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Director, CIA

DDA Memo, 4 Apr 77

2 April 1948

Assistant Director, ORE

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Date: 14/10/77 By: _____

IM-24

Possible Program of Future Soviet Moves in Germany

1. Reference is made to the Memorandum to the President of 22 December 1947, from the Director, CIA; and to the Memorandum to the Director, CIA from the Assistant Director, ORE of 12 March, 1948; Subject: Probable Soviet Reactions in Berlin to Western European Talks, (copies attached).

2. The following discussion covers a possible program that might be resorted to by the USSR in Germany in an effort to force the Western Powers from Berlin and eventually from Western Germany. Until recently this review of possible Soviet intentions was considered purely speculative and the program one that would be attempted only after the USSR had concluded that Soviet interference with the Allied efforts in Western Germany could not be effected by legal international means or through local Communist subversion.

3. The recent Soviet walkout from the Allied Control Council, and Soviet efforts to block transportation to and from Berlin indicate that this program may already be under way, and that while risk of war may be involved, the plan possibly can be effected without military violence.

4. It is believed, therefore, that recent Western Power action may have caused the USSR to decide that:

a. hope no longer remains for legally sharing in and interfering with the production of Western Germany upon which the success of the European recovery program substantially depends;

b. the Soviet Zone must be placed under permanent control of a "democratic" and "loyal" German group;

c. the Peoples' Congress should be the instrument for the formation of such a provisional German Government;

d. in order to prevent Allied interference with the formation of this Government, the Allied Control Council should be abolished, or permanently boycotted, and the Western Powers forced out of Berlin;

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e. the new German "Government" should be given, at a propitious time, diplomatic recognition as the official administration for all Germany;

f. the Soviet Army should remain as the "protector" of the new Reich pending creation of a new German Army, according to a mutual assistance pact; and

g. Western Germany should be pressed by all possible methods, including terrorism, threats, and propaganda, to "rejoin" the Reich by making the Western Power occupation prohibitive in cost and effort through organized non-cooperation and sabotage.

THEODORE HABBITT

Attachments:

Discussion

Memo. of 22 Dec. 1947

Memo. of 12 Mar. 1948

Coordinated with Eastern Europe Branch



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DISCUSSION

1. With the conclusion of the London tripartite talks and the decision to consider Western Germany in the ERP planning, the Kremlin may have decided that little hope remains for the USSR to block or control US/UK Zone production. Three events, the meeting of the Soviet-sponsored Peoples' Congress, the abrupt departure of the Soviet delegation from the Allied Control Council meeting on 19 March and the subsequent Soviet efforts to impede both freight and passenger traffic between Berlin and the West indicate that at least the first steps in the outline of possible Soviet action may no longer be entirely in the realm of pure speculation.
2. It has been believed by ORE that the USSR might encourage the Peoples' Congress to organize itself as a "national" administration for all Germany and establish a de facto Government for the Eastern Zone while simultaneously claiming de jure authority over all the country. The Peoples' Congress partially confirmed this opinion when it convened on 17 March, advocated the early establishment of a Government to replace the Allied Control Council, and evidenced its pretensions to speak for the German people.
3. It has been believed also that in preparation for the new "government", the USSR would attempt to discredit the ACC. While the abrupt termination of the Control Council meeting of 19 March has not yet been extended to a permanent Soviet boycott of the Council, Soviet officials have charged that the Western Powers, by unilateral action, have already made the work of the Council worthless.
4. The presence of the Western Powers in Berlin adds to the difficulty of establishing a Soviet puppet government in Eastern Germany, because of the "opposition" that operates from the sanctuary of the Western Powers' sections of the city. The USSR would consequently desire to effect a Western Power evacuation of Berlin as expeditiously as possible. The Soviet attempt to block transport threatens to render the Allied position in Berlin untenable.
5. Should the Peoples' Congress, in fact, set up a "government" of the Soviet Zone, and lay claim to "represent" all of Germany, the Soviet Military Administration might accord it local recognition as the established German administration and give propaganda credence to its pretensions to govern all of the Zones. The USSR and its satellites might be expected to enter into provisional political and economic agreements directly with Eastern Germany, laying

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the foundation for eventual formal recognition at such time as the USSR considers it feasible to press the puppet government's claim to German sovereignty.

5. A Soviet-sponsored provisional government would, in all probability, press for the withdrawal from Berlin of western representation in the event that any still remained. The USSR could support this demand with further concrete action similar to the transport block and declare the dissolution of the ACC, seeking to place the onus for its failure on the West.

6. If, at any time, the Soviet Union decides that the new government of Eastern Germany is sufficiently loyal or adequately controlled to be a trusted satellite, and further legal Soviet interference in Western Germany hopeless, the USSR might officially recognize the Eastern German government, negotiate peace and mutual assistance treaties with it, and continue the "protection" of the Red Army while developing a German Army under the command of such an ex-German leader as Paulus. Both the USSR and the Eastern German "state" would then launch a campaign for German unity and independence designed to win sufficient German converts in the Western Zones to reduce materially German cooperation in the West and cause continued Western Power occupation to be prohibitive in cost and effort.

7. Although each of these successive steps involves the risk of war in the event of miscalculation of Western resistance or of unforeseen circumstances, each move on the program could be implemented without the application of military force if adroitly made as merely a retaliatory measure necessitated by unilateral Western Power action, and if pressed only at opportune moments.

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22 December 1947

MEMORANDUM FOR THE PRESIDENT

The breakdown of the GFM in London may cause the USSR to undertake a program of intensified obstructionism and calculated insult in an effort to force the US and the other Western Powers to withdraw from Berlin all representatives except a small Allied Control Authority group. The implementation of such a program could create a situation of great tension which might lead to armed clashes between Soviet personnel and that of the other occupying powers.

The failure of the GFM to reach agreement on any question and the GFM's subsequent indefinite adjournment will result in an accelerated consolidation of eastern Germany. The USSR will attempt to incorporate thoroughly the economic system of its Zone into the Soviet economy and to orient the political system still more closely to the Soviet ideology. Soviet authorities will encounter difficulties in accomplishing both objectives because of the presence of US officials and troops in Berlin.

The presence there of this personnel hinders the ruthless and forcible communization of all eastern Germany, helps to sustain non-Communist opposition, and demonstrates that the US does not intend to abandon or partition the country. Berlin, of course, could hardly serve as the capital of an eastern German state, should the USSR eventually establish one, so long as the Western Powers maintain troops in the city. The Kremlin is aware of this situation.

The Kremlin is aware, also, that the present quadripartite occupation of Berlin furnishes the US with an excellent listening post and a base of operations for intelligence activities in the Eastern Zone as well as providing political refugees from Soviet areas with a convenient haven. Masters of propaganda themselves, the Soviet authorities are highly sensitive to the great propaganda value of the continued presence of US and the other Western Power forces and the guarantees they provide of relative political freedom for the residents of the city.

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The USSR, consequently, cannot expect the US and the other Western Powers to evacuate the city voluntarily. The USSR, therefore, will probably use every means short of armed force to compel these powers to leave the city.

These devices may include additional obstruction to transport and travel to and within the city, "failure" of services such as electric supply, reduction of that part of the food supply which comes from the Soviet Zone, flagrant violations of Kommandatura agreements, instigation of unrest among Germans in the US sector, disregard of the elected municipal government, a deliberately intensified campaign of insult or personal injury to US personnel, and terrorization of their German employees.

The degree of danger inherent in such a campaign will depend on the accuracy with which Soviet authorities gauge US determination to remain and the state of discipline of US officials and troops. Overly enthusiastic resort to insults or personal violence by Soviet troops or Communists could well create "incidents", street fights, brawls, and other public disturbances which, in turn, might well lead to high-level repercussions of the gravest character. Only the greatest determination and tact on both sides could prevent a serious incident from deteriorating beyond control of the Berlin authorities. Even if Soviet estimates of limits to US patience are accurate, the situation could and probably would be aggravated by the activities of German malcontents, who for one reason or another, seek to bring about an open East-West conflict.

The Kremlin will probably defer its maximum effort to force Western Power evacuation of Berlin until it has fully calculated the risks and considered the problem in the light of Soviet strategy elsewhere. Nevertheless, in view of probable irresponsible action by local Soviet officials, the day-to-day developments in the immediate future will test the firmness, patience, and discipline of all US personnel in Berlin.

R. H. HILLENKOETTER
Rear Admiral, USN
Director of Central Intelligence

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12 March 1948

MEMORANDUM FOR THE DIRECTOR, CIA

FROM: THE ASSISTANT DIRECTOR, ORR

SUBJECT: PROBABLE SOVIET REACTIONS IN BERLIN TO
WESTERN EUROPEAN UNION TALKS

Attention is invited to a Memorandum for the President from the Director of CIA, dated 22 December 1947, a copy of which is attached. Delay in the formation of a separate Eastern German Government and in Soviet attempts to force the Western Powers from Berlin has probably been caused in large measure by the firm attitude of US officials in Berlin. While no further reports have been received indicating that the USSR has decided to force the Western Powers from Berlin, the recent US, UK, France, Benelux discussions in London concerning the formation of a West German State to be included in a Western European Union invite some form of Soviet response stronger than the mere protests received so far.

Soviet response will be timed to follow overt allied implementation of the London decisions, and will consist of the announcement of plans, such as a plebiscite, for an Eastern Zone "all German state", claiming to represent the whole German people. Announcement of such plans would be followed by an intensified Soviet campaign to oust the Western Powers from Berlin. The most urgent dangers are: (1) "incidents" arising from the presence in Berlin of young, undisciplined troops; (2) aggravation of the situation by such German malcontents as want an East-West war; (3) any tendency towards war hysteria or lack of firmness and patience on the part of US officials in Berlin.

THEODORE BABBITT
Assistant Director
Reports and Estimates

Attach:
Memo. 22 Dec. 1947

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