Filling the Political Vacuum: The United States and Germany, 1944-1946

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Filling the Political Vacuum:
The United States and Germany, 1944-1946

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ABSTRACT

The purpose of this thesis is to trace the political development of the American zone of occupation in Germany following World War II, assessing its impact on the eventual division of Germany, as well as on the Soviet-American conflict which dominated the post-war world.

This study will focus on the period dating from 1944, when Allied victory over Nazi Germany seemed imminent and Germany's future was being discussed at the highest levels of government, to early 1947, when the American and British zones of occupation merged on an economic basis (becoming known as Bizonia), which would pave the way for the formal division of Germany in 1949.

The re-establishment of a viable political structure in the American zone was based on democratic principles, the foremost being the desire to return government to the German people. This effort had been undertaken to promote the unification of Germany, but in fact it facilitated the nation's division. A plan for unification could never be agreed on by the four powers, even as the politicization of the American zone continued in earnest. When necessity dictated that the American and British zones unite along economic lines, American officials sought to prevent the simultaneous growth of a bizonal government, fearing that such a creation would be tantamount to permanently dividing the country. The American emphasis on German self-government -- evidenced by a resurgence of political parties, the holding of elections, and the drafting of constitutions -- created a certain political momentum which was not easily stifled. A German role in governing Bizonia was eventually accepted, and the country was formally divided two years later.

With regard to the origins of the Cold War, this thesis will show that the occupation authorities perceived the primary stumbling block to unification to be France, rather than the Soviet Union. The French consistently refused to consider measures that might have led to unification, until certain territorial questions were agreed upon. The failure of the French to acquiesce, as much as anything else, forced the United States to seek a bizonal arrangement with Great Britain in July 1946. A second point, arising from the first, is that the American officials in Germany regarded the Russian delegation with considerably less skepticism than officials at home. Therefore, while the United States and the Soviet Union engaged in hostile declarations toward one another throughout the early post-war period, relations between the two countries' delegations in Germany remained relatively cordial. It was France who received the brunt of American hostility in Germany. Negotiations between the United States and Soviet Union regarding Germany finally broke down in March 1948, but by then the Cold War was in full swing.
Introduction

Eyebrows were raised when President Franklin Roosevelt met with British Prime Minister Winston Churchill off the coast of Newfoundland in August 1941 to discuss post-war goals. The United States was still four months away from entering the war, and many wondered what business Roosevelt had proclaiming what amounted to war aims. The declaration which resulted from the talks, commonly known as the Atlantic Charter, contributed to the notion that by August 1941 the United States was a non-belligerent in name only. More importantly, the conference indicated that American leaders had a clear conception of what they wanted in the post-war world, and the confidence that they possessed the means to realize these goals. The United States was finally emerging from the depression that had gripped the country, and the world, throughout the 1930's and policymakers were determined to create an international order that would eliminate those conditions which had brought depression and war.

This post-war vision had both political and economic elements. American leadership hoped to create an economic order best understood under the rubric of multilateralism -- a system guaranteeing all nations open access to raw materials and world markets. Furthermore, it was assumed that multilateralism could only flourish in a world composed of democratic nations, the political corollary to an economic objective.

Economic freedom and political democracy may have shared top billing at the Atlantic Conference, but even a cursory look at the wartime planning of the United States indicates the degree to which economic considerations dominated policy formulation. The heated negotiations with the imperial-minded British over the terms of Lend-Lease, as well
as the Bretton Woods Conference of 1944, come readily to mind as examples of American determination to solidify their multilateral position before the end of the war. This uneven planning suggests that the United States was not entirely prepared for the tremendous job that faced her in the post-war period, namely the occupation of the defeated Axis nations. Of course, even the wartime preparations for a multilateral world could not have anticipated the tremendous destruction in Europe and the Pacific, a vivid reminder of the distance between American goals and the effort which would be necessary to realize them.

* * *

Lying at the heart of Europe — literally and figuratively — was defeated Nazi Germany, and whatever the United States considered its priorities to be, every area of German society needed rebuilding, not the least of which was a viable political structure. Compared with the fall of the Imperial regime in 1918, and the Weimar failure fifteen years later, the collapse of the Third Reich in May 1945 was easily the most severe, given that the entire German governing apparatus had been tainted by Nazism, leaving no foundation on which to construct future government. The job of establishing a political structure, then, would be one of the primary tasks of the occupation. Making this job more difficult would be the presence of four occupying powers (United States, Soviet Union, Great Britain, and France) each with its own conception of what it wanted in a post-war Germany.

Within this context, this thesis will attempt to do three things. First, it will trace some of the early political developments in the
American zone of Germany. Second, it will highlight the relationship between the political aspects of the occupation and certain significant economic developments. Much has been written on the economic policies of the United States during the occupation period, most notably the problems with the Soviet Union on the matter of reparations. The emphasis here will be on political issues, but it will become apparent that when the United States was forced to make a major policy decision, it was usually done with its economic interests in mind. This is not to suggest that the political developments were unimportant. On the contrary, the West German government which emerged in 1949 was as much a result of the advanced degree of political activity in the American zone, as it was a response to economic needs.

Finally, and with an eye toward the continuing debate on the origins of the Cold War, this thesis will seek to show that American political policy in the early occupation period was directed not toward the division of Germany, but rather its unification. The fundamental economic and political differences between the United States and Soviet Union should have made the eventual split less surprising, but in 1945 American officials felt that agreement was both desirable and possible. Indeed, it appears that it was France, not the Soviet Union, which was perceived to be the stumbling block to four-power unity in Germany. However, growing tension outside Germany -- centered on Washington and Moscow -- came to overshadow whatever degree of cordiality existed among the four powers during the early stages of the occupation. By focusing primarily on the political development of Germany, and its relationship to four-power unity, it is hoped that this thesis will provide some
understanding of the occupation's democratization program, and its role in the eventual division of Germany.
The earliest attempt to establish a modus vivendi for control in Germany began at the 1943 Moscow Conference of Foreign Ministers, at which time the representatives of the Big Three -- the United States, Soviet Union, and Great Britain -- agreed to the formation of a European Advisory Commission (EAC). The primary function of the commission, headquartered in London, was to prepare a joint allied approach to the immediate post-surrender treatment of Germany. The work of the EAC produced two agreements in late 1944. The first, on September 12, called for the division of Germany, as well as its capital city of Berlin, into three zones of occupation. The second, on November 14, established the machinery of the occupation -- an Allied Control Council (ACC) to jointly administer Germany, and a Kommendatura to jointly administer Berlin. The occupation zones and Control Council were designed as interim measures, to be used until the occupying powers were prepared to reunite Germany. Unknown at the time, however, was that these agreements would go a long way to ensure the very division it sought to prevent.

Important as these accomplishments were, the EAC was equally significant for what it did not accomplish. As mentioned, the initial agreement established zones of occupation in Berlin, itself in the Soviet zone. At the time it was assumed by Great Britain and the United

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States that implicit in the agreement was the right of unrestricted access to their respective zones. This assumption is significant for two reasons. First, it was maintained in the face of criticism. George Kennan, appointed as political advisor to John Winant, the American representative to the EAC, argued against Winant's implicit reading of the agreement. He argued to no avail, and left the position soon after. A second critic was Robert Murphy, newly appointed as political advisor to General Eisenhower in Germany, and who had been sent to London beforehand to observe the proceedings of the commission. The lack of an agreement disturbed him, and years later he would feel partially responsible for not having pressed the point.

The second, and more striking point, is that Winant's reluctance to force the access issue was apparently politically motivated. In London, Murphy confronted Winant on the issue and was told, as Kennan had been before him, that the right to free access was implicit in the United States' right to be in Berlin. According to Murphy, Winant added that "the Russians . . . were inclined to suspect our motives anyway, and if we insisted on this technicality, we would intensify their distrust." According to Winant's biographer, Bernard Bellush, the creation of the EAC had pleased Winant for the simple reason that it ensured the Soviet


Union would be actively involved in the post-war planning. In 1948 the right of direct access to Berlin would take on such importance that the failure to secure it in 1944 would assume the status of a monumental blunder. However, in 1944 direct access to Berlin rated second in priority to maintaining good relations with the Soviet Union.

Kennan has pointed out that President Roosevelt had no love for the European Advisory Commission. In fact, the commission had to narrow considerably the scope of its activity to obtain the President's approval, and only with additional urging from Secretary of State Cordell Hull was it given. Hull felt that some sort of post-war planning for Germany must get underway. Roosevelt, as has often been noted, was extremely reluctant to make decisions concerning the post-war world, as it could possibly tie his hands at a later date. For him the EAC represented such a threat. Kennan has suggested that one way the President controlled the situation was to appoint Winant who, as well as being the U.S. representative to the EAC, was the Ambassador to Great Britain, effectively reducing his ability to participate as actively as would a full-time delegate. Bellush has further suggested that "Winant's role was severely circumscribed by serious divisions in Washington over German policy and the tensions created by departmental


6Kennan, pp. 164-5.

7Ibid., p. 165.
rivalries." The combination of a non-committal President and departmental strife resulted in Winant's inability to ever know exactly what was expected of him, leaving him, according to Bellush, "shaken and embarrassed." 

Winant's frustration suggests that his position was less functional than political. Simply put, he shared the President's views on the need for Soviet-American cooperation. That this was extremely important to Roosevelt is illustrated by Robert Murphy, who wrote of a 1944 meeting with the President:

> He urged me to bear in mind that our primary post-war objective was Soviet-American cooperation -- without which world peace would be impossible -- and that Germany would be the proving ground for such cooperation. 

When Winant discounted suggestions by both Kennan and Murphy to reach an explicit agreement over direct access to Berlin, it was simply because American policy, for Roosevelt and Winant, demanded that German questions be subsumed under a general policy of Soviet-American cooperation. Characteristically, Kennan responded to the activities of the EAC by regarding as "unreal the hopes for collaboration with the Russians in the governing of Germany." Kennan was prophetic in this regard, and while he would eventually be vindicated, the mood in 1944 was one of cautious optimism.

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8 Bellush, p. 194.

9 Ibid., p. 192.

10 Murphy, p. 227.

This optimism, however, was not grounded in any viable United States policy toward Germany, or even a consensus on what to do with the defeated Reich. The failure of the United States to formulate a coherent policy for Germany has long been a focus of criticism for historians, typified by Manfred Jonas' comment that "neither the fact that eventual victory was virtually certain by early 1943 nor the primacy of Germany in American eyes resulted in the development of a specific policy for Germany's future." Jonas, like many, has placed the blame for this state of affairs on Roosevelt, whose disdain for wartime commitment is well known. Even had Roosevelt sought policy clarification, the process would have been clouded by conflicting opinions from administration officials, Congress, and the public alike. Roosevelt's own instincts were decidedly anti-Nazi, if not anti-German, and even as delay defined his policy, his mind would prove fertile soil for the proponents of a harsh peace, namely Treasury Secretary Henry Morgenthau.

The volume of sources alone indicates that the question of what to do with Germany after the war was much-discussed among Americans during the war. Generally speaking, the debate centered on whether the Allies should inflict on Nazi Germany a harsh peace, or employ a milder approach, geared toward the eventual reconstruction of the country. This debate was taken up in an October 1944 Newsweek article by American journalist Dorothy Thompson and British diplomat Lord Vansittart,

whose name, like Morgenthau's, became synonymous with a harsh peace. While Vansittart argued that the German people must be treated "without sentiment or softness," Thompson took a more conciliatory approach, insisting that "punishment and reconstruction must be divorced. They are not the same thing." 13

A Fortune magazine survey in March 1945 indicates that the American public was not necessarily in agreement with Thompson's approach. Of those polled, 31% believed Germany would never again be a "good" nation, and another 37% felt it would take Germany at least twenty years to reach that standard. Only half of the respondents felt that Germany should even be allowed to remain an industrial nation. The magazine also made a comparison based on a similar survey given in January 1944, and the responses indicated growing frustration and hostility toward the German enemy. On the issue of partitioning Germany, 41% (up from 29%), favored breaking the country into smaller units, and 62% (up from 46%) favored using German labor to rebuild countries whom Germany had devastated. "In short," the magazine concluded, "the majority of American people . . . believe the United Nations must rebuild the German society from the ground up." 14

Congress, too, reflected the divergent opinion over the treatment of Germany. Rep. Karl M. LeCompte of Iowa entered into the Record a newspaper article from his predecessor, Rep. Lloyd Thurston, in which he

13 "Vansittart, Dorothy Thompson Argue the Hard Peace Question," Newsweek, October 9, 1944, pp. 104, 111.

proposed that Germany be prohibited from rebuilding her cities for twenty years as a reminder of her wrongdoing. Idaho Rep. Compton I. White, also in an extension of remarks, cited former Ambassador to Germany, James W. Gerard, who claimed that the "German people are a hopeless problem for the world," and called for the dismemberment of the country. A more outrageous suggestion came from Rep. J. Buell Snyder of Pennsylvania who suggested that the occupation authorities "must have a key to every door in Germany for the next 60 years to be sure that all individuals or groups are carrying out the fundamentals in the [Allied] peace and security program."\(^{15}\)

These harsh suggestions were answered by more conciliatory remarks from other Congressmen. Rep. Usher L. Burdick of North Dakota summed up the feelings of this group when he stated that "the philosophy of crushing Germany as a nation should be abandoned if we are actually looking for a durable peace." This sentiment was echoed by Sen. Glen H. Taylor of Idaho who added, in the finest multilateral fashion, that the "German economy is closely interlocked with the economy of all European countries and to a lesser extent with world economy. Decisions with respect to German production will have repercussions in many other lands."\(^{16}\) The realization of Germany's central role in the economy of


\(^{16}\)U. S. Congress, House, 78th Cong., 2nd sess., 19 September 1944, Congressional Record 81:A4151; Senate, 79th Cong., 1st sess., 12 February 1945, 82:A582.
Europe would eventually take root in American policy, but the mood was such in early 1945, that Sen. Taylor's comment may have been deemed as equally outrageous, maybe moreso, as that of Rep. Snyder's 60-year plan.

Taking the middle road was Rep. Albert Gore of Tennessee who, following his return from a fact-finding mission, gave a lengthy speech in March 1945 on conditions in Germany. Sounding like a hardliner, Gore bluntly stated that "justice cannot be done without punishment." He qualified this, however, with his conviction "that only a just peace based on Christian principles can endure." It is interesting to note, that Gore's views seemed to have been affected by his first-hand look at those parts of Germany already under occupation. Later, after the occupation had begun, the difference of opinion between those in Germany, faced with the reality of the destruction, and those in Washington, as to what course of action to follow, would be significant.

While Congress wrangled over the post-war issues, the men closest to the President were no closer to agreement either. The main protagonists were Morgenthau, Hull, and Secretary of War Henry Stimson. The problem between Hull and Stimson, according to Walter Dorn, was differing conceptions of the "nature, scope, and duration of the contemplated military government for Germany for which the War Department felt itself to be in the first instance responsible."  


They did, however, basically agree on a broad plan of reconstruction for Germany. It was Morgenthau whose views were both controversial and extreme. Not surprisingly, on the eve of the September 1944 Quebec Conference between Roosevelt and Churchill, the United States had yet to establish a policy. In a letter to the President, Hull wrote that this was a problem of "great importance and considerable urgency," which needed to be discussed before proceeding with any discussion with Great Britain or the Soviet Union.¹⁹

The program that the President ultimately accepted as the basis for discussion at Quebec, no doubt to Hull's dismay, was the one proposed by Morgenthau. The fundamental premise of what came to be known as the Morgenthau Plan was that "ending the menace of German aggression consists, in its simplest terms, of depriving Germany of all heavy industries."²⁰ Morgenthau conceived of an agricultural and pastoral Germany dominated by the farmer. The specifics of the plan may not have attracted Roosevelt as much as Morgenthau's belief, like Winant's, in the inviolability of the Soviet-American relationship. Morgenthau was extremely critical of those he felt were advocating the reconstruction of Germany as a bulwark against the Soviet Union and communism, arguing that "the nomination of Germany as the watchdog to guard us against peril attains fantastic heights of madness."²¹ Roosevelt's acceptance

¹⁹Letter from Hull to Roosevelt, 28 August 1944, FRUS: Quebec, 1944.

²⁰Henry Morgenthau, Jr., Germany is Our Problem (New York: Harper and Bros., 1945), p. 16.

²¹Ibid., p. 99.
of this plan appears inexplicable unless one considers his determination to extend Soviet-American wartime cooperation into peacetime.

The initial appeal of the Morgenthau Plan, however, could not overcome its fundamental shortcomings. Was it possible, after all, for Roosevelt, promulgator of the Atlantic Charter, to embrace a program that assumed a viable German economy was unnecessary for a strong Europe? Furthermore, could the President support a plan, whose author disavowed the need to introduce democracy to the Germans, on the grounds that "the present generation [of Germans] have become the most fanatical haters of democracy ever known in the world," and that an established democratic government would meet with the same fate as had the government of the Weimar Republic? The President's ill-advised support for the Morgenthau Plan should not be interpreted as a move away from the lofty goals of the Atlantic Charter. For all of Morgenthau's cynical observations on the prospects for democracy in Germany, the question in late 1944 was not whether a democratic form of government should be established, but how it would be accomplished.

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Despite the administration's unofficial policy of postponing difficult decisions, some degree of planning did take place during the war, albeit at a lower, departmental level. A State Department memo prepared for the Joint Chiefs of Staff (JCS/623) in December 1943 stated

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22 Ibid., pp. 131, 140.
that the "most desirable form of government for Germany would be a broadly based democracy operating under a bill of rights to safeguard the civil and political liberties of the individual." The memo further suggested that the "threat of Germany to general security might be lessened through decentralization of the German political structure."²³

What was not known at the time was whether Germany would be partitioned following her defeat. Roosevelt favored partition, but the State Department was adamant in its opposition, citing that "because of the high degree of economic, political, and cultural integration in Germany, it must be anticipated that partition would not only have to be imposed but also maintained by force."²⁴

The State Department issued a more comprehensive statement of its post-war political goals in May 1944. The memo, prepared by the Advisory Committee on Postwar Problems, had three primary proposals:

1) The United States should encourage democratic self-government;
2) The allies should promote a federal government structure, involving the division of Prussia into several smaller states;
3) Political reconstruction should start on the local level and extend to larger units as success becomes apparent.²⁵

Broadly speaking, this was the program that would be implemented in occupied Germany, yet since it came from a lower level committee, it

²³ "U.S. Proposal for the Treatment of Germany," JCS/623, 18 December 1943, National Archives, Box 602.
²⁴ Memo by Committee on Postwar Problems, 5 August 1944, FRUS: Quebec, 1944, p. 59.
²⁵ Memo by Committee on Postwar Problems, 31 May 1944, FRUS: Quebec, 1944, pp. 50, 53.
never had the force of policy. In fact, what is most striking about the State Department correspondence of this period is the considerable skepticism expressed in regard to the prospects for Soviet-American cooperation.

A briefing paper prepared at the time of the Quebec Conference stated that "nothing should be done along political lines [at the Conference] which might jeopardize Soviet military cooperation against Germany," but cautioned that the United States did not "intend to acquiesce in Soviet policies which we consider internationally destructive merely for the sake of avoiding unpleasant issues."^ 26 Ambassador to the Soviet Union Averell Harriman voiced his concern in a letter to presidential advisor Harry Hopkins, writing that "the job of getting the Soviet government to play a decent role in international affairs is ... going to be more difficult than we had hoped."^ 27 However, in 1944 Franklin Roosevelt held sway over American foreign policy and cooperation would be the primary objective.

Death would deny Roosevelt the opportunity to carry out his vision for post-war cooperation. The Yalta Conference in February 1945 proved to be his last chance to enlist the goodwill of the Soviet Union in tackling the problems of post-war Germany. Yet, little was achieved in this regard. The primary accomplishment was the affirmation of the EAC agreements establishing zones of occupation and control machinery for

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^ 26 Department of State Briefing Paper, undated, FRUS: Quebec, 1944, p. 193.

27 Letter from Harriman to Hopkins, 9 September 1944, FRUS: Quebec, 1944, p. 199.
Germany. A second agreement was Stalin's acceptance of France as a fourth member of the Control Council, and the granting to her of an occupation zone, to be carved from the American and British zones. In contrast to his efforts toward Soviet-American cooperation, the President had left little in the way of policy to govern the occupation and, according to Jonas, even that was stated "in broad and frequently contradictory terms, and those charged with its implementation were left largely to find their own way between rhetoric and reality." 

28 FRUS: Malta and Yalta, 1945, pp. 970-1.

29 Jonas, p. 264.
2. Democracy in Germany

Not until the surrender of Germany did a comprehensive, if somewhat controversial, strategy for the U.S. occupation emerge. On May 14, 1945 a Joint Chiefs of Staff directive was issued to the Military Governor in Germany, General Dwight D. Eisenhower. This directive, known as JCS/1067, was a compromise between the occupation programs of the State and War Departments and what Murphy called the "incongruous additions inspired by the Morgenthau Plan."¹ General Lucius D. Clay,² the Deputy Military Governor, wrote that there was no doubt that JCS/1067 "contemplated the Carthaginian peace which dominated our operations in Germany during the early months of occupation."³ According to John Gimbel, Clay was "shocked not by its [JCS/1067] punitive provisions, but by its failure to foresee the economic and financial conditions that prevailed."⁴ The primary objections to the directive, in fact, were the extremely restrictive economic provisions.

The directive also contained very little of a constructive nature regarding the political future of Germany. In a brief statement, it did

¹Murphy, p. 250.

²Clay, though Deputy Military Governor, was de facto in charge of governing the American zone in Germany. Eisenhower was primarily concerned with military matters, such as the transfer of troops to the Pacific theater, and dealt little with occupation affairs. Clay became Military Governor in 1947, a position he held until May 1949.


urge the decentralization of the political structure and the
development of local governmental responsibility. More forcefully
expressed, however, was the restriction that "no political activities of
any kind shall be countenanced unless authorized by [the Military
Governor]." Oddly enough, the Military Governor was further requested
to ensure "that your military government does not become committed to
any political group." The drafters of JCS/1067 seemed to have conceded
that some political activity was inevitable, but were extremely
reluctant to encourage it at that point. Resolution of this tension,
however, was not long in coming.

By the time JCS/1067 was released to the public in October, the
Potsdam Conference had convened and many of the harsh measures had been
modified. JCS/1067 technically would remain in effect until July 1947
-- when it was replaced by JCS/1779 -- but it was effectively superceded
at Potsdam. Potsdam also saw the eclipse of the influence of Henry
Morgenthau. The controversial Treasury Secretary resigned on July 5,
apparently in response to his not being invited to the conference.\(^5\)

The man responsible for provoking Morgenthau's resignation was
Roosevelt's successor, Harry S. Truman who, as a Senator, had opposed
the Morgenthau Plan. Truman, however, in the first months of his
administration did not seek to upset the status quo with respect to
Germany. With no foreign policy experience in his background, he was

\(^5\) "Directive to Commander in Chief of U.S. Forces of Occupation
Regarding the Military Government of Germany," JCS/1067/6, 26 April
1945, National Archives, Box 597.

\(^6\) Murphy, p. 270.
content to continue Roosevelt's policies, though he was more skeptical of the Soviets than his predecessor. Harold Zink has written that Truman's lack of experience manifested itself in a reluctance to become involved in those situations most pressing, the result being that "for about a year following the German capitulation it was virtually impossible to get the White House to give attention to policy matters relating to Germany." The effect of this was that the American zonal authorities acted almost unilaterally, not only in respect to the other occupying powers, but in respect to their own government as well. Jean Edward Smith has argued that American policy was formulated in an "exceedingly ad hoc manner," a state of affairs which prompted Murphy to write that Clay "was destined to become the most influential American in Europe during several crucial post-war years."

At a political level, Clay saw the problem confronting Germany as being that of a political vacuum created by the defeat of the Nazis, a vacuum which "had to be filled promptly with democratic leadership." The results of the Potsdam Conference were to provide some guidance in

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7 Truman's remark after Germany's 1941 invasion of Russia: "If we see that Germany is winning we should help Russia and if Russia is winning we ought to help Germany and that way let them kill as many as possible . . . .", New York Times, 24 June 1941.


10 Clay, p. 87.
this effort. Potsdam's declaration of political principles, like JCS/1067, emphasized decentralization and the promotion of local governmental responsibility, but it backed off from the directive's restrictions, and called for the encouragement of political activity on the local level.11 As might be expected from a document reflecting the input of the three powers, the political principles were fairly vague. This not only ensured agreement at a tripartite level, but also granted Clay considerable maneuverability in his actions.

The Potsdam declaration, however, contained a provision which, unintentionally, would facilitate the move toward the division of Germany. Each of the political provisions, except one, granted rights to the occupying powers in their respective zones. The exception was a stipulation that called for Allied cooperation in an interzonal effort. Recognizing that certain functions would be better and more efficiently performed at the national level -- such as finance, transport, communications, foreign trade, and industry -- the three powers agreed to set up central agencies for this purpose.12 Prior to Potsdam, Clay had written Under Secretary of War John McCloy that he was optimistic the Allies would agree to these national administrations.13 The three powers did agree at Potsdam, but later events would betray Clay's early optimism, and strike a damaging blow to hopes for German unification.

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11 FRUS: Berlin (Potsdam), 1945, II, pp. 1481-1483.
12 Ibid., p. 1483.
The French had been granted a zone of occupation and a place on the Allied Control Council at the Yalta Conference. However, the Yalta conferees also agreed that France not be invited to participate at the Potsdam gathering. The French were determined to frustrate any plans that called for centralization of any kind, for fear that this would lead to a strengthened Germany. In this respect, they possessed what Murphy called a "double veto," not only the right to veto the implementation of any proposal before the Control Council, but the right to veto the implementation of any proposal previously agreed to at Yalta or Potsdam. The issue of central agencies would remain tied up in the Control Council until its demise in March 1948. In the meantime, government in the United States zone took shape.

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Perhaps the best contemporary elaboration of the issue of German government was given in a memorandum prepared by Harold Zink, while he was with the Political Division of the Office of Military Government, United States (OMGUS). The document was prepared in conjunction with the Potsdam Conference, though the recommendations were much more detailed than anything arising out of the conference, a good example of the vacuum of official policy being filled by the military government itself. The primary objective of the occupation, according to Zink, was

14 Memo from Jefferson Caffery, Ambassador to France, to Byrnes, 3 November 1945, FRUS, 1945, III, p. 890.
15 Murphy, p. 286.
"to prevent a recurrence of such international menaces as German militarism and national socialism." He felt that an adequate governmental structure would go a long way toward this goal. He cautioned that, in establishing this government, the American leadership should not proceed on the basis of expediency and inadequate knowledge.  

Years later, writing on the American occupation, Zink would castigate Henry Morgenthau and his plan for failing to understand "the deep-seated and indissoluble connections between Germany and Europe." In 1945 Zink's message was the same: do not ignore Germany's past! He advised that it was important to consider the governmental system which had evolved over time. Failure to do so would lead to chaos and undermine the occupation's primary political objective, "to prepare for the eventual reconstruction of German political life on a democratic basis and for eventual peaceful cooperation in international life by Germany."

In Hitler's Third Reich all governing functions had been centralized at the Reich level, to the point that the government controlled virtually every aspect of human activity. Elaborating on the already stated United States policy of decentralization of the political structure, Zink recommended that government be re-established along the

16 Memo by Harold Zink, FRUS: Potsdam, II, p. 766.
17 Zink, United States in Germany, p. 2.
18 FRUS: Potsdam, II, p. 1482.
Gemeinde (village), Kreis (county, city), Regierungsbezirk (region), Land (state) structure, the traditional German federal structure, which had been emasculated in Hitler's highly centralized Reich government. In accordance with the Potsdam provisions, political activity in Germany would begin at the local -- Gemeinde and Kreis -- level. Zink felt that giving Germans responsibility for the conduct of local affairs would be good training in democracy.19

By July 1945, administrations at the Gemeinde, Stadtkreis (city), and Landkreis (county) level had been established and German officials appointed. Regional administrations (Regierungsbezirk) had also been established to supervise several counties, as well as to perform functions not possible at the local level.20 One obstacle that had been overcome in this period was finding competent people, who had also resisted Nazism, to participate in the new government. Mandatory removal of Nazis from positions of responsibility, as called for by JCS/1067 and later Potsdam, had caused some disruption early in the occupation period, but Clay felt the results of this action to be beneficial.

In spite of these handicaps [disruption of essential facilities], we believe that our prompt action in removal of Nazis has speeded up the application of democratic processes in Germany and will result in stronger organizations at an earlier date than would have been obtained by a more gradual release of Nazis.21

19Ibid., p. 767, 771.


For Clay, the imposing task of denazification, far from being a stumbling block to democratic growth, actually facilitated such growth.

With government operating at the local and regional level, U.S. military authorities prepared for the formation of government at the state (Land) level. This step was called for by the Potsdam protocol, and was consistent with American policy. Clay would later write that, "consistently we supported a structure which gave adequate but limited powers to a federal government."22 In Germany this would involve authority being vested in the Laender (states). In the Third Reich, Hitler had managed to strip the Laender of their historical prerogative in German affairs and, according to Zink, it was "of first rate importance that the Laender be restored to a position of vitality and influence."23 Not surprisingly, the July 1945 Military Governor's Report indicated that "modified governments have been established at all levels up to and including state (Land) governments."24

Despite the establishment of a federal administrative structure, the United States zone was still operating under a ban on political activity, as dictated by JCS/1067. Conversely, the Potsdam protocol maintained that "all democratic political parties with rights of assembly and of public discussion shall be allowed and encouraged

22Clay, p. 17.
throughout Germany. In fact, the Soviets had authorized political activity in their zone on June 10, before Potsdam. Not until August 27, however, was a revised directive issued for the U.S. zone, "under which military government officers may accept and approve applications for permission to form democratic political parties to engage in political activities at the Kreis level." A USFET (U.S. Forces, European Theatre) memo of September 19 explained the difficulty in such a proposition:

It is not possible to define the exact line between political parties and other groups, but in general an association of limited membership seeking to advance by a common representation specific interests of its members is not to be considered a political party.

Two groups whose political party status was unquestioned were the Communists and Social Democrats, who were active informally before the lifting of the ban, especially in the urban areas. This activity, however, was not representative of the zone population as a whole. In fact, Brewster Morris of the Political Division reported on July 16 that "as regards the present ban on political activity, we were interested to note that except for the communists . . . practically all other Germans we spoke to favor the present ban."

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26 "Summary of August 1945 report of the Military Governor, U.S. Zone, Germany," JCS/1517/1, 18 October 1945, National Archives, Box 598.

27 Memo from USFET to Commanding General, Western Military District, 19 September 1945, National Archives, Box 598.

28 Memo by Brewster Morris, 16 July 1945, FRUS, 1945, III, p. 951.
Political activity in the U.S. zone picked up somewhat during September and October, as the Germans began to respond to their newly granted freedom to reorganize political parties. The military government reported that 45 local groups, representing ten parties, had been authorized at the Kreis level. The fragmented nature of the political organization did not, however, concern the authorities, who generally wished to discourage a combination of parties from forming a united political bloc. Generally speaking, though, the German population was still politically dormant. Clay would write Secretary of War Robert Patterson on October 13 that "except for the cities . . . complete political apathy is reported from nearly every section of [the] American zone." However, problems at the quadripartite level would facilitate the next major step in the democratization of Germany.

John Gimbel has written that the actions of France "left little doubt that it intended to block the very economic features of the Potsdam agreement that Americans in Germany had greeted as welcome relief from the previous limitations of JCS/1067. Among these features were the central agencies called for in the political provisions of the agreement. The French, however, stubbornly refused to


30Party organizations were not authorized at the Land level until November 30, 1945.

31Memo from Clay to Patterson, 13 October 1945, Clay Papers, p. 101.

32Gimbel, American Occupation of Germany, p. 17.
accept this or any part of the agreement, unless certain other conditions were met, namely the annexation of the Saar and the internationalization of the Ruhr, Germany's industrial heartland. The French, notably Foreign Minister Georges Bidault, argued that if Germany's western frontiers were not delineated before centralized administrations were set up, then there would be little chance that French views on the Ruhr and Saar would ever prevail. The feeling was that once these agencies were set up, it would be virtually impossible to detach politically those areas under dispute from Germany.33

Acquiescence to the French demands, however, was not forthcoming. In a letter to the Secretary of State, Winant suggested that the United States' opposition to the French position was based on the fear of having "Russians participate in administration of territory so far west, so strategically located and so industrially important."34 Policymakers, however, seemed equally concerned that separation would create a German irredenta that would stand as a source of agitation for years to come.35 Neither side was willing to concede, and the Control Council, on this important issue, lapsed into stalemate. Certain that some degree of centralization was necessary to perform basic functions -- such as communications and transport -- the American zone leadership met with the minister-presidents of the three American Länder (Bavaria, 

33Memo from Caffery to Byrnes, 1 March 1946, FRUS, 1946, V, p. 509.
34Letter from Winant to Byrnes, 16 November 1945, FRUS, 1945, III, p. 894.
35Memo from Patterson to Byrnes, 11 June 1946, FRUS, 1946, II, p. 487.
Wuerttemberg-Baden, and Greater Hessen) in October to form the Council of States, or Laenderrat, an agency to perform these much needed functions and coordinate services, in lieu of the more desirable German-wide agencies.36

This decision, however, was not made without misgivings. In a September 29 letter to Byrnes, Murphy called attention to Clay's concern that "unless central machinery is established promptly, it will have to be established in the United States zone alone, thus creating a new artificial political unit." In addition, Murphy reported Clay's fear that "this may lead to actual dismemberment."37 Clay, wishing to avoid the appearance of creating a separate political unit, stated in his introductory remarks at the October 17 Stuttgart meeting of the minister-presidents that, "it must be strongly emphasized that a Zone authority is not contemplated. On the contrary, what is involved is a clearing house and a research agency by which concrete proposals can be formulated."38 Clay's concern over possibly provoking Soviet mistrust was evident also in his decision not to establish in the American zone a capitol city in which to locate the Laenderrat, a move which might lead

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36 "Summary of October 1945 Report of Military Governor." "Landrat," and not "Laenderrat," is the correct translation of "Council of States." However, since American policymakers used "Laenderrat" in their correspondence and documents, I have maintained its use here.

37 Memo from Murphy to Byrnes, 29 September 1945, FRUS, 1945, III, p. 879.

38 Introductory remarks by General Clay at meeting of Land Minister Presidents, 17 October 1945, Federal Records Center, Suitland, MD, OMGUS Records.
to charges that the United States was establishing a separate
government.\textsuperscript{39} This episode indicates that Clay and the military
government were acting, as they saw it, very much within the framework
of four-power control. It was a decision based on economic necessity,
and made with considerable hesitation.

With the creation of the Laenderrat the military government was
able to report that by November 1945, German government was functioning
at the village, city, county, state and zonal level. For Clay, however,
this was not enough. Despite the occupation's successes "the German
officials were appointees of the occupying authority and were neither
selected by nor responsible to the German people." Clay felt that the
military government "could neither hesitate nor delay" in getting the
populace actively involved in political activity and, at the appropriate
time, the electoral process.\textsuperscript{40}

For Clay the appropriate time was as soon as possible. In a
September 3 letter to McCloy, Clay wrote that he had instructed the
Political Division to set up a program for local elections to be held in
early 1946. He felt that "this program is one of the most important in
re-establishing democratic attitudes and methods. It will give the
Germans an opportunity to learn democratic procedures on the lower
levels before undertaking elections for larger units."\textsuperscript{41} Murphy

\textsuperscript{39}Clay, p. 86. The offices of the Laenderrat were located in
Stuttgart, already serving as the capitol of Land Wuerttemberg-Baden.

\textsuperscript{40}Ibid., p. 87.

\textsuperscript{41}Letter from Clay to McCoy, 3 September 1945, \textit{Clay Papers}, p. 67.
reported to Byrnes on September 12 that elections would be held in each of the American Gemeinde in January. These would be followed in March by the Landkreise elections, and in May by the Stadtkreise elections. Not everyone agreed with Clay as to the desirability of early elections. James K. Pollock, Chief of the Governmental Structures Branch, suggested May elections at the earliest, claiming that it was "out of the question to complete preparations for Gemeinde[n] elections before January." Clay later remembered telling Pollock that "to learn to swim you have to get in the water." 

Prior to this immersion of the German people in the ways of democracy, local government codes (Gemeindeordnungen) had to be drawn up to govern the elections. Among the problems to be tackled in the formulation of these codes were the questions of voter registration and qualification. Should former Nazis, for example, be permitted to vote? Also, how should the problem of residency be addressed? The immediate post-war period was a time of tremendous dislocation for many Germans. While the military government sought above all to encourage the exercise of the vote, it did not want to encourage people to vote in a community in which they were only temporarily residing, and in which they did not

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42 Memo from Murphy to Byrnes, 12 September 1945, FRUS, 1945, III, p. 961.

43 Memo from Pollock to Director, Civil Administration Division, 2 October 1945, Federal Records Center, Suitland, MD, OMGUS Records.

44 Clay, p. 88.
have a continuing interest. As long as the codes did not conflict with occupation policy, however, the military authorities were content to let the German officials work out the specifics. This was consistent with the American belief in the desirability of involving the Germans in all phases of the democratic process.

By December, voting lists had been completed for the January elections, and a system for reporting and analyzing the election returns was prepared. It was assumed by State Department officials that a system of proportional representation, similar to that used during the Weimar Republic, would be used for this purpose. A State memo of September 19 sent to Murphy by Under Secretary Dean Acheson outlined the Department's reasons for supporting this method of apportionment:

1) No one party [would] acquire too predominant [a] position;
2) No party [would] assume in any way [a] role of opposition to occupation administration;
3) No bloc of parties [would] be formed under coercion.

On the third point, Murphy was not quite convinced. A week later, he wrote to Byrnes that "it is pertinent to point out . . . that proportional representation favors growth of many parties. By preventing predominance of one party, it almost forces formation of political coalition or bloc, which is the very result we seek to

45 "Political Parties, Campaigns, and Elections Within the U.S. Zone," 7 September 1945, Federal Records Center, Suitland, MD, OMGUS Records.

46 Memo from Acheson to Murphy, 19 September 1945, FRUS, 1945, III, p. 964.
discourage." Clay, however, reported to Murphy on October 10 that the election codes then being drafted would most likely reflect this traditional German method of analyzing elections, plus any minor modifications which the Germans themselves might suggest.

As scheduled, elections were held on January 20 and 27 in the smaller Gemeinden (towns under 20,000 people), of which there were over ten thousand in the American zone. Considering that only three months before officials were bemoaning the lack of political activity outside the cities, the voter turnout was remarkable. Of the almost five million eligible voters, 83% responded on election day, a figure substantially greater than was forecast by officials. Of the small number who did not vote, 7% were disqualified for Nazi affiliations. Officials conceded that the "rural zone constitutes a special area which may not reflect majority opinion in Germany" and that "elections were limited to local issues and personalities." Nevertheless, they must be considered a success "as offering the public the chance to vote under fair conditions and democratic processes of which they showed willingness to take advantage."
On April 28, 71% of the eligible voters turned out for elections in the Landkreise and larger Gemeinden, and 80% participated the following May 26 in the Stadtkreise elections. Aside from the unexpectedly high voter turnout, what also satisfied the American authorities was that many of the officials who had been appointed by the military government in the early stages of the occupation, had been retained in office by the electorate. For Clay, this was an indication "that our appointees had not been branded as collaborators." Clay was no doubt aware that the Weimar government that assumed power in 1918 was wrongly accused by nationalists of betraying Germany, a theme used to great effect by Hitler to rally disaffected Germans to his cause. Accordingly, the apparent support of the German people in 1946 was of considerable importance to the American leadership, as a sign that their democratization program was succeeding.

The earliest directives on Germany had called for politicization at the Land level, as success at the local level became apparent. In February 1946 the minister-presidents of the three U.S. zone Laender were authorized to prepare preliminary drafts of a Land constitution and arrange for the election of constitutional assemblies to consider these drafts. The delegates were elected by popular vote on June 30, 1946, and the assemblies convened the following month. Approved drafts were then sent to the military government for approval -- plus any changes deemed necessary -- before being submitted to the people for final ratification. One change that was not made concerned proportional

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51 Clay, p. 88.
representation. Clay appears to have favored the idea in October 1945, yet wrote later that he did not support the plan, but that it "could not be considered in violation of democratic principles and [was] therefore accepted as representing the wishes of the electorate." The constitutions, which reflected the traditional German program of parliamentary government, were accepted by the Americans and Germans alike, and by December 1, 1946 had been ratified by the people in the three Lander. With 1946 coming to a close it appeared that the military government had returned to the Germans full responsibility for self-government.

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General Clay left little doubt that the democratic processes initiated in the U.S. zone in the fall of 1945, and brought to fruition during 1946, were designed to facilitate four-power unity, and were not a response to any Soviet provocation. Clay wrote to McCloy on September 3, 1945 (the same letter in which he acknowledged that he had instructed the Political Division to set up a program for elections) that he was much encouraged by the general attitude of cooperation and the apparent desire, especially on the part of the Russians, to work with us in solving various problems. I believe that we are making real headway in breaking down their feelings of suspicion and mistrust.53

52Ibid., p. 89.

53Letter from Clay to McCloy, 3 September 1945, Clay Papers, p. 63.
That the concepts of holding democratic elections and improved Soviet relations each found their way into the same letter is an indication that Clay did not view U.S. plans to proceed with elections as particularly controversial, or contrary to maintaining good relations with their Allies.

Clay did, however, have certain goals in mind when the military government undertook the political reconstruction of the American zone. Clay later wrote that he hoped that

parallel action would be taken in other zones so that the Allied Control Council would have no difficulty in setting up for all Germany the central administrations required by the Potsdam agreement and so that these administrations would find the structures of state government available to facilitate their work.54

On September 12, Murphy wrote to Byrnes that "this measure [elections] has not yet been discussed with representatives of the other occupying powers but will be brought up informally in the political directorate."55 A month later, a memo from Clay's office stated that

The U.S. schedules will be presented on a quadripartite basis and an endeavor will be made to secure correlated action which will result in similar elections under similar electoral methods throughout all zones simultaneously.56

The memo added that it was impossible "to forecast what results will be obtained so that it is imperative that we proceed with the schedules as

54 Clay, p. 91.

55 Memo from Murphy to Byrnes, 12 September 1945, FRUS, 1945, III, p. 962.

56 Memo from Clay to Murphy, 10 October 1945.
Officials were not going to allow the issue of elections to become mired in Control Council deliberations. Neither were they going to hold elections unilaterally without consulting the other occupying powers.

In March 1946, another attempt was made at political unification. The U.S. suggested that political parties be allowed to function on a national basis. This proposal, like the one above, met with failure, and the politicization of the U.S. zone continued on a course distinct from the other zones. By the spring of 1946, quadripartite cooperation was beginning to show the strain that deadlock on a variety of issues had caused. Accordingly, events at the Allied level would have considerable impact on the tremendous political accomplishments within the U.S. zone.

57 Ibid.
3. Roadblock to Democracy

The revival of German political life had occurred at a fairly rapid pace, spurred on by the desire of the American occupation authorities to return to the Germans virtually all responsibility for government. However, this political revival had presumed the simultaneous accomplishment at the four-power level of the economic, and eventual political, unification of Germany. The failure of the Allies to develop the machinery for unification left the American zone in political limbo. The re-establishment of German government in the U.S. zone had been predicated on the notion that it would serve as a basis for future national government. This step, however, seemed at best a long way off, effectively meaning that German government in the U.S. zone had for the time being gone as far as it would go. Yet, it appears also that American officials, concerned primarily with German economic unity, were content to put further democratic growth on hold. Doing so, however, proved more difficult, as the momentum of German democracy would not be easily slowed. The awkwardness of this situation most likely was not seen until 1946, but the roots of the problem can be detected in the early occupation period.

It has been mentioned that the creation of the Laenderrat in October 1945 was a step born out of necessity by the failure of the four occupying powers to agree to the implementation of the Potsdam agreement, calling for the creation of central agencies. Furthermore, this step was seen as being a purely economic one, evidenced by Clay's decision not to create a capitol for the Laenderrat, for fear of it
being possibly misunderstood as a political move. With American policy consistently calling for the decentralization of the political structure, the creation of a central agency with a political function would hardly seem appropriate.

This suggests that American authorities were confident they could keep separate the economic and political development of the U.S. zone. Yet, with the creation of the Laenderrat, and the initiation of democratic processes, two components of the occupation moved onto a collision course. The resulting clash received its impetus from the continued French refusal to agree to the Potsdam proposals. Eventual deterioration of Soviet-American relations would color the way contemporaries, notably Clay himself, viewed the Soviet role in the occupation of Germany, but in early 1946 the main obstacle to four-power unity was perceived to be France. In April, a frustrated Clay recommended to Byrnes that the French be informed that unless they concurred immediately to the establishment of central agencies, "all shipments of wheat to the French zone of Germany will be discontinued," and "shipments [of] wheat to France will also be discontinued if French still unwilling to agree." The State Department, however, refused to exert more than nominal pressure on the French, fearing that doing so might topple the fragile coalition government in France, and usher into power elements, such as Communists, hostile to American interests.  

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1 Clay, pp. x-xi.

2 Memo from Clay to Byrnes, 11 April 1946, Clay Papers, p. 190.

3 Memo from Caffery to Byrnes, 1 March 1946, FRUS, 1946, V, p. 511.
This episode is an excellent example of the divergence in State Department and OMGUS opinion regarding the obstacles to agreement in Germany. The State Department, with such men as George Kennan setting the tone, had a considerably greater mistrust of the Soviet Union than its OMGUS counterparts in Berlin. While State was concerned that pressure on the French might facilitate the Communists assuming power, OMGUS was concerned that the absence of pressure would damage whatever chance existed for four-power agreement and, therefore, unification. The difference, Jean Edward Smith suggests, was that "those closest to the Russian presence in Germany did not despair of Soviet cooperation." More than that, it indicates that the State Department was beginning to look beyond Germany, focusing rather on the larger implications of their German policy. OMGUS policy was neither intentionally anti-Soviet nor anti-French, but pro-unification, and it concerned officials that the State Department posture was growing more anti-Soviet, while relations in Germany remained relatively cordial.

This should not imply, however, that tension did not exist between the United States and the Soviet Union. The Soviets had suffered tremendous human and material loss during the course of the war, and consequently Soviet officials expected, if not demanded, some help in

4In February 1946 Kennan would issue his 'long telegram' from Moscow on the sources of Soviet conduct, a forerunner to his July 1947 'X' article, the intellectual argument for containment. In 1946, the appeal of the telegram within the State Department would elevate Kennan to a prominent position as head of the Policy Planning Staff.

the reconstruction of their war-torn country. It was further expected that this help would come through reparations, which the Russians would exact in two ways. First, the Soviets would physically remove from Germany capital equipment from its remaining heavy industry to compensate for Russian industry destroyed by the war. Secondly, the Soviets expected to benefit from the resumption of German industry, by appropriating part of their current production for Soviet use. Problematic in this was that since the major industrial areas did not all lie in the Soviet zone of occupation, reparations would in part involve the dismantling and removal of industry from the western zones.6

Recognizing Russia's post-war reconstruction needs, the United States agreed in principle to support a reparations plan, though American policy prevented the authorities from ever fully satisfying Soviet expectations on the issue. American skepticism had its roots in the aftermath of World War I. The Versailles participants had imposed upon defeated Germany a reparations figure completely out of proportion with their ability to pay. Heartened by the Weimar government's attempt at democracy and the apparent desire of Germany to assume the role of a responsible world power, the United States sought to lessen the burden of the reparations through loans, under the auspices of the Dawes Plan (1924) and the Young Plan (1929). These loans had the combined effect of indirectly subsidizing those countries receiving German reparations.

6 Under the original reparations plan, the Soviet Union was entitled to 25% of the capital equipment in the western zones slated for dismantling and removal.
as well as providing Germany with the financial means to rebuild militarily.

Oddly enough, in the post World War II period, American reluctance to participate in a reparations scheme survived a complete shift in policy. When the influence of Henry Morgenthau was at its peak, the United States was determined to de-industrialize German industry to the point that she would never again be able to wage war. However, providing reparations to the Russians, on the scale they sought, possibly would entail the revival of German industry to a level not contemplated under pastoralization schemes. Even the State Department, far from subscribing to Morgenthau’s severe de-industrialization plan, was concerned in January 1945 that "reparations should not become a pretext for increasing Germany’s ‘capacity to pay’ by rebuilding its productive power." Morgenthau’s influence died with Roosevelt, leaving the door open for the State Department’s multilateral view to predominate in policy-making. In a complete departure from Morgenthau, State saw limited German industrial revival as crucial to the revitalization of Europe, a necessary component in State’s economic world view. Bruce Kuklick has written that State believed "Germany would not easily take her place in a multilateral order if she were to pay substantial recurring reparations." Reparations, once seen as an

7"Department of State Recommendations for the Economic Treatment of Germany," SC-16, 2 January 1945, National Archives, Record Group 353.

undesirable growth stimulus, became an equally undesirable growth inhibitor.

American officials felt that the implementation of the central agency provision of the Potsdam agreement would be the best quadripartite expression of multilateral intentions. To help break the impasse in the Control Council, Clay in May 1946 ordered a halt on all dismantling and reparations removals from the U.S. zone, effective until agreement on economic unification was reached. Kuklick has argued that it was a distinctly anti-Russian move, designed to pressure the Soviet Union into integrating Germany into a multilateral order. The State Department, however, maintained that the reparations halt was a temporary measure designed to shake up the Control Council (France and Great Britain were also receiving German reparations, though in smaller amounts), and stimulate action on the question of economic unity. In this respect, the reparations issue was merely a lever used to achieve the greater goal, for which the main obstacle was not the Soviet Union (the Soviets would maintain their support for central agencies until August 1946), but the French. In July, Clay reiterated his conviction that "French unwillingness to enter into agreements relative to governing Germany as a whole makes it difficult to place blame on the

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10Kuklick, p. 137.

11U.S., Department of State, Occupation of Germany: Policy and Progress, 1945-46, 1947, p. 34.
Skeptics of the Soviet Union, however, would receive some vindication by the events of mid-1946.

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Throughout 1946 the French continued to press their claims for the Saar region as a precondition to their consideration of a plan for central economic agencies. And while OMGUS officials still considered the French to be the primary obstacle to economic unity, some in the State Department were beginning to question Soviet motivations. In March, Kennan wrote to Byrnes that "I would by no means accept it as a foregone conclusion that Russians have really been eager, up to this time, to see central German administrative agencies established." French intransigence on this issue, Murphy wrote in February, has "played directly into the hands of the Soviet Union which has taken full advantage of French obstructionism to consolidate the Soviet position in eastern Germany." Murphy observed further that "the United States and United Kingdom must sympathize with the French view because if they [U.S., U.K.] didn't they possess ample means to persuade France to agree to Potsdam." It would be difficult, Murphy continued, for the Russians or the Germans "to believe that France is acting independently without

12Memo from Clay to McNarney, 23 July 1946, Clay Papers, p. 244.
13Memo from Kennan to Byrnes, 6 March 1946, FRUS, 1946, V, p. 517.
the tacit or active approval of the U.K and/or U.S.\textsuperscript{14} The State Department's failure to persuade France to yield allowed them, in Gimbel's words, "to exercise influence in Germany far greater than the postwar national power they possessed would have otherwise seemed to permit."\textsuperscript{15}

The Soviet Union had consistently advocated German unity, which gained them a considerable amount of support among the German people. Like the United States, the Soviets simultaneously consolidated their own position in Germany, all this while France maintained her opposition to central agencies. If people felt that the obstacle to unity was the French, but with American consent, then the burden of the failure of the Potsdam agreement could fall squarely on the shoulders of the United States. Dean Acheson was one determined to avoid this eventuality. On May 9 the Under Secretary of State wrote Byrnes that assuming "U.S. insistence on treatment of Germany as economic unit has been motivated primarily by U.S. interest in preventing permanent division of Germany," then a plan should be designed "to force Soviet Union to show its real attitude toward unification of Germany . . . and to avoid any danger that Soviets might put onus of breaking with Potsdam on United States."\textsuperscript{16}

\textsuperscript{14}Memo from Murphy to Byrnes, 24 February 1946, \textit{FRUS, 1946}, V, p. 506.


Clay’s own concern over the deteriorating economic situation in Germany prompted him to suggest that Germany be centralized into as large an area as possible. At the Council of Foreign Minister’s meeting in Paris in July 1946, Byrnes offered the other three zones the opportunity to join with the United States in treating Germany as an economic unit, thereby fulfilling the Potsdam agreement. On July 30, the British accepted the invitation, the only other power that would do so. Byrnes’ thinking was made clear in a landmark speech in Stuttgart on September 6, 1946. He reiterated the United States’ commitment to economic unification, and added that the “time has come when the zonal boundaries should be regarded as defining only the areas to be occupied for security purposes . . . and not as self-contained economic or political units.” Any doubts concerning American commitment to economic unification were removed when the U.S. and Great Britain signed an agreement in New York in December creating Bizonia, to go into effect January 1, 1947. Doubts, however, did exist as to what this new agreement would mean to the political development of the U.S. zone. The almost unhindered growth of democracy in the American zone had come up against a formidable roadblock, the effect of which was to have important consequences for the future of Germany.

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Concerning the bizonal merger, Clay would later write that the joint administration of the two zones was started not in the interest of political reconstruction but as a practical step toward better economic conditions within the area, thus reducing the burden of support borne by the occupying powers. At the time, Clay wrote that "I do have to preserve the political structure in our zone and protect the delegated policy which we have given German officials. This may offer some problem . . . but I am sure that it is one we shall be able to handle." This casual attitude suggests that OMGUS had not prepared for the political consequences of Bizonia, a lack of understanding which put it in danger of undermining all that they had achieved of a political nature since mid-1945. The problem was that the American authorities had not completely abandoned hope for some understanding with the other two occupying powers, and they were consequently reluctant to give Bizonia a political structure which might signal a permanent division of the country.

Throughout 1946 the political development of the American zone proceeded on a schedule already discussed. On the heels of the decision in July to merge with the British zone in 1947, interzonal communication and cooperation began, taking the form, for example, of conferences of the minister-presidents of both zones. Such exchanges had the effect, according to Gimbel, of facilitating "the development of German

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18Clay, p. 163.

19Letter from Clay to Brian Robertson, Deputy Military Governor, U.K., 31 July 1946, Clay Papers, p. 245.
Yet, in keeping with its desire to avoid the appearance of political union, the military government opposed the creation of a popularly-elected bizonal legislature. It did establish bizonal economic agencies to address certain interzonal problems. These agencies were created unilaterally under the authority of the military government, rather than the people. This was taking place as the OMGUS democratization program was going forward "amidst much propaganda about the tremendous progress American-zone Germans were making toward self-government and local responsibility."  

OMGUS had found itself in the unenviable position of having to choose between its zonal democratization program and its bizonal economic interests. In short, economic necessity prevailed. The military government had established the institutions of self-government, then stripped them of authority in favor of its own bizonal economic program. Clay later described the inevitable effect on the state governments, which "felt that they represented more nearly the will of the German people and therefore accepted the rulings of the bizonal agencies reluctantly and sometimes only after they were required to do so by military government." Finally, in May 1947, with the possibility of four-power unity diminishing rapidly, the United States and Great Britain established a strengthened bizonal administration.

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21 Ibid., p. 63.

22 Clay, p. 173.
designed to place greater responsibility in the hands of the Germans. Biszonia, which had been intended as an economic expedient, had been recognized as a political entity, a step of great significance as Germany began the seemingly inevitable march toward division.

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The United States had pursued in Germany a policy that it felt would facilitate the unification of the occupied country. Yet, as the democratization program enjoyed one success after another, Germany was gradually moving away from, rather than toward, unification. Kuklick has suggested that American policy may not have been intentionally divisive, but that in fact it was so. The distinction, however, is important. Much emphasis has been placed here on the intent of those American officials in Germany charged with the responsibility of making and implementing policy. What this has shown is that American actions in the early occupation period were motivated by a spirit of cooperation and a desire for unification. This spirit, however, could not survive in the increasingly tense climate outside of Germany.

The State Department took a dim view of the prospects for cooperation, especially with the Soviet Union, an outlook likely inspired by their multilateral world view. These officials saw in the Soviet Union a formidable obstacle to their conception of a worldwide free-market economy. If cooperation with the Soviets could produce such an economy, so much the better. But cooperation should not be confused

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23 Kuklick, p. 65.
with compromise. The State Department was more than willing to cooperate with the other three powers on unification, but on American terms. Men such as longtime Secretary of State Cordell Hull subscribed to what Arthur Schlesinger has called the universalist approach to diplomacy which, simply put, meant that "all nations shared a common interest in all the affairs of the world." These men had no desire to divide the world into spheres of influence, thereby relinquishing the opportunity to exert political and economic influence on a global basis. Yet, the harder they pressed their universalist claim, the more real became the possibility of an economically divided world.

This universalist vs. sphere-of-influence debate, however, was waged in Washington, not in Germany. The point is that the military government and the State Department differed in opinion because they differed in perspective. The February 1947 Truman Doctrine, which many consider to be the United States' unofficial declaration of the Cold War, preceded by more than a year the breakdown of the Control Council in March 1948, which effectively ended any hopes for German unification. The considerable lapse of time between these two events can be attributed to the fact that Cold War tension originated in Washington and Moscow, and only slowly filtered down to the negotiating parties in Germany. Of course, it is doubtful that much chance for unification existed once the governments of each country had engaged in hostile declarations toward the other. But it does give some indication that

those in Germany did not early on abandon hope, or the negotiating table, because of conflict at the international level.

Accordingly, Gimbel has written that it is "generally inaccurate, misleading, and unhistorical to speak of the contrast between an Eastern and Western (or a Soviet and an Allied, or a Russian and a 'free world') position on the issues of Germany."\(^{25}\) The Cold War did not originate in Germany, though the tremendous tension engendered by the superpower conflict would later surface there. When it did surface, it did so in dramatic fashion. In April 1948, on the heels of the Control Council collapse, the Soviet Union cut off all land access to Berlin, forcing the United States to supply the German people through an airlift. The lifting of the blockade in May 1949 prompted the formation of the West German government. This government no doubt reflected the failure of the superpowers to reach agreement for the unification of Germany, as well as the American desire to reintegrate the country into the European economy. But, ironically, the formation of this government relied quite heavily on a political structure introduced at a time in Germany when optimism set the tone, and unification was the plan.

Conclusion

The political reconstruction of western Germany after World War II went through three distinct stages: the establishment of zonal and Land political structures, the fusion of the American and British zones -- first economically, then politically -- in 1947, and the creation of the West German government in 1949. The first stage, most actively pursued in the U.S. zone, was accomplished not to facilitate division, but to provide a framework within which quadripartite control could operate when agreement was reached on economic unification. Political reconstruction, however, quickly outran economic agreement in the Control Council. When the economic realities of Germany's condition made delay intolerable, unification with as many zones as possible became mandatory. The irony of the merger is that the American authorities, who had labored in 1945 to encourage political activity, sought to discourage the Germans from seeking a political role for Bizonia. That the Americans were willing to undermine the very political revival they had sparked was evidence of first, the economic primacy of their mission and second, their intense desire to avoid the appearance of having created a separate German political entity.

Most importantly, though, the willingness to undermine the democratic growth of Germany showed a genuine lack of understanding for the nature of democracy. The occupation's political program had sought to instill in the German people a respect for the democratic process, and a desire to govern the country in a democratic fashion. After all, it was anticipated that the United States would not always be in
Germany, and if a genuinely democratic Germany were to eventually emerge, it would do so under the auspices of the German people, not the United States.

When the 1946 elections brought such a tremendous response, the American authorities undoubtedly felt that democracy was making inroads into the thinking of the people. Likewise, the desire in 1947 to establish a popularly-elected political structure for Bizonia seemed a natural progression for a nation and its leadership looking to re-establish itself on a democratic basis. Halting this political momentum, as American officials then sought to do, suggests that the occupation engaged in what John D. Montgomery called an "artificial revolution."\(^1\) They sought radical change in the German political structure, and in the attitudes of the people, but they wanted to regulate that change and dictate how far it would go. Obviously, this most un-democratic behavior set a poor precedent for the German people. The United States would eventually yield to the inevitable political implications of Bizonia, but that they did so hesitantly is an unfortunate blot on their record.

That they did so unwillingly, however, also attests to their desire to prevent Germany's division. Furthermore, this desire implied a willingness to cooperate with the Soviet Union, which would be necessary if unification was to be achieved. Before his death, Roosevelt had expressed the opinion that Germany would be the proving ground for

Soviet-American cooperation. This cooperative spirit would permeate OMGUS policy after his death, but it quickly fell out of favor with the more anti-Soviet State Department, most likely because of the threat the Soviet Union posed to State's vision of a multilateral world economy. Consequently, attempts at cooperation in Germany were often frustrated at the administration level, where Soviet-American tension set the tone. This tension would eventually divide Germany, helped in no small way by the political progress of the American zone and then Bizonia. Ironically, a program that had been undertaken with unification in mind, would eventually assist in the defeat of this objective.

The conception of Germany as the primary proving ground for Soviet-American cooperation never materialized. If it had, the complexion of the post-war world might be significantly different than it is today. But for each side, the Soviet Union and the United States, the differences were too fundamental and the stakes too high, to simply allow the affairs in Germany dictate the disposition of the post-war world. No doubt Roosevelt would have appreciated the relative cordiality that remained in Germany after relations between Washington and Moscow had soured, but by 1947 it mattered little. The nation whose defeat had galvanized the Allied nations during World War II, had been relegated to the status of just another actor in the emerging drama of the Cold War.
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