate that both Marshall and Bevin were still willing for them to join with the Western powers.⁴³

Having failed to effect any weakening on the recommendations, Chauvel asked what would happen if the French rejected them. Douglas and Strang replied that they would try to put the recommendations in effect on a bizonal basis, but that they did not know what could be done about French wishes on the Ruhr or the matter of French security. Apparently accepting this as the last word that he could report back to his government, Chauvel said it should dispel rumors that the United States and Britain might be willing to reopen negotiations, accept amendments of the Ruhr management, or postpone application of the plans.⁴⁴

Firmness paid off. On June 17, the French Assembly approved an order of the day accepting the recommendations. The language of the final resolution was less restrictive than the earlier one, and the request for a veto was dropped. Caffery jubilantly reported to Marshall that the French government had done well and "shown real courage."⁴⁵

The Western Allies had proclaimed a united stand. The question now was, how would the fourth power react?