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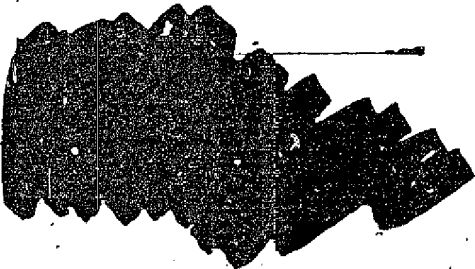
PROBABLE POLITICAL DEVELOPMENTS IN THE WEST GERMAN SITUATION DURING 1952



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NATIONAL INTELLIGENCE ESTIMATE

PROBABLE POLITICAL DEVELOPMENTS IN THE WEST GERMAN SITUATION DURING 1952

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The intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and the Joint Staff participated with the Central Intelligence Agency in the preparation of this estimate. All members of the Intelligence Advisory Committee concurred in this estimate on 11 February 1952. See, however, footnotes of the Departments of State and the Air Force to paragraphs 8, 23-24, and 33.

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PROBABLE POLITICAL DEVELOPMENTS IN THE WEST GERMAN SITUATION DURING 1952

THE PROBLEM

To estimate probable political developments in the West German situation during 1952, with particular reference to the likelihood of the conclusion, ratification, and putting into effect of agreements to rearm West Germany and integrate it with the West.

ASSUMPTION

That there is no general war in this period.

CONCLUSIONS

1. The Adenauer Government will probably remain in power during 1952.
2. The gravity of the issues which remain to be settled, together with the disturbed state of opinion in France as well as in West Germany, make the outcome of the present negotiations between West Germany and the West uncertain.
3. However, while the Adenauer Government will continue to demand virtually complete equality and sovereignty as the price of completing the "contractual" agreement with the Western occupying powers and the agreement to enter a European Defense Community (EDC), we believe it highly unlikely that Adenauer will permit the negotiations to lapse.
4. We believe that, if the Saar issue can be deferred by some formula which will save face for both France and West Germany, the Adenauer Government will sign the contractual and EDC agreements, provided:
 - a. that any restrictions on West German military production are to be self-imposed or, if contained in the EDC agreement, are applicable, at least in form, to other EDC members;
 - b. that West Germany is not explicitly charged with the costs of maintaining US and UK forces in West Germany (hitherto charged to West Germany as occupation costs).
5. In signing the agreements, Adenauer will undoubtedly expect that West Germany will be immediately linked with NATO through EDC and will be ultimately admitted to membership in NATO, and that West Germany will receive substantial US economic aid.
6. On balance, we believe the West German government will ratify the EDC and contractual agreements.
7. In the unlikely event that the Bundestag failed to ratify these agreements, or in the event that the Constitutional

Court rendered an adverse decision on the constitutionality of rearmament legislation and the Bundestag failed to pass the necessary amendments to the Constitution, the West German government would almost certainly be politically unable to reopen negotiations with the West on integration and rearmament during 1952.

8. New Soviet and/or East German overtures for the unification of Germany might delay completion and ratification of agreements for integration and rearmament, but probably not beyond the end of 1952.*

9. It is unlikely that the present tactics of the USSR with regard to Berlin can seriously affect the integration of West Germany with the West. Stronger Soviet action against the Western position in Berlin, or Soviet threats to take action against West Germany, would be unlikely to have an adverse effect on the West German attitude toward rearmament and integration with the West.

10. Under any circumstances it is extremely unlikely that rearmament can get under way in 1952 on any substantial scale.

DISCUSSION

The Present Situation

11. The integration of West Germany with the West is dependent upon the solution to three interrelated problems, now in various stages of progress as follows:

a. The Schuman Plan for coal and steel. The Treaty implementing this Plan was signed in April 1951. It has been ratified by West Germany and approved by the Netherlands lower house, the Belgian Senate, and the French Assembly. Italy and Luxembourg have as yet taken no steps toward ratification.

b. The European Defense Community (EDC), the out-growth of the Pleven Plan. Discussion of a draft treaty to create this Community is proceeding, with the objective of agreement on the main lines of the treaty by the time of the NAT Council meeting at Lisbon in February 1952.

* The Special Assistant, Intelligence, Department of State, does not concur in this conclusion, but instead believes that it is unlikely that any Soviet or East German unity propaganda moves could materially delay the West German rearmament program or the integration of West Germany with the West.

It is the view of the Director of Intelligence, USAF, that a Soviet withdrawal from East Germany could delay West German rearmament for an extended period.

c. A "contractual" relationship between West Germany and the Western occupying powers. Preliminary agreement was announced on 24 November 1951, but difficult issues remain to be settled.

12. The USSR is exploiting the issue of German unification intensively, largely in order to delay or prevent the integration of West Germany with the West. Overtures by the Satellite East German government and counter-proposals by the West Germans and by the Western occupying powers have culminated in the UN resolution for a Commission to examine whether conditions in the two parts of Germany are now such as to permit free elections. The East German government has denied the competency of the UN to act on what it declares to be a problem for the Germans and for the four occupying powers. However, it is almost certain that the USSR will aim to keep the issue alive in one way or another as long as possible.

Balance of Political Forces Within Germany on the Issues of Integration And Unification

13. The Adenauer Government probably cannot be overthrown at least until the 1953 elections. The provisions of the West Ger-

man Constitution do not permit the dismissal of a Chancellor unless the successor government already possesses a parliamentary majority. It does not appear likely that any group opposed to Adenauer could obtain such a majority.

14. The Adenauer Government has committed itself to integration with the West. Adenauer's Christian Democratic party maintains that the efforts for German unification must not prejudice or delay West German integration with the West. This position is generally shared by the other members of the Adenauer coalition, the conservative Free Democratic Party and the German Party, but these parties are somewhat less willing than Adenauer to make concessions in the negotiations with the West.

15. Among non-political groups, the Government's position is generally supported by the Catholics, who are largely concentrated in West Germany. So far, it has also been supported by the expanding veterans groups. These veterans groups, however, are particularly sensitive about equality for a German military contingent, and there does exist a minority which opposes integration.

16. The chief political opposition to Adenauer's program continues to come from the Social Democratic Party, led and controlled by Kurt Schumacher. While the Social Democrats are not opposed to rearmament in principle, this party asserts that integration with the West and West German rearmament at this time would expose West Germany to the danger of attack from the East, before any West German military contingents could become effective and without any compensating assurance of effective Western support. Furthermore, they maintain that rearmament cannot be carried out without a constitutional amendment. The Social Democrats also assert that integration would close the door to unification. It is unlikely that the Social Democratic position will undergo any material change before the elections of 1953 or that the Social Democrats will cooperate with the government in 1952 to promote German integration with the West. Generally aligned

with the Social Democrats on the issues of rearmament and integration, though for wholly different reasons, are the Communist Party and the neo-Nazi Socialist Reich Party. The latter has no parliamentary representation but has shown significant strength in recent local elections.

17. In general, West German Protestants have a strong interest in German unification, in large part because the Evangelical Church has great strength in East Germany. A minority wing of this Church, led by Pastor Niemoller, denounces integration and rearmament. The titular head of the Evangelical Church, Bishop Dibelius, who probably speaks for the majority of that Church, favors moves to unite West Germany with the other Western European states, but declares himself unwilling to advocate rearmament or to agitate against it.

18. The Refugee Party, as well as the industrialists and trade unions, cannot be included in either camp. The refugees are strongly anti-Communist and may go along on rearmament. However, their dominant concern is the union of East and West Germany and the recovery of the lost territories, and they will be inclined to follow the political leaders who seem most likely to achieve these objectives. Most industrialists favor integration with the West and with some misgivings accept the Schuman Plan. However, a substantial number fear that integration may prevent long-run restoration of their historically important trade with the East and that compensating markets will not be opened to them in the West. Trade unions in general, and particularly the Trade Union Federation were initially favorable to union with the West. The unions have been to some extent estranged from the government on domestic issues and of late have tended to lean more to the Social Democratic position. Nonetheless, even those industrialists and trade unionists who do not support Adenauer on integration with the West are unwilling to accept unification on the terms so far offered by East Germany.

19. Based on the above positions, the parliamentary balance on integration and re-

armament issues during the next year will depend primarily on the solidarity of the Christian Democrats and of the government coalition. (The Christian Democrats have 143 seats, and the three coalition parties together 218 seats out of a total of 402 seats in the Bundestag.) Although there has been some internal friction among the Christian Democrats, they are likely to hold together on integration and rearmament issues. While there may be some defections from the smaller coalition parties, these should be offset by votes from splinter parties, so that on any issue requiring a majority vote the government could probably win, even against the solid opposition of the Social Democrats (130 seats) and the other opposition parties.

20. In his negotiations with the Western Powers, Adenauer must consider, in addition to the present parliamentary balance, the trend of party strength and public opinion, and particularly whether by concessions he might jeopardize his coalition's chances in the elections scheduled for September 1953. Recent local elections have produced substantial gains for the Social Democrats and have resulted in the emergence of the neo-Nazi Socialist Reich Party. It is estimated that if elections were held at the present time the Social Democrats would emerge decidedly the largest party and the Socialist Reich Party would get as much as seven percent of the vote. The recent Social Democratic gains appear to have been due in part to that party's attacks on Adenauer for his willingness to make concessions in negotiating with the West, as well as to dissatisfaction with internal German conditions.

21. In general, public opinion in West Germany has swung away from the passive, "ohne mich" (count me out) attitude toward rearmament prevalent in late 1950 and early 1951, and polls indicate that half or more of the West German people now accept rearmament. This evolution is due largely to the revival of German self-confidence, stimulated in part by the remarkable economic recovery of the country, and in part by increasing awareness of the key position which West Germany occupies in the defense of the West.

While this pride makes West Germans more willing to rearm, it also causes them to insist more strenuously on equality and sovereignty. Therefore, Adenauer must recognize that if he does not secure virtually complete equality and sovereignty in his negotiations with the West, his party may not only lose the 1953 elections but suffer lasting political damage.

22. In summary, then, the balance of political forces is at present highly precarious. Adenauer must move very carefully in the interest not only of ratification of integration arrangements, but also of the survival in 1953 of his party and even of a center government.

Possible Effect on The Balance of Political Forces Within West Germany of:

*Continued Unification Overtures By East Germany or The USSR.**

23. As indicated above, none of the major parties in West Germany (the Communists aside) would support German unification on terms so far offered by East Germany or the USSR. Only proposals clearly providing for free all-German elections under international supervision would remove the objections of the overwhelming majority of West Germans. East Germany may offer terms which appear to approach those demanded by the West Germans. However the East German proposals would probably, in the end, prove unsatisfactory to the West Germans. It is unlikely, therefore, that the unification campaign can permanently block West German integration with the West.

24. However, a unification proposal which seemed to guarantee free all-German elections under international supervision might delay integration, particularly if the Social Democrats should make partisan use of such

*With respect to paragraphs 23 and 24, the Special Assistant, Intelligence, Department of State, believes it unlikely that any Soviet or East German unity propaganda moves could materially delay the West German rearmament program or the integration of West Germany with the West.

It is the view of the Director of Intelligence, USAF, that a Soviet withdrawal from East Germany could delay West German rearmament for an extended period.

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an East German or Soviet unification proposal. Hitherto the Social Democrats, while continuing their public agitation for unification, have assisted the Adenauer Government in framing the West German replies rebuffing specific East German unification proposals. As the critical stages of integration — and the 1953 elections — approach, there will be increasing temptation for the Social Democrats to exploit the German craving for unity to the fullest extent.

Other Soviet Actions or Threats:

25. It is unlikely that the present tactics of the USSR with regard to Berlin can seriously affect the integration of West Germany with the West. Stronger Soviet action against the Western position in Berlin, or Soviet threats to take action against West Germany, would be unlikely to have an adverse effect on the West German attitude toward rearmament and integration with the West.

Developments in The Contractual And European Defense Community Negotiations:

26. The contractual negotiations between West Germany and the Western occupying powers are not yet completed, and difficult issues remain to be solved. Even in the preliminary agreement on general principles, announced on 24 November 1951, there are a number of provisions that are unsatisfactory to the Social Democrats and other groups in West Germany.

27. The European Defense Community (EDC) negotiations continue, but are still encountering serious difficulties. From the West German standpoint the most serious issue is that of "equality." This issue is complicated by the insistence of the Western occupying powers on restrictions on West German military production.

28. Also involved in both the EDC and contractual negotiations are serious issues of the amount and form of the West German financial contribution to EDC and/or NATO. Moreover, the West German demand for membership in NATO is becoming more emphatic. Finally, the furor aroused when the French

representative in the Saar was given the rank of Ambassador shows clearly the disturbed temper of West German opinion.

29. While these negotiations continue, occupation restrictions remain in force and are a source of friction. Although the West Germans recognize that the presence of Western occupation troops contributes to their security, the irritations resulting from the presence of these troops and from even the limited use of present occupation powers stiffen the determination of the West Germans to obtain equality and sovereignty.

30. The gravity of the issues which remain to be settled in both the contractual and EDC negotiations, together with the disturbed state of opinion in France as well as in West Germany, make the outcome of the negotiations between West Germany and the West uncertain. Moreover, the outcome might be vitally affected by developments in the NATO organization, such as those resulting from French budgetary difficulties, not directly related to these negotiations.

Probable Political Developments During 1952

31. However, while the Adenauer Government will continue to demand virtually complete equality and sovereignty as the price of completing the "contractual" agreement with the Western occupying powers and the agreement to enter EDC, we believe it highly unlikely that Adenauer will permit the negotiations to lapse. His party and coalition are publicly committed to rearmament and to integration with the West, and he almost certainly hopes that prior to the elections of 1953 he can convince the people of West Germany that the results justified his policy. Therefore, he will probably seek to avoid the collapse of negotiations over such issues as the Saar or admission of West Germany to NATO.

32. We believe that, if the Saar issue can be deferred by some formula which will save face for both France and West Germany, the Adenauer Government will sign the contractual and EDC agreements, provided:

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a. that any restrictions on West German military production are to be self-imposed or, if contained in the EDC agreement, are applicable, at least in form, to other EDC members;

b. that West Germany is not explicitly charged with the costs of maintaining US and UK forces in West Germany (hitherto charged to West Germany as occupation costs).

In signing the agreements, Adenauer will undoubtedly expect that West Germany will be immediately linked with NATO through EDC and will be ultimately admitted to membership in NATO, and that West Germany will receive substantial US economic aid.

33. If the major agreements are completed on the terms indicated, we believe the Adenauer Government will probably be able to obtain a majority in the Bundestag for their ratification. However, ratification is likely to come only after an intensive campaign to win the support of West German public opinion. Ratification could be further delayed by adroit East German unification proposals, especially if the unification issue is used for partisan purposes by the Social Democrats. We do not believe that these delays would carry ratification beyond the end of 1952.*

* As noted earlier, the Special Assistant, Intelligence, Department of State, believes it unlikely that any Soviet or East German unity propaganda moves could materially delay the West German rearmament program or the integration of West Germany with the West.

It is the view of the Director of Intelligence, USAF, that a Soviet withdrawal from East Germany could delay West German rearmament for an extended period.

34. Under any circumstances, it is extremely unlikely that rearmament can get under way in 1952 on any substantial scale. While plan can be completed before ratification, enabling legislation would be required to carry out rearmament. The Social Democrats would almost certainly force the issue of the constitutionality of legislation to implement the rearmament program and possibly even of the EDC agreement itself. Opinion in US official circles and in the Adenauer Government is divided as to whether the Constitutional Court would hold part of this legislation or the agreement unconstitutional. Almost certainly the laws would not be put into effect during the deliberations of the Court. Hence, a substantial delay in the implementation of the rearmament program is almost inevitable. If the Court found an essential part or all of the rearmament legislation unconstitutional, the Adenauer Government would be compelled to seek one or more constitutional amendments. The passage of such amendments would require a two-thirds vote of both houses, which could almost certainly not be obtained in the Bundestag.

35. In the unlikely event that the Bundestag fails to ratify the contractual and EDC agreements or in the event that the Constitutional Court renders an adverse decision on the constitutional issues and the Bundestag fails to pass the necessary amendments to the Constitution, the West German Government would almost certainly be politically unable to reopen negotiations with the West on integration and rearmament during 1952.