

## FINAL DOCUMENTS

REPORT BY THE COMBINED CHIEFS OF STAFF, APPROVED  
BY THE HEADS OF GOVERNMENT OF THE UNITED  
STATES AND THE UNITED KINGDOM

No. 1381

J. C. S. Files

*The Combined Chiefs of Staff to President Truman and Prime Minister  
Churchill*<sup>1</sup>

TOP SECRET

[BABELSBERG, July 24, 1945.]

Enclosure to C. C. S. 900/3

REPORT TO THE PRESIDENT AND PRIME MINISTER OF THE AGREED  
SUMMARY OF CONCLUSIONS REACHED BY THE COMBINED CHIEFS  
OF STAFF AT THE "TERMINAL" CONFERENCE

1. The agreed summary of conclusions reached at the TERMINAL  
Conference is submitted herewith.

### I. OVER-ALL OBJECTIVE

2. In conjunction with other Allies to bring about at the earliest  
possible date the unconditional surrender of Japan.

### II. OVER-ALL STRATEGIC CONCEPT FOR THE PROSECUTION OF THE WAR

3. In cooperation with other Allies to bring about at the earliest  
possible date the defeat of Japan by: lowering Japanese ability and  
will to resist by establishing sea and air blockades, conducting intensive  
air bombardment, and destroying Japanese air and naval strength;  
invading and seizing objectives in the Japanese home islands as the  
main effort; conducting such operations against objectives in other  
than the Japanese home islands as will contribute to the main effort;  
establishing absolute military control of Japan; and liberating  
Japanese-occupied territory if required.

4. In cooperation with other Allies to establish and maintain, as  
necessary, military control of Germany and Austria.

<sup>1</sup> Text as approved by Truman and Churchill on July 24. See *ante*, p. 344.

III. BASIC UNDERTAKINGS AND POLICIES FOR THE PROSECUTION OF THE WAR<sup>2</sup>

5. The following basic undertakings are considered fundamental to the prosecution of the war:—

*a.* Maintain the security and war-making capacity of the Western Hemisphere and the British Commonwealth as necessary for the fulfillment of the strategic concept.

*b.* Support the war-making capacity of our forces in all areas, with first priority given to those forces in or designated for employment in combat areas in the war against Japan.

*c.* Maintain vital overseas lines of communication.

6. In order to attain the over-all objective, first priority in the provision of forces and resources of the United States and Great Britain, including reorientation from the European Theater to the Pacific and Far East, will be given to meeting requirements of tasks necessary to the execution of the over-all strategic concept and to the basic undertakings fundamental to the prosecution of the war.

The invasion of Japan and operations directly connected therewith are the supreme operations in the war against Japan; forces and resources will be allocated on the required scale to assure that invasion can be accomplished at the earliest practicable date. No other operations will be undertaken which hazard the success of, or delay, these main operations.

7. The following additional tasks will be undertaken in order to assist in the execution of the over-all strategic concept:—

*a.* Encourage Russian entry into the war against Japan. Provide such aid to her war-making capacity as may be necessary and practicable in connection therewith.

*b.* Undertake such measures as may be necessary and practicable in order to aid the war effort of China as an effective ally against Japan.

*c.* Provide assistance to such of the forces of liberated areas as can fulfill an active and effective role in the present war in accordance with the over-all strategic concept. Within the limits of our available resources assist co-belligerents to the extent they are able to employ this assistance in the present war. Having regard to the successful accomplishment of basic undertakings, to provide such supplies to the liberated areas as will effectively contribute to the capacity of the United Nations to prosecute the war against Japan.

<sup>2</sup> In the draft report to the President and the Prime Minister circulated on July 23 as the enclosure to C. C. S. 900/2, the following language constitutes the complete text under this heading: "(The respective views of the United States and British Chiefs of Staff are set out in parallel columns in Appendix 'A'.)" For the text of appendix A to C. C. S. 900/2, see document No. 1266.

With the resolution of the differences of view set forth in appendix A to C. C. S. 900/2 (see *ante*, pp. 340-343), the subject matter of this appendix was dealt with in paragraphs 5, 6, and 7 of the body of the final report. This necessitated the relettering of the other appendices. Appendix B to C. C. S. 900/2 became appendix A to C. C. S. 900/3, et cetera.

*d.* In cooperation with other Allies conduct operations, if required, to liberate enemy-occupied areas.

#### IV. THE WAR AGAINST JAPAN

##### *Strategic Direction of the War*

8. We have discussed the strategic direction of the war against Japan and have agreed as follows:—

*a.* The control of operational strategy in the Pacific Theater will remain in the hands of the United States Chiefs of Staff.

*b.* The United States Chiefs of Staff will provide the British Chiefs of Staff with full and timely information as to their future plans and intentions.

*c.* The United States Chiefs of Staff will consult the British Chiefs of Staff on matters of general strategy on the understanding that in the event of disagreement the final decision on the action to be taken will lie with the United States Chiefs of Staff.

*d.* In the event the British Chiefs of Staff should decide that they cannot commit British troops in support of a decision made by the United States Chiefs of Staff as indicated in *c.* above, the British Chiefs of Staff will give to the United States Chiefs of Staff such advance notice of their decision as will permit them to make timely rearrangements.

*e.* In the event the U. S. S. R. enters the war against Japan, the strategy to be pursued should be discussed between the parties concerned.

##### *Operations in the Pacific*

9. We have taken note of the plans and operations proposed by the United States Chiefs of Staff in Appendix "A."

10. We have considered the scope and nature of British participation in operations in the Pacific area. Our conclusions are as follows:—

*a.* The British Pacific Fleet will participate as at present planned.

*b.* A British very long range bomber force of 10 squadrons, increasing to 20 squadrons when more airfields become available, will participate. There is little prospect that airfield space for more than 10 squadrons of this force will become available before 1 December 1945 at the earliest.

*c.* We have agreed in principle that a Commonwealth land force and, if possible, a small tactical air force, should take part in the final phase of the war against Japan, subject to the satisfactory resolution of operational and other problems. In addition, some units of the British<sup>3</sup> East Indies Fleet may also take part.

11. In connection with paragraph 10 *c.* above, we have agreed that the appropriate British commanders and staff should visit Admiral Nimitz and General MacArthur and draw up with them a plan for submission to the Combined Chiefs of Staff.

<sup>3</sup> The word "British" does not appear at this point in C. C. S. 900/2.

*Operations in Southeast Asia Command*

12. We have discussed the instructions that should be issued to the Supreme Allied Commander, Southeast Asia, and have agreed upon the terms of the directive in Appendix "B."

*Reallocation of Areas and Command in the Southwest Pacific and Southeast Asia Areas*

13. We have agreed in principle that that part of the Southwest Pacific Area lying south of the boundary described in Appendix "C" should pass from United States to British command as soon as possible. The British Chiefs of Staff have undertaken to obtain the agreement of the Australian, New Zealand, and Dutch Governments to these proposals and to investigate and report the earliest practicable date on which the transfer can be effected.

14. We consider it desirable that initially Admiral Mountbatten control operations undertaken in southern Indo-China since these are more closely related to those of Southeast Asia Command than to those of the China Theater. We are agreed that the best arrangement would be to include that portion of Indo-China lying south of latitude 16° north in Southeast Asia Command. This arrangement would continue General Wedemeyer's control of that part of Indo-China which covers the flank of projected Chinese operations in China, and would enable Admiral Mountbatten to prepare the ground in the southern half of Indo-China where any initial operations by him would develop.

We recommend that an approach to Generalissimo Chiang Kai-shek<sup>4</sup> be made by our two governments to secure his agreement to this arrangement.

At a later date it may prove to be desirable to place all or part of the remainder of Indo-China within the sphere of operations of the Southeast Asia Command.

*French and Dutch Participation in the War*

15. We have considered the arrangements which can be made for French and Dutch participation in the war against Japan and our conclusions are as follows:—

*a.* While it is at present impracticable due chiefly to logistical difficulties for French or Netherlands armed forces to take a major part in the immediate operations in the Far East, the provision of such assistance which may be synchronized with operations will be taken into account. The use of such forces will depend solely on military considerations. French or Netherlands forces so accepted must operate under the complete control of the commander in chief concerned.

<sup>4</sup> C. C. S. 900/2 reads: "an approach to the Generalissimo".

b. The French/Netherlands representatives will be given timely information of our intentions in respect of any operations that will directly affect French/Netherlands territories or armed forces in the Far East.

16. We have considered an offer by the French of a French corps of two infantry divisions to serve in the Pacific war and have agreed on the following reply:—

“a. Whether the corps will serve under U. S. or British command and the area in which it will operate will be determined later.

“b. Final acceptance of the corps will involve an agreement with the government concerned on basic matters including command, combat efficiency, replacements, and logistical support.

“c. Maximum use will be made of equipment provided under the North African and Metropolitan Rearmament Programs.

“d. The time of movement will be in accordance with the priority of the operations in which it is to be used. Pressing shipping and other requirements for operations in the Pacific make certain that the corps cannot be moved from France for at least several months. Whether used in the main effort or in the South China Sea area, it will not be possible to commit it to operations prior to the spring of 1946.”

#### *Portuguese Participation in the War*

17. We have examined a report by an Anglo-American Military Mission which discussed with the Portuguese military authorities Portuguese proposals for participation in such operations as may eventually be conducted to expel the Japanese from Portuguese Timor. We have informed the State Department and the Foreign Office of our views, which are set out in Appendix “D.”

#### *Information for the Russians Concerning the Japanese War*

18. We have discussed the policy to be followed by the British and the United States Chiefs of Staff in passing to the Russians information and intelligence concerning the Japanese war and have agreed as follows:—

a. The United States and British Chiefs of Staff will pass to the Russians such operational information and intelligence regarding the theaters in which they are respectively responsible as either may wish and without bargaining.

b. The United States and British Chiefs of Staff will consult together before passing to the Russians any information and intelligence other than operational. Neither party will pass to the Russians information or intelligence derived wholly or in part from the other party's sources without their consent.

*Planning Date for the End of Organized Resistance by Japan*

19. We recommend that for the purpose of planning production and the allocation of manpower, the planning date for the end of organized resistance by Japan be 15 November 1946 and that this date be adjusted periodically to conform to the course of the war.

## V. MISCELLANEOUS

*Personnel Shipping*

20. We have considered the employment of certain captured enemy ocean-going passenger shipping and have agreed that the total lift of the *Europa*, *Caribia*, *Vulcania*, *Patria*, *Potsdam*, *Pretoria*, and *Milwaukee* should be allocated for United States employment up to 31 December 1945. We have taken note that the United States Chiefs of Staff will allocate to the United Kingdom a lift of 16,000 during the remainder of 1945 for the movement of Canadians.

21. We have directed the completion by 15 September 1945 of a study of the combined requirements and combined resources, including captured enemy troop lift, for the first half of 1946.

*Personnel Shipping for the Requirements of Allied Governments*

22. We have considered the best means of insuring the efficient coordination of the demands for personnel shipping submitted by Allied governments, other than British and American military movements, and of providing a machinery for dealing with essential personnel movements other than those already approved. We have forwarded to the Combined Shipping Adjustment Board the memorandum contained in Appendix "E."

*Cargo Shipping*<sup>5</sup>

23. Present estimates of the requirements for cargo shipping indicate the position to be sufficiently manageable to provide for the maximum effort in the prosecution of the war against Japan, for the maintenance of the war-making capacity of the British Commonwealth of Nations and the Western Hemisphere in so far as it is connected with the prosecution of the war against Japan, for an additional amount for the reconstruction and rehabilitation of the United Kingdom, for supplies to liberated areas, and for essential programs of the Western Hemisphere.

Should substantial conflict arise, the shipping situation will be a matter for examination by the two governments at the time and in the light of changed conditions.

<sup>5</sup> This heading and paragraph 23 do not appear in the body of the enclosure to C. C. S. 900/2. Cf. document No. 1266.

## [Appendix A]

TOP SECRET

PLANS AND OPERATIONS IN THE PACIFIC  
(See paragraph 9 of the Report)

1. In conformity with the over-all objective to bring about the unconditional surrender of Japan at the earliest possible date, the United States Chiefs of Staff have adopted the following concept of operations for the main effort in the Pacific:—

*a.* From bases in Okinawa, Iwo Jima, Marianas, and the Philippines to intensify the blockade and air bombardment of Japan in order to create a situation favorable to:

*b.* An assault on Kyushu for the purpose of further reducing Japanese capabilities by containing and destroying major enemy forces and further intensifying the blockade and air bombardment in order to establish a tactical condition favorable to:

*c.* The decisive invasion of Honshu.<sup>6</sup>

2. We have curtailed our projected expansion in the Ryukyus by deferring indefinitely the seizure of Miyako Jima and Kikai Jima. Using the resources originally provided for Miyako and Kikai, we have accelerated the development of Okinawa. By doing this, a greater weight of effort will more promptly be brought to bear against Japan and the risk of becoming involved in operations which might delay the seizure of Kyushu<sup>7</sup> is avoided.

3. In furtherance of the accomplishment of the over-all objectives, we have directed:—

*a.* The invasion of Kyushu.

*b.* The continuation of operations for securing and maintaining control of sea communications to and in the western Pacific as are required for the accomplishment of the over-all objective.

*c.* The defeat of the remaining Japanese in the Philippines by such operations as can be executed without prejudice to the over-all objective.

*d.* The seizure of Balikpapan. (This operation is now approaching successful completion.)

*e.* The continuance of strategic air operations to support the accomplishment of the over-all objective.

4. Planning and preparation for the campaign in Japan subsequent to the invasion of Kyushu are continuing on the basis of meeting the target date for the invasion of Honshu. This planning is premised on the belief that defeat of the enemy's armed forces in the Japanese homeland is a prerequisite to unconditional surrender, and that such a defeat will establish the optimum prospect of capitulation by

<sup>6</sup> In appendix B to C. C. S. 900/2, subparagraph *c* reads as follows: "The decisive invasion of the industrial heart of Japan through the Tokyo Plain."

<sup>7</sup> Appendix B to C. C. S. 900/2 reads "southern Kyushu".

Japanese forces outside the main Japanese islands. We recognize the possibility also that our success in the main islands may not obviate the necessity of defeating Japanese forces elsewhere; decision as to steps to be taken in this eventuality must await further developments.

5. We are keeping under continuing review the possibility of capitalizing at small cost<sup>8</sup> upon Japanese military deterioration and withdrawals in the China Theater, without delaying the supreme operations.

6. We have directed the preparation of plans for the following:—

a. Keeping open a sea route to Russian Pacific ports.

b. Operations to effect an entry into Japan proper for occupational purposes in order to take immediate advantage of favorable circumstances such as a sudden enemy collapse or surrender.

[Appendix B]

*The Combined Chiefs of Staff to the Supreme Allied Commander,  
Southeast Asia (Mountbatten)*

TOP SECRET

DIRECTIVE TO THE SUPREME ALLIED COMMANDER, SOUTHEAST ASIA  
(See paragraph 12 of the Report)

The following directive has been approved by the Combined Chiefs of Staff on the understanding that the British Chiefs of Staff will obtain the agreement of the Australian, New Zealand, and Dutch Governments to the proposed reallocation of areas and command set-up in Southwest Pacific and Southeast Asia.

1. Your primary task is the opening of the Straits of Malacca at the earliest possible moment. It is also intended that British Commonwealth land forces should take part in the main operations against Japan which have been agreed as the supreme operations in the war; and that operations should continue in the Outer Zone to the extent that forces and resources permit.

2. The eastern boundary of your command will be extended to include Borneo, Java, and the Celebes.

Full details of this extension are contained in the Annex hereto.

3. Further information will be sent to you regarding Indo-China.

4. It is desirable that you assume command of the additional areas as soon as practicable after 15 August 1945. You will report to the Combined Chiefs of Staff the date on which you expect to be in a position to undertake this additional responsibility.

<sup>8</sup> Appendix B to C. C. S. 900/2 has the phrase "without delaying the supreme operations" at this point rather than at the end of the sentence.



5. From that date, such Dominion and Dutch forces as may be operating in your new area will come under your command. They will, however, continue to be based on Australia.

6. The area to the east of your new boundary will be an Australian command under the British Chiefs of Staff.

7. It has been agreed in principle that a British Commonwealth land force of from three to five divisions, and, if possible, a small tactical air force, should take part in the main operations against Japan in the spring of 1946. Units of the British<sup>9</sup> East Indies Fleet may also take part. Certain important factors relating to this are still under examination.

8. You will be required to provide a proportion of this force together with the assault lift for two divisions. The exact composition of this force and its role and the mounting and supporting arrangements will be discussed between Admiral Nimitz, General MacArthur, and the British force commanders, and will receive final approval by the Combined Chiefs of Staff.

9. The requirements for the force taking part in the main operations against Japan must have priority over all the other tasks indicated below.

10. Subject to the fulfillment of the higher priority commitments given above, you will, within the limits of available resources, carry out operations designed to:—

- a. Complete the liberation of Malaya.
- b. Maintain pressure on the Japanese across the Burma-Siam frontier.
- c. Capture the key areas of Siam.
- d. Establish bridgeheads in Java and/or Sumatra to enable the subsequent clearance of these areas to be undertaken in due course.

11. You will submit a program of operations to the British Chiefs of Staff as soon as you are in a position to do so.

12. You will develop Singapore and such other bases as you may require to the extent necessary for operations against the Japanese.

[Annex]

TOP SECRET

EASTERN BOUNDARY OF SOUTHEAST ASIA COMMAND  
(See paragraph 2 of Appendix "B")

Beginning on the coast of Indo-China at 16° north; thence to intersect at 7°40' north latitude 116° east longitude, the boundary between

<sup>9</sup> The word "British" does not appear at this point in appendix C to C. C. S. 900/2.

the Commonwealth of the Philippine Islands and British North Borneo; thence along the 1939 boundary line of the Philippines to latitude 05° north longitude 127° east; thence southwestward to 02° south 123° east; thence southeastward to 08° south 125° east; thence southwestward to 18° south 110° east.

[Appendix C]

TOP SECRET

BOUNDARY BETWEEN THE BRITISH AND U. S. AREAS OF COMMAND  
IN THE SOUTHWEST PACIFIC  
(See paragraph 13 of the Report)

Beginning on the coast of Indo-China at 16° north; thence to intersect at 7°40' north latitude 116° east longitude, the boundary between the Commonwealth of the Philippine Islands and British North Borneo; thence along the 1939 boundary line of the Philippines to latitude 05° north longitude 127° east; thence east to 05° north 130° east; thence south to the equator; thence east to 140° east; thence generally southeast to 02°20' south 146° east; thence east to 02°20' south 159° east; thence south.

[Appendix D]

TOP SECRET

(See paragraph 17 of the Report)

The Combined Chiefs of Staff have communicated to the Department of State and the Foreign Office the following views on Portuguese participation in the war against Japan:—

*a.* The Combined Chiefs of Staff are agreed on the acceptance of Portuguese assistance in such operations as may be conducted eventually to expel the Japanese from Portuguese Timor. While they have made no agreement with the Portuguese military authorities as to the direct use of Portuguese forces, they have recognized the possibility of such use and agreed that plans will be worked out as a result of the studies conducted in staff conversations in Lisbon.

*b.* As between the two military forces offered by Portugal (a regimental combat team of 4,000 or a battalion combat team of 2,200, both including 400 native troops), the larger force is likely to be the more acceptable. Steps are being taken to allocate a suitable training area.

*c.* The air component offered by Portugal should under no circumstances be included in the acceptance of the Portuguese offer in view of the small number of planes available and the state of the training of the pilots, mechanics, and radio specialists.

d. There is no objection from the military viewpoint to Portugal receiving munitions when they can be spared but negotiation as to the basis for transfer is an action to be taken on a governmental level.

e. The Combined Chiefs of Staff in accepting Portuguese participation do not intend to enter into a commitment for the retaking of Portuguese Timor. Neither is acceptance to be construed as a commitment to use Portuguese troops in any other area.

f. Military operations against Portuguese Timor must for the present await the completion of operations against higher priority Japanese-held objectives. The Combined Chiefs of Staff will notify the Portuguese military authorities of impending operations against Portuguese Timor in time for them to prepare their troops for participation therein. Details as to the assembly, shipment, training, and equipping of the Portuguese force will be decided by the Combined Chiefs of Staff at the appropriate time.

They have informed the State Department and the Foreign Office that they have no objection to the disclosure of any of the above information to the Portuguese if the Department of State or Foreign Office deem it necessary in diplomatic conversations. . . .

[Appendix E]

*The Combined Chiefs of Staff to the Combined Shipping  
Adjustment Board*

CONFIDENTIAL

MEMORANDUM FOR THE COMBINED SHIPPING ADJUSTMENT BOARD  
(See paragraph 22 of the Report)

1. The Combined Chiefs of Staff have been studying the problem of providing passenger carrying shipping to meet the urgent demands for the essential military operations in the prosecution of the war against Japan, and for the provision of such shipping of this type to meet other requirements as can be made available without adversely affecting military operations.

2. The available passenger space is insufficient to meet all the urgent requirements of the United Nations, and coordination of demands is, therefore, essential in order to determine priority and to secure shipping efficiency as well as to ensure the fullest consideration being given to all claimants.

3. The Combined Chiefs of Staff have, therefore, agreed that in accordance with the "Agreement on Principles," dated 5 August 1944,<sup>10</sup> contained in the United Maritime Authority's report, October, 1944,

<sup>10</sup> Treaties and Other International Acts Series No. 1722; 61 Stat. (4) 3784.

the following procedure in respect of the submission of demands should be adopted by all the Allied nations:—

*a.* The current procedure for handling the United States and United Kingdom personnel shipping for military requirements will be continued. This procedure will permit on an operational basis the opportune use of such shipping on return voyages, or legs of such voyages, to move passengers of any of the Allied governments.

*b.* All requirements of the Allied governments for the movement of passengers, whether military or civilian, involving definite additional commitments of shipping, whether on a short- or long-term basis, should be submitted to the United Maritime Authority in terms of the shipping space required. The Combined Shipping Adjustment Board should confer with the Combined Chiefs of Staff as to practicability of meeting such requirements. On military requests of the other Allied governments the decision will rest with the Combined Chiefs of Staff.

*c.* When a satisfactory arrangement in regard to the movement of civilians cannot be made under *a.* and *b.* above, the matter may be referred to the appropriate authorities of the United Kingdom and United States, to decide whether passenger vessels should be withdrawn at the expense of the military effort. Ships, if so allocated, would operate under the control of the United Maritime Authority on the basis of the "Agreement on Principles" but would be retained in the common pool and assigned for particular voyage employment as might be decided from time to time.

4. Vital demands for shipping should, therefore, be submitted to the United Maritime Authority for consideration.

5. The Combined Shipping Adjustment Board is requested to transmit the foregoing policy to the United Maritime Executive Board in Washington and London.

[No. 1381]

PROCLAMATION CALLING FOR THE SURRENDER OF  
JAPAN, APPROVED BY THE HEADS OF GOVERNMENT  
OF THE UNITED STATES, CHINA, AND THE UNITED  
KINGDOM

No. 1382

740.00119 Potsdam/7-2645

*Proclamation*<sup>1</sup>

PROCLAMATION BY THE HEADS OF GOVERNMENTS,  
UNITED STATES, CHINA AND THE UNITED KINGDOM<sup>2</sup>

(1) We, the President of the United States, the President of the National Government of the Republic of China and the Prime Minister

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<sup>1</sup> Harriman sent to Byrnes, in telegram No. 2841 of August 10, 1945 (Moscow Embassy Files—711.9 Japanese Surrender), the following English translation of "Molotov's statement handed to Japanese Ambassador and published in Soviet press August 8th declaring war on Japan":

"After the defeat and surrender of Hitlerite Germany Japan remained the only great power which still held out for continuing the war.

"The demand of the three powers—the United States of America, Great Britain, and China [—] of July 26, 1945 concerning the unconditional surrender of the Japanese armed forces was refused by Japan. The proposal of the Japanese Government to the Soviet Union concerning mediation in the war in the Far East [cf. *ante*, pp. 1262–1264] thereby loses all basis.

"Taking into consideration the refusal of Japan to surrender, the allies approached the Soviet Government with a proposal [cf. document No. 1282] to join the war against Japanese aggression and thereby shorten the length of the war, reduce the number of victims, and assist in the prompt reestablishment of general peace.

"Faithful to its obligations to its Allies, the Soviet Government accepted the proposal of the Allies and adhere to the statement of the Allied powers of July 26, 1945.

"The Soviet Government considers that its policy is the only means of hastening the coming peace, to deliver the people from further sacrifice and suffering, and enable the Japanese people to avoid those dangers and destructions which Germany suffered after its refusal to surrender unconditionally.

"In view of the foregoing, the Soviet Government declares that as of tomorrow, that is, as of 9 August, the Soviet Union will consider it is in a state of war with Japan."

Concerning the French "consent" to the tripartite proclamation of July 26, see document No. 1412.

<sup>2</sup> A copy in the Truman Papers, apparently earlier, has "United States, United Kingdom, and China" in the heading. It also begins: "(1) We, — the President of the United States, the Prime Minister of Great Britain, and Generalissimo Chiang Kai-shek". The last name has been deleted and the following substitution made as a manuscript interpolation by Truman: "and the President of the National Government of the Republic of China". At the end of this copy there is the further manuscript notation by Truman: "Change order in paragraph 1 so as to read Pres. of U. S., Pres. of China and Prime Minister of Great Britain". See documents Nos. 1251 and 1252.

of Great Britain, representing the hundreds of millions of our countrymen, have conferred and agree that Japan shall be given an opportunity to end this war.

(2) The prodigious land, sea and air forces of the United States, the British Empire and of China, many times reinforced by their armies and air fleets from the west are poised to strike the final blows upon Japan. This military power is sustained and inspired by the determination of all the Allied nations to prosecute the war against Japan until she ceases to resist.

(3) The result of the futile and senseless German resistance to the might of the aroused free peoples of the world stands forth in awful clarity as an example to the people of Japan. The might that now converges on Japan is immeasurably greater than that which, when applied to the resisting Nazis, necessarily laid waste to the lands, the industry and the method of life of the whole German people. The full application of our military power, backed by our resolve, *will*<sup>3</sup> mean the inevitable and complete destruction of the Japanese armed forces and just as inevitably the utter devastation of the Japanese homeland.

(4) The time has come for Japan to decide whether she will continue to be controlled by those self-willed milita[r]istic advisers whose unintelligent calculations have brought the Empire of Japan to the threshold of annihilation, or whether she will follow the path of reason.

(5) Following are our terms. We will not deviate from them. There are no alternatives. We shall brook no delay.

(6) There must be eliminated for all time the authority and influence of those who have deceived and misled the people of Japan into embarking on world conquest, for we insist that a new order of peace, security and justice will be impossible until irresponsible militarism is driven from the world.

(7) Until such a new order is established *and* until there is convincing proof that Japan's war-making power is destroyed, points in Japanese territory to be designated by the Allies shall be occupied to secure the achievement of the basic objectives we are here setting forth.

(8) The terms of the Cairo Declaration<sup>4</sup> shall be carried out and Japanese sovereignty shall be limited to the islands of Honshu, Hokkaido, Kyushu, Shikoku and such minor islands as we determine.

(9) The Japanese military forces, after being completely disarmed, shall be permitted to return to their homes with the opportunity to lead peaceful and productive lives.

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<sup>3</sup> The words printed in italics throughout this document were originally underscored in document No. 594 (printed in vol. 1), apparently to call attention to changes from an earlier draft (see vol. 1, document No. 592, enclosure 2). This emphasis was inadvertently carried over into later drafts (see documents Nos. 1244 and 1249) and into the final text of the proclamation.

<sup>4</sup> Text in Department of State *Bulletin*, vol. ix, p. 393.

(10) We do not intend that the Japanese shall be enslaved as a race or destroyed as [a] nation, but stern justice shall be meted out to all war criminals, including those who have visited cruelties upon our prisoners. The Japanese government shall remove all obstacles to the revival and strength[en]ing of democratic tendencies among the Japanese people. Freedom of speech, of religion, and of thought, as well as respect for the fundamental human rights shall be established.

(11) Japan shall be permitted to maintain such industries as will sustain her economy and permit the exaction of just reparations in kind, but not those industries which would enable her to re-arm for war. To this end, access to, as distinguished from control of raw materials shall be permitted. Eventual Japanese participation in world trade relations shall be permitted.

(12) The occupying forces of the Allies shall be withdrawn from Japan as soon as these objectives have been accomplished and there has been established in accordance with the freely expressed will of the Japanese people a peacefully inclined and responsible government.

(13) We call upon the Government of Japan to proclaim now the unconditional surrender of all the Japanese armed forces, and to provide proper and adequate assurances of their good faith in such action. The alternative for Japan is prompt and utter destruction.

POTSDAM July 26, 1945

HARRY S TRUMAN  
 WINSTON CHURCHILL  
 by H. S. T.  
 PRESIDENT OF CHINA  
 by wire <sup>5</sup>

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<sup>5</sup> The last two "signatures" are in Truman's handwriting. In the copy referred to in footnote 2, *ante*, which also bears three "signatures" in Truman's handwriting, the second appears as "Winston Churchill by authorization H. S. T." This copy has no place or date. For Churchill's authorization, see document No. 1249. For Chiang's concurrence, see document No. 1251.

# PROTOCOL OF PROCEEDINGS AND COMMUNIQUÉ, APPROVED BY THE HEADS OF GOVERNMENT OF THE UNITED STATES, THE SOVIET UNION, AND THE UNITED KINGDOM

## PROTOCOL OF PROCEEDINGS

EDITOR'S NOTE.—The text of the Protocol, as released to the public by the Department of State on March 24, 1947,<sup>1</sup> was developed in three distinct stages, as follows:

*Stage 1.* From the preparation of a draft Protocol by the Protocol Subcommittee of the Conference to the end of the Conference. According to the minutes of the Thirteenth Plenary Meeting, August 1, 1945 (*ante*, page 596), the three Heads of Government merely signed "top copies" to which the perfected texts of the Protocol were to be attached, and appointed a committee, consisting of a representative of each of the three Delegations, to "compare texts".<sup>1a</sup> The United States original of the Protocol as it left the Conference (i. e., the text as it stood at the end of Stage 1) consists of a one-sentence "top document", dated August 1, 1945, and signed by Stalin, Truman, and Attlee, to which there is fastened by a wire staple the "Protocol of the Proceedings of the Berlin Conference", part of which is typewritten and part of which is in mimeographed form, and on the face of which a number of manuscript changes and corrections had been made. The text printed below is the text as it stood at the end of Stage 1.<sup>1b</sup>

*Stage 2.* After the United States original of the Protocol reached Washington, but before its text was publicly released, it became apparent that certain editorial corrections had not been made and that certain decisions of the Heads of Government with respect to the Protocol and the Communiqué had not been reflected in changes in the Protocol. A number of changes falling within these categories were then made on the United States original of the Protocol.

*Stage 3.* Immediately before the publication of the Protocol in a Department of State press release, the United States text of the Protocol was checked against a British text of the same document, and

<sup>1</sup> Department of State press release No. 238 of March 24, 1947, as corrected by a sheet of corrigenda of the same date.

<sup>1a</sup> Assistant Secretary of State James Clement Dunn represented the United States on the committee to "compare texts". A copy of the Protocol (without the one-sentence "top document") bearing manuscript changes and corrections, many of them in Dunn's handwriting, is in the Department's files (file No. 740.00119 Potsdam/8-245). Many of the changes and corrections entered on this copy (hereafter referred to as Dunn's working copy of the Protocol) were not, however, entered at Babelsberg on the United States original of the Protocol, i. e., the copy to which the signed "top document" was stapled, although it was presumably intended that they were to be so entered.

<sup>1b</sup> In identifying the Stage 1 text the editors used a photostatic copy of the United States original made in the Department of State on November 5, 1946, before the Stage 2 changes had been made on that document.



further changes were introduced to bring the United States text into harmony with the British text. These changes, however, were not entered on the face of the United States original.

The text printed below (the text as it stood at the end of Stage 1) is annotated to show (a) manuscript changes made on the signed original during Stage 1 and (b) changes introduced in Stages 2 and 3.<sup>10</sup>

## No. 1383

L/T Files

### *Protocol of the Proceedings of the Berlin Conference*

BERLIN, August 1, 1945.<sup>1a</sup>

There is attached hereto the agreed protocol of the Berlin Conference.

И. СТАЛИН<sup>2</sup>

HARRY S TRUMAN<sup>3</sup>

C. R. ATTLEE<sup>4</sup>

[Attachment]

### PROTOCOL OF THE PROCEEDINGS OF THE BERLIN CONFERENCE

The Berlin Conference of the Three Heads of Government of the U. S. S. R., U. S. A., and U. K., which took place from July 17 to August 1,<sup>5</sup> 1945, came to the following conclusions:

#### I. ESTABLISHMENT OF A COUNCIL OF FOREIGN MINISTERS.

<sup>6</sup> The Conference reached the following agreement for the establishment of a Council of Foreign Ministers to do the necessary preparatory work for the peace settlements:

“(1) There shall be established a Council composed of the Foreign

<sup>10</sup> Except that variations in punctuation, spelling, and capitalization which occurred in Stage 3, and minor variations in Stage 3 which were obviously the result of typographical errors, have not been annotated.

In the footnotes which follow, an asterisk (\*) indicates that the United States text, as changed, is in harmony with the text published by the British Government in 1947. A dagger (†) indicates that the United States text, as changed, is in harmony with the Russian text published by the Soviet Government in 1955. (For full citations to the British and Soviet texts referred to, see *ante*, pp. xxix, xxx.) There remain, however, both editorial and substantive differences between the United States, British, and Soviet texts. Attention is called to the principal remaining substantive differences in the footnotes which follow.

<sup>1a</sup> So dated, although this “top document” was apparently not signed until a few minutes after midnight, i.e., until August 2. See *ante*, p. 596, footnote 38. The texts of the Protocol published by the British and Soviet Governments do not include this “top document”, and they place the signatures and dateline after annex II at the end of the Protocol. In the British text the dateline reads, “Berlin, 2nd August, 1945.” In the Soviet text it reads, in translation, “Berlin, 1 August 1945.”

<sup>2</sup> I. Stalin. Changed in Stage 3 to “Joseph V. Stalin”.

<sup>3</sup> Changed in Stage 3 to “Harry Truman”.

<sup>4</sup> At this point in the United States original is a second page with the identical text printed above, but without the signatures.

<sup>5</sup> Changed in Stage 3 to “August 2”.\*†

<sup>6</sup> “A.” introduced at the beginning of this paragraph in Stage 2.\*†

Berlin, August 1, 1945.

There is attached hereto the agreed protocol of the Berlin Conference.

  
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SIGNED "TOP DOCUMENT" ATTACHED TO THE PROTOCOL OF PROCEEDINGS OF  
THE BERLIN CONFERENCE

~~PROPOSED AGREEMENT  
ON  
THE POLITICAL AND ECONOMIC PRINCIPLES TO GOVERN THE  
TREATMENT OF GERMANY IN THE INITIAL CONTROL PERIOD  
TEXT AS SUPPLIED TO THE FOREIGN SECRETARIES  
BY ECONOMIC SUB-COMMITTEE~~

~~3~~ ECONOMIC PRINCIPLES

~~11~~ 10. In order to eliminate Germany's war potential, the production of arms, ammunition and implements of war as well as all types of aircraft and sea-going ships shall be prohibited and prevented. Production of metals, chemicals, machinery and other items that are directly necessary to a war economy shall be rigidly controlled and restricted to Germany's approved post-war peacetime needs to meet the objectives stated in Paragraph ~~15~~ 15. Productive capacity not needed for permitted production shall be removed in accordance with the reparations plan recommended by the Allied Commission on Reparations and approved by the Governments concerned or if not removed shall be destroyed.

~~12~~ 11. At the earliest practicable date, the German economy shall be decentralized for the purpose of eliminating the present excessive concentration of economic power as exemplified in particular by cartels, syndicates, trusts and other monopolistic arrangements. ~~Notwithstanding this, however, and for the purpose of achieving the objectives set forth herein, certain forms of central administrative machinery, particularly in the fields of Finance, Transportation and Communications, shall be maintained or restored.~~

~~13~~ 12. In organizing the German Economy, primary emphasis shall be given to the development of agriculture and peaceful domestic industries.

13. . . . .

A PAGE FROM THE UNITED STATES ORIGINAL OF THE PROTOCOL OF PROCEEDINGS  
OF THE BERLIN CONFERENCE

A page from section II of the Protocol, showing (a) the deletion of the heading and the correction of paragraph numbers, done in black pencil on the original in Stage 1, and (b) the introduction of the indicator "B" in the heading and the deletion of one sentence of text, indicated in red pencil on the original in Stage 2.

(Facing page 1479)

Ministers of the United Kingdom, the Union of Soviet Socialist Republics, China, France and the United States.

(2) (i) The Council shall normally meet in London, which shall be the permanent seat of the joint Secretariat which the Council will form. Each of the Foreign Ministers will be accompanied by a high-ranking Deputy, duly authorized to carry on the work of the Council in the absence of his Foreign Minister, and by a small staff of technical advi[s]ers.

(ii) The first meeting of the Council shall be held in London not later than September 1st 1945. Meetings may be held by common agreement in other capitals as may be agreed from time to time.

(3) (i) As its immediate important task, the Council shall be authorized to draw up, with a view to their submission to the United Nations, treaties of peace with Italy, Rumania, Bulgaria, Hungary and Finland, and to propose settlements of territorial questions outstanding on the termination of the war in Europe. The Council shall be utilized for the preparation of a peace settlement for Germany to be accepted by the Government of Germany when a government adequate for the purpose is established.

(ii) For the discharge of each of these tasks the Council will be composed of the Members representing those States which were signatory to the terms of surrender imposed upon the enemy State concerned. For the purposes of the peace settlement for Italy, France shall be regarded as a signatory to the terms of surrender for Italy. Other Members will be invited to participate when matters directly concerning them are under discussion.

(iii) Other matters may from time to time be referred to the Council by agreement between the Member Governments.

(4) (i) Whenever the Council is considering a question of direct interest to a State not represented thereon, such State should be invited to send representatives to participate in the discussion and study of that question.

(ii) The Council may adapt its procedure to the particular problem<sup>7</sup> under consideration. In some cases it may hold its own preliminary discussions prior to the participation of other interested States. In other cases, the Council may convoke a formal conference of the State[s] chiefly interested in seeking a solution of the particular problem."

<sup>8</sup> It was agreed that the three Governments should each address an identical invitation to the Governments of China and France to adopt this text and to join in establishing the Council. The text of the approved invitation was as follows:

*Council of Foreign Ministers.*

*Draft for identical invitation to be sent separately by each of the Three Governments to the Governments of China and France.*

"The Governments of the United Kingdom, the United States and the U. S. S. R. consider it necessary to begin without delay the essential preparatory work upon the peace settlements in Europe.

<sup>7</sup> Changed in Stage 3 to "problems".

<sup>8</sup> "B." introduced at the beginning of this paragraph in Stage 2.\*†

To this end they are agreed that there should be established a Council of the Foreign Ministers of the Five Great Powers to prepare treaties of peace with the European enemy States, for submission to the United Nations. The Council would also be empowered to propose settlements of outstanding territorial questions in Europe and to consider such other matters as member Governments might agree to refer to it.

The text adopted by the Three Governments is as follows:

(Here insert final agreed text of the Proposal).

In agreement with the Governments of the *United States and U. S. S. R.*, *His Majesty's Government in the United Kingdom and U. S. S. R.*, *the United States Government, the United Kingdom and the Soviet Government* extend a cordial invitation to the Government of *China (France)* to adopt the text quoted above and to join in setting up the Council.<sup>9</sup> *His Majesty's Government, The United States Government, The Soviet Government* attach much importance to the participation of the *Chinese Government (French Government)* in the proposed arrangements and they hope to receive an early and favorable reply to this invitation."

<sup>10</sup> It was understood that the establishment of the Council of Foreign Ministers for the specific purposes named in the text would be without prejudice to the agreement of the Crimea Conference<sup>11</sup> that there should be periodical consultation between the Foreign Secretaries of the United States, the Union of Soviet Socialist Republics and the United Kingdom.

<sup>12</sup> The Conference also considered the position of the European Advisory Commission in the light of the Agreement to establish the Council of Foreign Ministers. It was noted with satisfaction that the Commission had ably discharged its principal tasks by the recommendations that it had furnished for the terms of surrender for Germany,<sup>12a</sup> for the zones of occupation in Germany and Austria and for the inter-Allied control machinery in those countries.<sup>13</sup> It was felt that further work of a detailed character for the coordination of Allied policy for the control of Germany and Austria would in future fall within the competence of the Allied Control Commission<sup>14</sup> at Berlin and the Allied Commission at Vienna. Accordingly the Con-

<sup>9</sup> The words in italics, which were underscored in the original, were obviously intended to supply the form of invitation to be used by each of the three inviting Governments, but there appear to have been inadvertent omissions in the text. The first sentence of this paragraph presumably should read: "In agreement with the Governments of the *United States and U. S. S. R.*, *His Majesty's Government in the United Kingdom (United Kingdom and U. S. S. R., the United States Government)* (*United States and United Kingdom, the Soviet Government*) extend[s] a cordial invitation to the Government of *China (France)* to adopt the text quoted above and to join in setting up the Council." Cf. document No. 715 and the enclosure to document No. 1395.

<sup>10</sup> "C." introduced at the beginning of this paragraph in Stage 2.\*†

<sup>11</sup> See document No. 1417, section VIII.

<sup>12</sup> "D." introduced at the beginning of this paragraph in Stage 2.\*†

<sup>12a</sup> The Soviet text reads, in literal translation, "recommendations concerning the unconditional surrender of Germany".

<sup>13</sup> See vol. I, document No. 233.

<sup>14</sup> "Allied Control Commission" changed in Stage 3 to "Control Council".\*†

ference agreed to recommend to the Member Governments of the European Advisory Commission that the Commission might now be dissolved.<sup>15</sup>

II. THE PRINCIPLES TO GOVERN THE TREATMENT OF GERMANY IN THE INITIAL CONTROL PERIOD <sup>15a</sup>

A. *Political Principles.*

1. In accordance with the Agreement on Control Machinery in Germany,<sup>16</sup> supreme authority in Germany is exercised, on instructions from their respective Governments, by the Commanders-in-Chief of the armed forces of the United States of America, the United Kingdom, the Union of Soviet Socialist Republics, and the French Republic, each in his own zone of occupation, and also jointly, in matters affecting Germany as a whole, in their capacity as members of the Control Council.

2. So far as is practicable, there shall be uniformity of treatment of the German population throughout Germany.

3. The purposes of the occupation of Germany by which the Control Council shall be guided are:

(1) <sup>17</sup> The complete disarmament and demilitarization of Germany and the elimination or control of all German industry that could be used for military production. To these ends:—

(a) All German land, naval and air forces, the S. S., S. A., S. D. and Gestapo, with all their organizations, staffs and institutions, including the General Staff, the Officers' Corps, Reserve Corps, military schools, war veterans' organizations and all other military and quasi-military <sup>18</sup> organizations, together with all clubs and associations which serve to keep alive the military tradition in Germany, shall be completely and finally abolished in such manner as permanently to prevent the revival or reorganization of German militarism and Nazism;

(b) All arms, ammunition and implements of war and all specialized facilities for their production shall be held at the disposal of the Allies or destroyed. The maintenance and production of all aircraft and all arms, ammunition and implements of war shall be prevented.

<sup>15</sup> The final sentence changed in Stage 3 to read: "Accordingly it was agreed to recommend that the European Advisory Commission be dissolved."\* The Soviet text reads, in literal translation, "Accordingly, it is recommended that the European Advisory Commission be dissolved."

<sup>15a</sup> The Soviet text, which contains the words "Political and Economic Principles" in this heading, also contains the following introductory statement following the heading: "The following political and economic principles for the treatment of Germany were adopted:".

<sup>16</sup> Signed at London, November 14, 1944, as amended by a further agreement signed at London, May 1, 1945. For texts, see *Treaties and Other International Acts Series No. 3070*; *United States Treaties and Other International Agreements*, vol. 5, pt. 2, p. 2062. The agreement of November 14, 1944, also printed in *Foreign Relations, The Conferences at Malta and Yalta, 1945*, p. 124.

<sup>17</sup> Corrected in Stage 3 to "(i)".\*†

<sup>18</sup> Changed in Stage 3 to "semi-military".\*†

(ii) To convince the German people that they have suffered a total military defeat and that they cannot escape responsibility for what they have brought upon themselves, since their own ruthless warfare and the fanatical Nazi resistance have destroyed German economy and made chaos and suffering inevitable.

(iii) To destroy the National Socialist Party and its affiliated and supervised organizations, to dissolve all Nazi institutions, to ensure that they are not revived in any form, and to prevent all Nazi and militarist activity or propaganda.

(iv) To prepare for the eventual reconstruction of German political life on a democratic basis and for eventual peaceful cooperation in international life by Germany.

4. All Nazi laws which provided the basis of the Hitler regime or established discrimination<sup>19</sup> on grounds of race, creed, or political opinion shall be abolished. No such discriminations, whether legal, administrative or otherwise, shall be tolerated.

5. War criminals and those who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or war crimes shall be arrested and brought to judgment. Nazi leaders, influential Nazi supporters and high officials of Nazi organizations and institutions and any other persons dangerous to the occupation or its objectives shall be arrested and interned.

6. All members of the Nazi Party who have been more than nominal participants in its activities and all other persons hostile to Allied purposes shall be removed from public and semi-public office, and from positions of responsibility in important private undertakings. Such persons shall be replaced by persons who, by their political and moral qualities, are deemed capable of assisting in developing genuine democratic institutions in Germany.

7. German education shall be so controlled as completely to eliminate Nazi and militarist doctrines and to make possible the successful development of democratic ideas.

8. The judicial system will be reorganized in accordance with the principles of democracy, of justice under law, and of equal rights for all citizens without distinction of race, nationality or religion.

9. The administration of affairs<sup>20</sup> in Germany should be directed towards the decentralization of the political structure and the development of local responsibility.<sup>20a</sup> To this end:—

(i) local self-government shall be restored throughout Germany on democratic principles and in particular through elective councils as rapidly as is consistent with military security and the purposes of military occupation;

(ii) all democratic political parties with rights of assembly and of public discussion shall be allowed and encouraged throughout Germany;

<sup>19</sup> Changed in Stage 3 to "discriminations".

<sup>20</sup> The words "of affairs" deleted in Stage 3.\*†

<sup>20a</sup> The Soviet text reads, in literal translation, "the development of a sense of responsibility".

(iii) representative and elective principles shall be introduced into regional, provincial and state (Land) administration as rapidly as may be justified by the successful application of these principles in local self-government;

(iv) for the time being, no central German Government shall be established. Notwithstanding this, however, certain essential central German administrative departments, headed by State Secretaries, shall be established, particularly in the fields of finance, transport, communications, foreign trade and industry. Such departments will act under the direction of the Control Council.

10. Subject to the necessity for maintaining military security, freedom of speech, press and religion shall be permitted, and religious institutions shall be respected. Subject likewise to the maintenance of military security, the formation of free trade unions shall be permitted.

<sup>21</sup> *Economic Principles*

11.<sup>22</sup> In order to eliminate Germany's war potential, the production of arms, ammunition and implements of war as well as all types of aircraft and sea-going ships shall be prohibited and prevented. Production of metals, chemicals, machinery and other items that are directly necessary to a war economy shall be rigidly controlled and restricted to Germany's approved post-war peacetime needs to meet the objectives stated in Paragraph 15.<sup>23</sup> Productive capacity not needed for permitted production shall be removed in accordance with the reparations plan recommended by the Allied Commission on Reparations and approved by the Governments concerned or if not removed shall be destroyed.

12. At the earliest practicable date, the German economy shall be decentralized for the purpose of eliminating the present excessive concentration of economic power as exemplified in particular by cartels, syndicates, trusts and other monopolistic arrangements. Notwithstanding this, however, and for the purpose of achieving the objectives set forth herein, certain forms of central administrative

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<sup>21</sup> During Stage 1 there was deleted the following heading which appeared in the draft above the heading printed: "Proposed Agreement on the Political and Economic Principles To Govern the Treatment of Germany in the Initial Control Period[:] Text as Submitted to the Foreign Secretaries by Economic Subcommittee".\* † "B." was introduced before the heading printed in Stage 2.\* † See *ante*, p. 591. The text of section II B in Dunn's working copy of the Protocol bears only the typed heading, "B. *Economic Principles*".

<sup>22</sup> This paragraph number was corrected from "10" in Stage 1.\* † The numbers of the eight succeeding paragraphs, i. e., 12 to 19 inclusive, were likewise corrected in Stage 1,\* † having been numbered 11 to 18 inclusive in the draft. The renumbering of the later paragraphs of this section was caused by the insertion of a new paragraph 2. See document No. 879, footnote 5. The text of section II B in Dunn's working copy of the Protocol is correctly numbered.

<sup>23</sup> Corrected from "14" in Stage 1.\* † The number is correct in Dunn's working copy of the Protocol.



machinery, particularly in the fields of Finance, Transportation and Communications, shall be maintained or restored.<sup>24</sup>

13. In organizing the German Economy, primary emphasis shall be given to the development of agriculture and peaceful domestic industries.

14. During the period of occupation Germany shall be treated as a single economic unit. To this end common policies shall be established in regard to:

- (a) mining and industrial production and <sup>25</sup> allocation;
- (b) agriculture, forestry and fishing;
- (c) wages, prices and rationing;
- (d) import and export programs for Germany as a whole;
- (e) currency and banking, central taxation and customs;
- (f) reparation and removal of industrial war potential;
- (g) transportation and communications.

In applying these policies account shall be taken, where appropriate, of varying local conditions.

15. Allied controls shall be imposed upon the German economy but only to the extent necessary:

(a) to carry out programs of industrial disarmament and <sup>26</sup> demilitarization, of reparations, and of approved exports and imports.

(b) to assure the production and maintenance of goods and services required to meet the needs of the occupying forces and displaced persons in Germany and essential to maintain in Germany average living standards not exceeding the average of the standards of living of European countries. (European countries means all European countries excluding U. K. and <sup>27</sup> U. S. S. R.)

(c) to ensure in the manner determined by the Control Council the equitable distribution of essential commodities between the several zones so as to produce a balanced economy throughout Germany and reduce the need for imports.

(d) to control German industry and all economic and financial international transactions, including exports and imports, with the aim of preventing Germany from developing a war potential and of achieving the other objectives named herein.

(e) to control all German public or private scientific bodies, research and experimental institutions, laboratories, et cetera, connected with economic activities.

16. In the imposition and maintenance of economic controls established by the Control Council, German administrative machinery shall be created and the German authorities shall be required to the

<sup>24</sup> The final sentence of this paragraph was deleted in Stage 2.\* This deletion was marked in Dunn's working copy of the Protocol. Cf. the attachment to document No. 1380 and *ante*, p. 591. The sentence was not deleted, however, from the Soviet text.

<sup>25</sup> The word "its" introduced at this point in Stage 3.\*†

<sup>26</sup> The word "and" replaced by a comma in Stage 3. Neither the word "and" nor the comma appears in Dunn's working copy of the Protocol.

<sup>27</sup> The words "U. K. and" replaced by "the United Kingdom and the" in Stage 3.\*†

fullest extent practicable to proclaim and assume administration of such controls. Thus it should be brought home to the German people that the responsibility for the administration of such controls and any breakdown in these controls will rest with themselves. Any German controls which may run counter to the objectives of occupation will be prohibited.

17. Measures shall be promptly taken:

- (a) to effect essential repair of transport;
- (b) to enlarge coal production;
- (c) to maximize agricultural<sup>28</sup> output; and
- (d) to effect emergency repair of housing and essential utilities.

18. Appropriate steps shall be taken by the Control Council to exercise control and the power of disposition over German owned external assets not already under the control of United Nations which have taken part in the war against Germany.

19. Payment of Reparations should leave enough resources to enable the German people to subsist without external assistance. In working out the economic balance of Germany the necessary means must be provided to pay for imports approved by the Control Council in Germany. The proceeds of exports from current production and stocks shall be available in the first place for payment for such imports.

The above clause will not apply to the equipment and products referred to in paragraphs 4 (a) and 4 (b) of the Reparations Agreement.<sup>29</sup>

### III. GERMAN REPARATION<sup>30</sup>

1. Reparation claims of<sup>31</sup> U. S. S. R. shall be met by removals from the zone of Germany occupied by the U. S. S. R., and from appropriate German external assets.

2. The U. S. S. R. undertakes to settle the reparation claims<sup>32</sup> of Poland from its own share of reparations.

3. The reparations<sup>32</sup> claims of the United States, the United Kingdom and other countries entitled to reparations shall be met from the Western Zones and from appropriate German external assets.

4. In addition to the reparations to be taken by the U. S. S. R. from its own zone of occupation, the U. S. S. R. shall receive additionally from the Western Zones:

(a) 15 per cent of such usable and complete industrial capital equipment, in the first place from the metallurgical, chemical and

<sup>28</sup> Changed from "agriculture" in Stage 1.\*†

<sup>29</sup> i. e., section III, *infra*.

<sup>30</sup> Changed in Stage 3 to "Reparations From Germany".\*†

<sup>31</sup> The word "the" introduced at this point in Stage 3.\*†

<sup>32</sup> Changed in Stage 3 to "reparation".

machine manufacturing industries as is unnecessary for the German peace economy and should be removed from the Western Zones of Germany, in exchange for an equivalent value of food, coal, potash, zinc, timber, clay products, petroleum products, and such other commodities as may be agreed upon.

(b) 10 per cent of such industrial capital equipment as is unnecessary for the German peace economy and should be removed from the Western Zones, to be transferred to the Soviet Government on reparations account without payment or exchange of any kind in return.

Removals of equipment as provided in (a) and (b) above shall be made simultaneously.

5. The amount of equipment to be removed from the Western Zones on account of reparations must be determined within six months from now at the latest.

6. Removals of industrial capital equipment shall begin as soon as possible and shall be completed within two years from the determination specified in paragraph 5. The delivery of products covered by 4 (a) above shall begin as soon as possible and shall be made by the U. S. S. R. in agreed installments within five years of the date hereof.<sup>32a</sup> The determination of the amount and character of the industrial capital equipment unnecessary for the German peace economy and therefore available for reparation shall be made by the Control Council under policies fixed by the Allied Commission on Reparations,<sup>33</sup> with the participation of France, subject to the final approval of the Zone Commander in the Zone from which the equipment is to be removed.

7. Prior to the fixing of the total amount of equipment subject to removal, advance deliveries shall be made in respect to<sup>34</sup> such equipment as will be determined to be eligible for delivery in accordance with the procedure set forth in the last sentence of paragraph 6.

8. The Soviet Government renounces all claims<sup>35</sup> to shares of German enterprises which are located in the Western Zones of Germany as well as to German foreign assets in all countries except those specified in paragraph 9 below.

9. The Governments of the U. K. and U. S. A. renounce their claims<sup>36</sup> to shares of German enterprises which are located in the Eastern Zone

<sup>32a</sup> The Soviet text reads, in literal translation, "within five years of the said date".

<sup>33</sup> See *International Agencies in Which the United States Participates* (Washington, Government Printing Office, 1946; Department of State publication No. 2699), p. 141.

<sup>34</sup> The word "to" changed by hand to "of" in Dunn's working copy of the Protocol.\*

<sup>35</sup> The words "in respect of reparations" introduced at this point in Stage 3.\*† These words appear in Dunn's handwriting as an interlineation in Dunn's working copy of the Protocol. See *ante*, pp. 586-587.

<sup>36</sup> The words "their claims" replaced by "all claims in respect of reparations" in Stage 3.\*† The words "in respect of reparations" appear in Dunn's handwriting as an interlineation following the words "their claims" in Dunn's working copy of the Protocol. See *ante*, pp. 586-587.

of occupation in Germany, as well as to German foreign assets in Bulgaria, Finland, Hungary, Rumania and Eastern Austria.

10. The Soviet Government makes no claims to gold captured by the Allied troops in Germany.

IV. DISPOSAL OF THE GERMAN NAVY AND MERCHANT MARINE.

A.<sup>37</sup>

The following principles for the distribution of the German Navy were agreed:

(1) The total strength of the German surface navy, excluding ships sunk and those taken over from Allied Nations, but including ships under construction or repair, shall be divided equally among the U. S. S. R., U. K., and U. S.<sup>38</sup>

(2) Ships under construction or repair mean those ships whose construction or repair may be completed within three to six months, according to the type of ship. Whether such ships under construction or repair shall be completed or repaired shall be determined by the technical commission appointed by the Three Powers and referred to below, subject to the principle that their completion or repair must be achieved within the time limits above provided, without any increase of skilled employment in the German shipyards and without permitting the reopening of any German ship building or connected industries. Completion date means the date when a ship is able to go out on its first trip, or, under peacetime standards, would refer to the customary date of delivery by shipyard to the Government.

(3) The larger part of the German submarine fleet shall be sunk. Not more than thirty submarines shall be preserved and divided equally between the U. S. S. R., U. K. and U. S.<sup>38</sup> for experimental and technical purposes.

(4) All stocks of armament, ammunition and supplies of the German Navy appertaining to the vessels transferred pursuant to paragraphs (1) and (3) hereof shall be handed over to the respective powers receiving such ships.

(5) The Three Governments agree to constitute a tripartite naval commission comprising two representatives for each Government, accompanied by the requisite staff, to submit agreed recommendations to the Three Governments for the allocation of specific German warships and to handle other detailed matters arising out of the agreement between the Three Governments regarding the German fleet. The Commission will hold its first meeting not later than 15th August, 1945, in Berlin, which shall be its headquarters. Each Delegation on the Commission will have the right on the basis of reciprocity to inspect German warships wherever they may be located.

(6) The Three Governments agreed that transfers, including those of ships under construction and repair, shall be completed as soon as

<sup>37</sup> "A." moved in Stage 3 to the beginning of the following paragraph.

<sup>38</sup> Changed in Stage 3 to "U. S. A." This change was marked in Dunn's working copy of the Protocol.

possible, but not later than 15th February, 1946. The Commission will submit fortnightly reports, including proposals for the progressive allocation of the vessels when agreed by the Commission.

B.<sup>39</sup>

The following principles for the distribution of the German Merchant Marine were agreed:—

(1) The German Merchant Marine, surrendered to the Three Powers and wherever located, shall be divided equally among the U. S. S. R., the U. K., and the U. S.<sup>40</sup> The actual transfers of the ships to the respective countries shall take place as soon as practicable after the end of the war against Japan. The United Kingdom and the United States will provide out of their shares of the surrendered German merchant ships appropriate amounts for other Allied States whose merchant marines have suffered heavy losses in the common cause against Germany, except that the Soviet Union shall provide out of its share for Poland.

(2) The allocation, manning, and operation of these ships during the Japanese War period shall fall under the cognizance and authority of the Combined Shipping Adjustment Board and the United Maritime Authority.<sup>41</sup>

(3) While actual transfer of the ships shall be delayed until after the end of the war with Japan, a Tripartite Shipping Commission shall inventory and value all available ships and recommend a specific distribution in accordance with paragraph (1).

(4) German inland and coastal ships determined to be necessary to the maintenance of the basic German peace economy by the Allied Control Council of Germany shall not be included in the shipping pool thus divided among the Three Powers.

(5) The Three Governments agree to constitute a tripartite merchant marine commission comprising two representatives for each Government, accompanied by the requisite staff, to submit agreed recommendations to the Three Governments for the allocation of specific German merchant ships and to handle other detailed matters arising out of the agreement between the Three Governments regarding the German merchant ships. The Commission will hold its first meeting not later than September 1st, 1945, in Berlin, which shall be its headquarters. Each delegation on the Commission will have the right on the basis of reciprocity to inspect the German merchant ships wherever they may be located.

<sup>39</sup> "B." moved in Stage 3 to the beginning of the following paragraph.

<sup>40</sup> Changed in Stage 3 to "U. S. A." This change was marked in Dunn's working copy of the Protocol.

<sup>41</sup> Concerning these two organizations see, respectively, *United States Government Organization Manual, 1953-54* (Washington, Government Printing Office, 1953), p. 542, and *International Organizations in Which the United States Participates, 1949* (Washington, Government Printing Office, 1950; Department of State publication No. 3655), p. 323.

VI <sup>42</sup>

CITY OF KOENIGSBERG AND THE ADJACENT AREA

The Conference examined a proposal by the Soviet Government to the effect that pending the final determination of territorial questions at the peace settlement, the section of the western frontier of the Union of Soviet Socialist Republics which is adjacent to the Baltic Sea should pass from a point on the eastern shore of the Bay of Danzig to the east, north of Braunsberg-Goldap, to the meeting point of the frontiers of Lithuania, the Polish Republic and East Prussia.

The Conference has agreed in principle to the proposal of the Soviet Government concerning the ultimate transfer <sup>42a</sup> to the Soviet Union of the City of Koenigsberg and the area adjacent to it as described above subject to expert <sup>43</sup> examination of the actual frontier.

The President of the United States and the British Prime Minister have declared that they will support the proposal of the Conference at the forthcoming peace settlement.

VII <sup>44</sup>

WAR CRIMES <sup>45</sup>

The Three Governments have taken note of the discussions which have been proceeding in recent weeks in London <sup>46</sup> between British, United States, Soviet and French representatives with a view to reaching agreement on the methods of trial of those major war criminals whose crimes under the Moscow Declaration of October, 1943 <sup>47</sup> have no particular geographical localisation. The Three Governments reaffirm their intention to bring these criminals to swift and sure justice. They hope that the negotiations in London will result in speedy agreement being reached for this purpose, and they regard it

<sup>42</sup> Corrected in Stage 2 to "v".\*† This correction is marked in Dunn's working copy of the Protocol, where the numbering of all the succeeding sections of the Protocol is likewise corrected. An undated working paper (file No. 740.00119 Potsdam/7-3045) which contains a numbered list of the proposed sections of the Protocol indicates that at one stage it was expected that section v of the Protocol would deal with the Ruhr. When the Heads of Government decided on August 1 that the Protocol would not contain a section on the Ruhr (see *ante*, pp. 595-596), this decision should have precipitated a renumbering of section vi (on the city of Königsberg and the adjacent area) to section v, and an appropriate renumbering of all succeeding sections of the Protocol. As noted above, this renumbering was carried out in Dunn's working copy of the Protocol, but the correct numbering was not entered on the United States original of the Protocol until Stage 2, as defined above (see *ante*, p. 1477).

<sup>42a</sup> The Soviet text reads, in literal translation, "concerning the transfer".

<sup>43</sup> Corrected by hand in Stage 1 from "exper".

<sup>44</sup> Corrected in Stage 2 to "vi".\*†

<sup>45</sup> Changed in Stage 2 to "War Criminals".\*†

<sup>46</sup> For the London discussions referred to, for the text of the Agreement of August 8, 1945, signed at the conclusion of those discussions, and for the text of the Charter of the International Military Tribunal annexed to that Agreement, see *Report of Robert H. Jackson, United States Representative to the International Conference on Military Trials, London, 1945*.

<sup>47</sup> Text in Department of State *Bulletin*, vol. ix, p. 310.

as a matter of great importance that the trial of these major criminals should begin at the earliest possible date. The first list of defendants will be published before 1st September.<sup>48</sup>

VIII.<sup>49</sup>

## AUSTRIA

The Conference examined a proposal by the Soviet Government on the extension of the authority of the Austrian Provisional Government to all of Austria.

The three Governments agreed that they were prepared to examine this question after the entry of the British and American forces into the city of Vienna.

It was agreed that reparations should not be exacted from Austria.

IX.<sup>50</sup>

## POLAND

A. *Declaration*<sup>50a</sup>

We have taken note with pleasure of the agreement reached among representative Poles from Poland and abroad which has made possible the formation, in accordance with the decisions reached at the Crimea Conference,<sup>51</sup> of a Polish Provisional Government of National Unity recognised by the Three Powers. The establishment by the British and United States Governments of diplomatic relations with the Polish Provisional Government<sup>52</sup> has resulted in the withdrawal of their recognition from the former Polish Government in London,<sup>53</sup> which no longer exists.

The British and U. S.<sup>54</sup> Governments have taken measures to protect the interests<sup>55</sup> of the Polish Provisional Government,<sup>55a</sup> as the recognised Government of the Polish State, in the property belonging to the Polish State located in their territories and under their control whatever the form of this property may be. They have further taken measures to prevent alienation to third parties of such property. All proper facilities will be given to the Polish Provisional Government<sup>55a</sup> for the exercise of the ordinary legal remedies for the recovery of any property belonging to the Polish State which may have been wrongfully alienated.

<sup>48</sup> For the list referred to, which was made public on August 29, 1945, see Department of State *Bulletin*, vol. XIII, p. 301.

<sup>49</sup> Corrected in Stage 2 to "vii".\*†

<sup>50</sup> Corrected in Stage 2 to "viii".\*†

<sup>50a</sup> In the Soviet text this heading reads, in literal translation, "A. Declaration on the Polish Question", and the following introductory statement follows the heading: "The Conference has adopted the following declaration on the Polish question:".

<sup>51</sup> See document No. 1417, section vi.

<sup>52</sup> The words "of National Unity" introduced at this point in Stage 3.\*

<sup>53</sup> Concerning United States recognition of the Polish Provisional Government of National Unity, see vol. I, document No. 501.

<sup>54</sup> Changed in Stage 3 to "United States".\*†

<sup>55</sup> Changed in Stage 3 to "interest".

<sup>55a</sup> The words "of National Unity" introduced at this point in Stage 3.\*†

The Three Powers are anxious to assist the Polish Provisional Government<sup>56</sup> in facilitating the return to Poland as soon as practicable of all Poles abroad who wish to go, including members of the Polish armed forces and the merchant marine. They expect that those Poles who return home shall be accorded personal rights<sup>57</sup> and property rights on the same basis as all Polish citizens.

The Three Powers note that the Polish Provisional Government<sup>58</sup> in accordance with the decisions of the Crimea Conference has agreed to the holding of free and unfettered elections as soon as possible on the basis of universal suffrage and secret ballot in which all democratic and anti-Nazi parties shall have the right to take part and to put forward candidates; and that representatives of the Allied Press shall enjoy full freedom to report to the world upon developments in Poland before and during the elections.

#### B. *Western Frontier of Poland.*

In conformity with the agreement on Poland reached at the Crimea Conference the three Heads of Government have sought the opinion of the Polish Provisional Government of National Unity in regard to the accession of territory in the north and west which Poland should receive. The President of the National Council of Poland<sup>58</sup> and members of the Polish Provisional Government of National Unity<sup>59</sup> have been received at the Conference and have fully presented their views. The three Heads of Government reaffirm their opinion that the final delimitation of the western frontier of Poland should await the peace settlement.

The three Heads of Government agree that, pending the final determination of Poland's western frontier, the former German territories east of a line running from the Baltic Sea immediately west [of]<sup>60</sup> Swinemunde, and thence along the Oder River to the confluence of the western Neisse River and along the western Neisse to the Czechoslovak frontier,<sup>61</sup> including that portion of East Prussia not placed under the administration of the Union of Soviet Socialist Republics in accordance with the understanding reached at this conference<sup>62</sup> and including the area of the former free city of Danzig,

<sup>56</sup> The words "of National Unity" introduced at this point in Stage 3.\*†

<sup>57</sup> The word "rights" deleted in Stage 3.\*† This change was marked in Dunn's handwriting in Dunn's working copy of the Protocol.

<sup>58</sup> Bolesław Bierut.

<sup>59</sup> See *ante*, p. 322.

<sup>60</sup> The words "immediately west" substituted for "through" in Stage 1.\*† The word "of" introduced in Stage 2.\*† The words "immediately west of" appear in Dunn's handwriting as an interlineation in Dunn's working copy of the Protocol. See *ante*, p. 592.

<sup>61</sup> See the map facing p. 1152, *ante*.

<sup>62</sup> *Ante*, section VI (v).



shall be under the administration of the Polish State and for such purposes should not be considered as part of the Soviet zone of occupation in Germany.

X.<sup>63</sup>

## CONCLUSION OF PEACE TREATIES AND ADMISSION TO THE UNITED NATIONS ORGANISATION.

The Three Governments consider it desirable that the present anomalous position of Italy, Bulgaria, Finland, Hungary and Roumania should be terminated by the conclusion of Peace Treaties.<sup>64</sup> They trust that the other interested Allied Governments will share these views.

For their part the Three Governments have included the preparation of a Peace Treaty with <sup>65</sup> Italy as the first among the immediate important tasks to be undertaken by the new Council of Foreign Ministers. Italy was the first of the Axis Powers to break with Germany, who [to] <sup>66</sup> whose defeat she has made a material contribution, and has now joined with the Allies in the struggle against Japan. Italy has freed herself from the Fascist regime and is making good progress towards reestablishment of a democratic government and institutions. The conclusion of such a Peace Treaty with a recognised and democratic Italian Government will make it possible for the Three Governments to fulfil their desire to support an application from Italy for membership of the United Nations.

The Three Governments have also charged the Council of Foreign Ministers with the task of preparing Peace Treaties for Bulgaria, Finland, Hungary and Roumania. The conclusion of Peace Treaties with recognised democratic Governments in these States will also enable the Three Governments to support applications from them for membership of the United Nations. The Three Governments agree to examine each separately in the near future, in the light of the conditions then prevailing, the establishment of diplomatic relations with Finland, Roumania, Bulgaria, and Hungary to the extent possible prior to the conclusion of peace treaties with those countries.<sup>67</sup>

The Three Governments have no doubt that in view of the changed conditions resulting from the termination of the war in Europe, representatives of the Allied Press will enjoy full freedom to report to the

<sup>63</sup> Corrected in Stage 2 to "ix".\*†

<sup>64</sup> The following passage deleted at this point in Stage 1: "so that as soon as possible thereafter relations between them and the ex-enemy States can, where necessary, be reestablished on a normal footing".\*† See *ante*, p. 590, footnote 16. This passage is also marked for deletion in Dunn's working copy of the Protocol.

<sup>65</sup> Changed in Stage 3 from "with" to "for".\*† This change appears in Dunn's handwriting as an interlineation in Dunn's working copy of the Protocol.

<sup>66</sup> The correction from "who" to "to" made in Stage 2.\*†

<sup>67</sup> Concerning United States action to carry out the provisions of the final sentence of this paragraph see: for Finland, Department of State *Bulletin*, vol. xiii, pp. 283, 339; for Rumania, *ibid.*, vol. xiv, pp. 256, 298; for Bulgaria, *ibid.*, vol. xvii, p. 746; for Hungary, *ibid.*, vol. xiii, p. 478.

world upon developments in Roumania, Bulgaria, Hungary and Finland.

As regards the admission of other states into the United Nations Organization, Article 4 of the Charter of the United Nations <sup>68</sup> declared <sup>69</sup> that:

1. Membership in the United Nations is open to all other peace-loving States who <sup>70</sup> accept the obligations contained in the present Charter and, in the judgment of the organization, are able and willing to carry out these obligations;

2. The admission of any such State to membership in the United Nations will be effected by a decision of the General Assembly upon the recommendation of the Security Council.

The Three Governments, so far as they are concerned, will support applications for membership from those States which have remained neutral during the war and which fulfil the qualifications set out above.

The Three Governments feel bound however to make it clear that they for their part would not favour any application for membership put forward by the present Spanish Government, which, having been founded with the support of the Axis Powers, does not, in view of its origins, its nature, its record and its close association with the aggressor States, possess the qualifications necessary to justify such membership.

XI.<sup>71</sup>

TERRITORIAL TRUSTEESHIP

The Conference examined a proposal by the Soviet Government on the question of trusteeship territories envisaging those categories of territories <sup>71a</sup> as defined in the decision of the Crimea Conference <sup>72</sup> and in the Charter of the United Nations Organisation.

After an exchange of views on this question it was decided that the disposition of any former Italian <sup>73</sup> territories was one to be decided in connection with the preparation of a peace treaty with <sup>74</sup> Italy and that the question of Italian <sup>73</sup> territory would be considered by the September Council of Ministers of Foreign Affairs.

<sup>68</sup> Treaty Series No. 993; 59 Stat. (2) 1031.

<sup>69</sup> Changed in Stage 3 to "declares".\*† This change is marked in Dunn's working copy of the Protocol.

<sup>70</sup> Reads "which" in the Charter. The text included in the Protocol also has variations of capitalization and punctuation from the text of the Charter.

<sup>71</sup> Corrected in Stage 2 to "x".\*†

<sup>71a</sup> The British text omits the words "envisaging those categories of territories". The Soviet text likewise contains no Russian translation of these words.

<sup>72</sup> See document No. 1416, section I.

<sup>73</sup> The word "colonial" introduced at this point in Stage 3.\*†

<sup>74</sup> Changed in Stage 3 from "with" to "for".\* This change appears in Dunn's handwriting as an interlineation in Dunn's working copy of the Protocol.

XII.<sup>75</sup>REVISED ALLIED CONTROL COMMISSION PROCEDURE IN ROUMANIA,  
BULGARIA AND HUNGARY.

The Three Governments have taken <sup>76</sup> note that the Soviet Representatives on the Allied Control Commissions in Roumania, Bulgaria and Hungary, have communicated to their United Kingdom and United States colleagues proposals for improving the work of the Control Commissions, now that hostilities in Europe have ceased.

The Three Governments agree that the revision of the procedures of the Allied Control Commissions in these countries will now be undertaken,<sup>77</sup> taking into account the interests and responsibilities of the Three Governments which together presented the terms of armistice to the respective countries, and accepting as a basis, in respect of all three countries, the Soviet Government's proposals for Hungary as annexed hereto.<sup>78</sup>

ANNEX.<sup>79</sup>

## TEXT OF A LETTER TRANSMITTED ON JULY 12 TO THE REPRESENTATIVES OF THE U. S. AND U. K. GOVERNMENTS ON THE ALLIED CONTROL COMMISSION IN HUNGARY.

In view of the changed situation in connection with the termination of the war against Germany, the Soviet Government finds it necessary to establish the following order of work for the Allied Control Commission in Hungary.

1. During the period up to the conclusion of peace with Hungary the President (or Vice-President) of the ACC will regularly call conferences with the British and American representatives for the purpose of discussing the most important questions relating to the work of the ACC. The conferences will be called once in 10 days, or more frequently in case of need.

Directives of the ACC on questions of principle will be issued to the Hungarian authorities by the President of the Allied Control Commission after agreement on these directives with the English and American representatives.

2. The British and American representatives in the ACC will take part in general conferences of heads of divisions and delegates of the

<sup>75</sup> Corrected in Stage 2 to "xi".\*†

<sup>76</sup> The words "have taken" changed in Stage 3 to "took".\*† This change appears in Dunn's handwriting as an interlineation in Dunn's working copy of the Protocol.

<sup>77</sup> Dunn has changed the beginning of this paragraph by hand, in his working copy of the Protocol, to read as follows (italics supplied): "The Three Governments *agreed* that the revision of the procedures of the Allied Control Commissions in these countries *would* now be undertaken".\*

<sup>78</sup> The words "(Annex 1)" introduced at the end of the paragraph in Stage 3.\*†

<sup>79</sup> Changed in Stage 2 to "Annex 1".\*† In Stage 3 this annex was removed from its position at the end of the section of the Protocol to which it pertains and placed near the end, between section XXI and annex II,\*† both of which were introduced in Stage 2 (*post*, p. 1498).

ACC, convoked by the President of the ACC, which meetings will be regular in nature. The British and American representatives will also participate personally or through their representatives in appropriate instances in mixed commissions created by the President of the ACC for questions connected with the execution by the ACC of its functions.

3. Free movement by the American and British representatives in the country will be permitted provided that the ACC is previously informed of the time and route of the journeys.

4. All questions connected with permission for the entrance and exit of members of the staff of the British and American representatives in Hungary will be decided on the spot by the President of the ACC within a time limit of not more than one week.

5. The bringing in and sending out by plane of mail, cargoes and diplomatic couriers will be carried out by the British and American representatives on the ACC under arrangements and within time limits established by the ACC, or in special cases by previous coordination with the President of the ACC.

I consider it necessary to add to the above that in all other points the existing Statutes regarding the ACC in Hungary, which was confirmed on January, 20 [*sic*], 1945,<sup>80</sup> shall remain in force in the future.

XIII<sup>81</sup>

ORDERLY TRANSFER OF GERMAN POPULATIONS<sup>81a</sup>

The Three Governments, having considered the question in all its aspects, recognise that the transfer to Germany of German populations, or elements thereof, remaining in Poland, Czechoslovakia and Hungary, will have to be undertaken. They agree that any transfers that take place should be effected in an orderly and humane manner.

Since the influx of a large number of Germans into Germany would increase the burden already resting on the occupying authorities, they consider that the Allied<sup>82</sup> Control Council in Germany should in the first instance examine the problem, with special regard to the question of the equitable distribution of these Germans among the several zones of occupation. They are accordingly instructing their respective representatives on the Control Council to report to their Governments as soon as possible the extent to which such persons have already entered Germany from Poland, Czechoslovakia and Hungary, and to submit an estimate of the time and rate at which further transfers could be carried out having regard to the present situation in Germany.

The Czechoslovak Government, the Polish Provisional Government and the Control Council in Hungary are at the same time being informed of the above and are being requested meanwhile to suspend

<sup>80</sup> Not printed.

<sup>81</sup> Corrected in Stage 2 to "XIII".\*†

<sup>81a</sup> The Soviet text contains the following introductory statement following this heading: "The Conference has adopted the following decision:".

<sup>82</sup> The word "Allied" deleted in Stage 3.\*†

further expulsions pending an examination by the Governments concerned of the report from their representatives on the Control Council.

XIV <sup>83</sup>

## OIL EQUIPMENT IN RUMANIA

The Conference agreed to set up two bilateral commissions of experts, one to be composed of United Kingdom and Soviet Members, and one to be composed of United States and Soviet members, to investigate the facts and examine the documents, as a basis for the settlement of questions arising from the removal of oil equipment from <sup>84</sup> Rumania. It was further agreed that these experts shall begin their work within ten days, on the spot.

XV <sup>85</sup>

## IRAN

It was agreed that Allied troops should be withdrawn immediately from Tehran, and that further stages of the withdrawal of troops from Iran should be considered at the meeting of the Council of Foreign Ministers to be held in London in September, 1945.

XVI <sup>86</sup>

## THE INTERNA[T]IONAL ZONE OF TANGIER

A proposal by the Soviet Government was examined and the following decisions were reached.

Having examined the question of the Zone of Tangier, the three Governments have agreed that this Zone, which includes the city of Tangier and the area adjacent to it, in view of its special strategic importance shall remain international.

The question of Tangier will be discussed in the near future at a meeting in Paris of representatives of the Governments of the Union of Soviet Socialist Republics, the United States of America, the United Kingdom and France.<sup>87</sup>

XVII <sup>88</sup>

## THE BLACK SEA STRAITS

The three Governments recognised the need for revision of the Convention on the Straits concluded at Montreux <sup>89</sup> as failing to meet present-day conditions.<sup>90</sup>

<sup>83</sup> Corrected in Stage 2 to "xiii".\*†

<sup>84</sup> Changed in Stage 3 from "from" to "in".\*†

<sup>85</sup> Corrected in Stage 2 to "xiv".\*†

<sup>86</sup> Corrected in Stage 2 to "xv".\*†

<sup>87</sup> See Department of State *Bulletin*, vol. xiii, pp. 380, 613.

<sup>88</sup> Corrected in Stage 2 to "xvi".\*†

<sup>89</sup> League of Nations Treaty Series, vol. clxxiii, p. 213.

<sup>90</sup> This paragraph revised in Stage 3 as follows: "The Three Governments recognized that the Convention on the Straits concluded at Montreux should be revised as failing to meet present-day conditions."† The British text reads: "The three Governments recognised that the Convention concluded at Montreux should be revised as failing to meet present-day conditions."

It was agreed that as the next step the matter should be the subject of direct conversations between each of the three Governments and the Turkish Government.

XVIII <sup>91</sup>

INTERNATIONAL INLAND WATERWAYS.

The Conference considered a proposal of the U. S. Delegation on this subject and agreed to refer it for consideration to the forthcoming meeting of the Council of Foreign Ministers in London.

XIX <sup>92</sup>

EUROPEAN INLAND TRANSPORT CONFERENCE.

The British and U. S. Delegations to the Conference informed the Soviet Delegation of the desire of the British and U. S. Governments to reconvene the European Inland Transport Conference and stated that they would welcome assurance that the Soviet Government would participate in the work of the reconvened conference. The Soviet Government agreed that it would participate in this conference.<sup>93</sup>

XX <sup>94</sup>

DIRECTIVES TO MILITARY COMMANDERS ON ALLIED CONTROL COUNCIL FOR GERMANY.

The three Governments agreed that each would send a directive to its representative on the Control Council for Germany informing him of all decisions of the Conference affecting matters within the scope of his duties.<sup>94a</sup>

XXI <sup>95</sup>

USE OF ALLIED PROPERTY <sup>96</sup> FOR SATELLITE REPARATIONS OR "WAR TROPHIES"

The proposal <sup>97</sup> presented by the U. S. <sup>98</sup> Delegation was accepted in

<sup>91</sup> Corrected in Stage 2 to "xvii".\*†

<sup>92</sup> Corrected in Stage 2 to "xviii".\*†

<sup>93</sup> See *Participation of the United States Government in International Conferences, July 1, 1941-June 30, 1945*, p. 138. See also Executive Agreement Series No. 494; 59 Stat. (2) 1740.

<sup>94</sup> Corrected in Stage 2 to "xix".\*†

<sup>94a</sup> The Soviet text reads, in literal translation, "to its representative on the Control Council concerning questions coming within the scope of his competence".

<sup>95</sup> Corrected in Stage 2 to "xx".\*†

<sup>96</sup> Changed in Stage 2 to "Properties"; to "Property" once more in Stage 3.\*†

<sup>97</sup> The words "(Annex II)" introduced at this point in Stage 2.\*†

<sup>98</sup> Changed in Stage 3 to "United States".\*

principle by the Conference, but the drafting of an agreement on the matter was left to be worked out through diplomatic channels.<sup>99</sup>

<sup>99</sup> The Soviet text of this paragraph reads, in literal translation: "The Conference decided to accept in principle the proposal of the American Delegation (Annex No. 2). The wording of this proposal is to be agreed upon through the diplomatic channel."

The Protocol, as it stood at the end of Stage 1, ended with this paragraph. In Stage 2 an additional section XXI was introduced\*† and annex II (pertaining to the final section of the Protocol as it stood at the end of Stage 1) was added.\*† In Stage 3 the annex to the section on "Revised Allied Control Commission Procedure in Roumania, Bulgaria and Hungary" (*ante*, p. 1494) was inserted between the new section XXI and annex II.\*† The texts of the new article and annex introduced in Stage 2 are as follows:

#### XXI

##### MILITARY TALKS

During the Conference there were meetings between the Chiefs of Staff of the three governments on military matters of common interest.

[Cf. document No. 1384, section xiv, and *ante*, p. 594.]

#### ANNEX II

[The heading, "Use of Allied Property for Satellite Reparations or 'War Trophies'" was inserted at this point in Stage 3.† A similar heading above the words "Annex II" was deleted in Stage 2.\*]

1. The burden of reparation and "war trophies" should not fall on allied nationals.

2. Capital equipment.—We object to the removal of such allied property as reparations, "war trophies", or under any other guise. Loss would accrue to allied nationals as a result of destruction of plants and the consequent loss of markets and trading connections. Seizure of allied property makes impossible the fulfilment by the satellite of its obligation under the armistice to restore intact the rights and interests of the allied nations and their nationals.

The United States looks to the other occupying powers for the return of any equipment already removed and the cessation of removals. Where such equipment will not or cannot be returned, the United States [changed to "U. S." in Stage 3] will demand of the satellite adequate, effective and prompt compensation to American nationals, and that such compensation have priority equal to that of the reparations payment.

These principles apply to all property wholly or substantially owned by allied nationals. In the event of removals of property in which the American as well as the entire allied interest is less than substantial, the United States [changed to "U. S." in Stage 3] expects adequate, effective, and prompt compensation.

3. Current production.—While the United States [changed to "U. S." in Stage 3] does not oppose reparation out of current production of allied investments, the satellite must provide immediate and adequate compensation to the allied nationals including sufficient foreign exchange or products so that they can recover reasonable foreign currency expenditures and transfer a reasonable return on their investment. Such compensation must also have equal priority with reparations.

We deem it essential that the satellites do [the word "do" deleted in Stage 3] not conclude treaties, agreements or arrangements which deny to allied nationals access, on equal terms, to their trade, raw materials, and industry; and appropriately modify any existing arrangements which may have that effect.

[Cf. document No. 842.]

## COMMUNIQUÉ

No. 1384

Truman Papers

*Communiqué*<sup>1</sup>

[BABELSBERG,] August 2, 1945[.]

## REPORT ON THE TRIPARTITE CONFERENCE OF BERLIN

I<sup>2</sup>

On July 17, 1945, the President of the United States of America, Harry S. Truman, the Chairman of the Council of People's Commissars of the Union of Soviet Socialist Republics, Generalissimo J. V. Stalin, and the Prime Minister of Great Britain, Winston S. Churchill, together with Mr. Clement R. Attlee, met in the Tripartite Conference of Berlin. They were accompanied by the foreign secretaries of the three Governments, Mr. James F. Byrnes, Mr. V. M. Molotov, and Mr. Anthony Eden, the Chiefs of Staff, and other advisers.

There were nine meetings between July 17 and July 25. The Conference was then interrupted for two days while the results of the British general election were being declared.

On July 28 Mr. Attlee returned to the Conference as Prime Minister, accompanied by the new Secretary of State for Foreign Affairs, Mr. Ernest Bevin. Four days of further discussion then took place. During the course of the Conference there were regular meetings of the Heads of the Three Governments accompanied by the foreign secretaries, and also of the Foreign Secretaries alone. Committees appointed by the Foreign Secretaries for preliminary consideration of questions before the Conference also met daily.

The meetings of the Conference were held at the Cecilienhof near Potsdam. The Conference ended on August 2, 1945.

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<sup>1</sup> The source copy is filed in a folder in the Truman Papers bearing the following typed notation: "Final typewritten copy as prepared under the direction of the President's Press Secretary, Mr. Charles Ross, on 2 August 1945 after the President, Attlee and Stalin had made changes in an earlier draft at the last Plenary Session." This represents the final text in the files of the United States Delegation which was prepared at the Conference site. The text released at Washington on August 2 (the source for the text printed in the Department of State *Bulletin*, vol. XIII, p. 153) was based on a telegraphic transmission and contains minor variations from the text here printed.

For the "earlier draft" referred to above, i. e., the Report of the Communiqué Subcommittee, to which a cover sheet bearing the signatures of the three Heads of Government was attached, see document No. 1380.

In connection with the Communiqué, see also the general annotations to document No. 1383.

<sup>2</sup> This Roman numeral is a manuscript addition.



Important decisions and agreements were reached. Views were exchanged on a number of other questions and consideration of these matters will be continued by the Council of Foreign Ministers established by the Conference.

President Truman, Generalissimo Stalin and Prime Minister Attlee leave this Conference, which has strengthened the ties between the three governments and extended the scope of their collaboration and understanding, with renewed confidence that their governments and peoples, together with the other United Nations, will ensure the creation of a just and enduring peace.

## II.

### ESTABLISHMENT OF A COUNCIL OF FOREIGN MINISTERS

The Conference reached an agreement for the establishment of a Council of Foreign Ministers representing the five principal Powers to continue the necessary preparatory work for the peace settlements and to take up other matters which from time to time may be referred to the Council by agreement of the governments participating in the Council.

The text of the agreement for the establishment of the Council of Foreign Ministers is as follows:

(1) There shall be established a Council composed of the Foreign Ministers of the United Kingdom, the Union of Soviet Socialist Republics, China, France and the United States.

(2) (i) The Council shall normally meet in London, which shall be the permanent seat of the joint Secretariat which the Council will form. Each of the Foreign Ministers will be accompanied by a high-ranking Deputy, duly authorized to carry on the work of the Council in the absence of his Foreign Minister, and by a small staff of technical advisers.

(ii) The first meeting of the Council shall be held in London not later than September 1st 1945. Meetings may be held by common agreement in other capitals as may be agreed from time to time.

(3) (i) As its immediate important task, the Council shall be authorized to draw up, with a view to their submission to the United Nations, treaties of peace with Italy, Rumania, Bulgaria, Hungary and Finland, and to propose settlements of territorial questions outstanding on the termination of the war in Europe. The Council shall be utilized for the preparation of a peace settlement for Germany to be accepted by the Government of Germany when a government adequate for the purpose is established.

(ii) For the discharge of each of these tasks the Council will be composed of the Members representing those States which were signatory to the terms of surrender imposed upon the enemy State concerned. For the purposes of the peace settlement for Italy, France shall be regarded as a signatory to the terms of surrender for Italy. Other Members will be invited to participate when matters directly concerning them are under discussion.

(iii) Other matters may from time to time be referred to the Council by agreement between the Member Governments.

(4) (i) Whenever the Council is considering a question of direct interest to a State not represented thereon, such State should be invited to send representatives to participate in the discussion and study of that question.

(ii) The Council may adapt its procedure to the particular problem under consideration. In some cases it may hold its own preliminary discussions prior to the participation of other interested States. In other cases, the Council may convoke a formal conference of the State[s] chiefly interested in seeking a solution of the particular problem.

In accordance with the decision of the Conference the three Governments have each addressed an identical invitation to the Governments of China and France to adopt this text and to join in establishing the Council.

The establishment of the Council of Foreign Ministers for the specific purposes named in the text will be without prejudice to the agreement of the Crimea Conference that there should be periodic consultation among the Foreign Secretaries of the United States, the Union of Soviet Socialist Republics and the United Kingdom.

The Conference also considered the position of the European Advisory Commission in the light of the agreement to establish the Council of Foreign Ministers. It was noted with satisfaction that the Commission had ably discharged its principal tasks by the recommendations that it had furnished for the terms of Germany's unconditional surrender, for the zones of occupation in Germany and Austria, and for the inter-Allied control machinery in those countries. It was felt that further work of a detailed character for the coordination of Allied policy for the control of Germany and Austria would in future fall within the competence of the Allied Control Council at Berlin and the Allied Commission at Vienna. Accordingly, it was agreed to recommend that the European Advisory Commission be dissolved.

### III

#### GERMANY

The Allied armies are in occupation of the whole of Germany and the German people have begun to atone for the terrible crimes committed under the leadership of those whom, in the hour of their success, they openly approved and blindly obeyed.

Agreement has been reached at this Conference on the political and economic principles of a coordinated Allied policy toward defeated Germany during the period of Allied control.

The purpose of this agreement is to carry out the Crimea declaration on Germany. German militarism and Nazism will be extirpated and the Allies will take in agreement together, now and in the future, the

other measures necessary to assure that Germany never again will threaten her neighbors or the peace of the world.

It is not the intention of the Allies to destroy or enslave the German people. It is the intention of the Allies that the German people be given the opportunity to prepare for the eventual reconstruction of their life on a democratic and peaceful basis. If their own efforts are steadily directed to this end, it will be possible for them in due course to take their place among the free and peaceful peoples of the world.

The text of the agreement is as follows:

*The Political and Economic Principles to Govern the Treatment of Germany in the Initial Control Period.*

*A. Political Principles.*

1. In accordance with the Agreement on Control Machinery in Germany, supreme authority in Germany is exercised on instructions from their respective Governments, by the Commanders-in-Chief of the armed forces of the United States of America, the United Kingdom, the Union of Soviet Socialist Republics, and the French Republic, each in his own zone of occupation, and also jointly, in matters affecting Germany as a whole, in their capacity as members of the Control Council.

2. So far as is practicable, there shall be uniformity of treatment of the German population throughout Germany.

3. The purposes of the occupation of Germany by which the Control Council shall be guided are:

(i) The complete disarmament and demilitarization of Germany and the elimination or control of all German industry that could be used for military production. To these ends:—

(a) All German land, naval and air forces, the S. S., S. A., S. D. and Gestapo, with all their organizations, staffs and institutions, including the General Staff, the Officers' Corps, Reserve Corps, military schools, war veterans' organizations and all other military and quasi-military organization[s], together with all clubs and associations which serve to keep alive the military tradition in Germany, shall be completely and finally abolished in such manner as permanently to prevent the revival or reorganization of German militarism and Nazism;

(b) All arms, ammunition and implements of war and all specialized facilities for their production shall be held at the disposal of the Allies or destroyed. The maintenance and production of all aircraft and all arms, ammunition and implements of war shall be prevented.

(ii) To convince the German people that they have suffered a total military defeat and that they cannot escape responsibility for what they have brought upon themselves, since their own ruthless warfare and the fanatical Nazi resistance have destroyed German economy and made chaos and suffering inevitable.

(iii) To destroy the National Socialist Party and its affiliated and supervised organizations, to dissolve all Nazi institutions,

to ensure that they are not revived in any form, and to prevent all Nazi and militarist activity or propaganda.

(iv) To prepare for the eventual reconstruction of German political life on a democratic basis and for eventual peaceful cooperation in international life by Germany.

4. All Nazi laws which provided the basis of the Hitler regime or established discrimination on grounds of race, creed, or political opinion shall be abolished. No such discriminations, whether legal, administrative or otherwise, shall be tolerated.

5. War criminals and those who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or war crimes shall be arrested and brought to judgment. Nazi leaders, influential Nazi supporters and high officials of Nazi organizations and institutions and any other persons dangerous to the occupation or its objectives shall be arrested and interned.

6. All members of the Nazi Party who have been more than nominal participants in its activities and all other persons hostile to Allied purposes shall be removed from public and semi-public office, and from positions of responsibility in important private undertakings. Such persons shall be replaced by persons who, by their political and moral qualities, are deemed capable of assisting in developing genuine democratic institutions in Germany.

7. German education shall be so controlled as completely to eliminate Nazi and militarist doctrines and to make possible the successful development of democratic ideas.

8. The judicial system will be reorganized in accordance with the principles of democracy, of justice under law, and of equal rights for all citizens without distinction of race, nationality or religion.

9. The administration of affairs in Germany should be directed towards the decentralization of the political structure and the development of local responsibility. To this end:

(i) local self-government shall be restored throughout Germany on democratic principles and in particular through elective councils as rapidly as is consistent with military security and the purposes of military occupation;

(ii) all democratic political parties with rights of assembly and of public discussion shall be allowed and encouraged throughout Germany;

(iii) representative and elective principles shall be introduced into regional, provincial and state (Land) administration as rapidly as may be justified by the successful application of these principles in local self-government;

(iv) for the time being no central German government shall be established. Notwithstanding this, however, certain essential central German administrative departments, headed by State Secretaries, shall be established, particularly in the fields of finance, transport, communications, foreign trade and industry. Such departments will act under the direction of the Control Council.

10. Subject to the necessity for maintaining military security, freedom of speech, press and religion shall be permitted, and religious institutions shall be respected. Subject likewise to the maintenance of military security, the formation of free trade unions shall be permitted.

*B. Economic Principles.*

11. In order to eliminate Germany's war potential, the production of arms, ammunition and implements of war as well as all types of aircraft and sea-going ships shall be prohibited and prevented. Production of metals, chemicals, machinery and other items that are directly necessary to a war economy shall be rigidly controlled and restricted to Germany's approved post-war peacetime needs to meet the objectives stated in Paragraph 15. Productive capacity not needed for permitted production shall be removed in accordance with the reparations plan recommended by the Allied Commission on Reparations and approved by the Governments concerned or if not removed shall be destroyed.

12. At the earliest practicable date, the German economy shall be decentralized for the purpose of eliminating the present excessive concentration of economic power as exemplified in particular by cartels, syndicates, trusts and other monopolistic arrangements.

13. In organizing the German economy, primary emphasis shall be given to the development of agriculture and peaceful domestic industries.

14. During the period of occupation Germany shall be treated as a single economic unit. To this end common policies shall be established in regard to:

- (a) mining and industrial production and allocation;
- (b) agriculture, forestry and fishing;
- (c) wages, prices and rationing;
- (d) import and export programs for Germany as a whole;
- (e) currency and banking, central taxation and customs;
- (f) reparation and removal of industrial war potential;
- (g) transportation and communications.

In applying these policies account shall be taken, where appropriate, of varying local conditions.

15. Allied controls shall be imposed upon the German economy but only to the extent necessary:

(a) to carry out programs of industrial disarmament and demilitarization, of reparations, and of approved exports and imports.

(b) to assure the production and maintenance of goods and services required to meet the needs of the occupying forces and displaced persons in Germany and essential to maintain in Germany average living standards not exceeding the average of the standards of living of European countries. (European countries means all European countries excluding the United Kingdom and the Union of Soviet Socialist Republics.)

(c) to ensure in the manner determined by the Control Council the equitable distribution of essential commodities between the

several zones so as to produce a balanced economy throughout Germany and reduce the need for imports.

(d) to control German industry and all economic and financial international transactions, including exports and imports, with the aim of preventing Germany from developing a war potential [*sic*] and of achieving the other objectives named herein.

(e) to control all German public or private scientific bodies, research and experimental institutions, laboratories, et cetera, connected with economic activities.

16. In the imposition and maintenance of economic controls established by the Control Council, German administrative machinery shall be created and the German authorities shall be required to the fullest extent practicable to proclaim and assume administration of such controls. Thus it should be brought home to the German people that the responsibility for the administration of such controls and any breakdown in these controls will rest with themselves. Any German controls which may run counter to the objectives of occupation will be prohibited.

17. Measures shall be promptly taken:

- (a) to effect essential repair of transport;
- (b) to enlarge coal production;
- (c) to maximize agricultural output; and
- (d) to effect emergency repair of housing and essential utilities.

18. Appropriate steps shall be taken by the Control Council to exercise control and the power of disposition over German-owned external assets not already under the control of United Nations which have taken part in the war against Germany.

19. Payment of Reparations should leave enough resources to enable the German people to subsist without external assistance. In working out the economic balance of Germany, the necessary means must be provided to pay for imports approved by the Control Council in Germany. The proceeds of exports from current production and stocks shall be available in the first place for payment for such imports.

The above clause will not apply to the equipment and products referred to in paragraphs 4 (a) and 4 (b) of the Reparations Agreement.

#### IV

#### REPARATIONS FROM GERMANY

In accordance with the Crimea decision that Germany be compelled to compensate to the greatest possible extent for the loss and suffering that she has caused to the United Nations and for which the German people cannot escape responsibility, the following agreement on reparations was reached:

1. Reparation claims of the U. S. S. R. shall be met by removals from the zone of Germany occupied by the U. S. S. R. and from appropriate German external assets.

2. The U. S. S. R. undertakes to settle the reparation claims of Poland from its own share of reparations.

3. The reparation claims of the United States, the United Kingdom and other countries entitled to reparations shall be met from the Western Zones and from appropriate German external assets.

4. In addition to the reparations to be taken by the U. S. S. R. from its own zone of occupation, the U. S. S. R. shall receive additionally from the Western Zones:

(a) 15 per cent of such usable and complete industrial capital equipment, in the first place from the metallurgical, chemical and machine manufacturing industries, as is unnecessary for the German peace economy and should be removed from the Western Zones of Germany, in exchange for an equivalent value of food, coal, potash, zinc, timber, clay products, petroleum products, and such other commodities as may be agreed upon.

(b) 10 per cent of such industrial capital equipment as is unnecessary for the German peace economy and should be removed from the Western Zones, to be transferred to the Soviet Government on reparations account without payment or exchange of any kind in return.

Removals of equipment as provided in (a) and (b) above shall be made simultaneously.

5. The amount of equipment to be removed from the Western Zones on account of reparations must be determined within six months from now at the latest.

6. Removals of industrial capital equipment shall begin as soon as possible and shall be completed within two years from the determination specified in paragraph 5. The delivery of products covered by 4 (a) above shall begin as soon as possible and shall be made by the U. S. S. R. in agreed installments within five years of the date hereof. The determination of the amount and character of the industrial capital equipment unnecessary for the German peace economy and therefore available for reparations shall be made by the Control Council under policies fixed by the Allied Commission on Reparations, with the participation of France, subject to the final approval of the Zone Commander in the Zone from which the equipment is to be removed.

7. Prior to the fixing of the total amount of equipment subject to removal, advance deliveries shall be made in respect of such equipment as will be determined to be eligible for delivery in accordance with the procedure set forth in the last sentence of paragraph 6.

8. The Soviet Government renounces all claims in respect of reparations to shares of German enterprises which are located in the Western Zones of occupation in <sup>3</sup> Germany as well as to German foreign assets in all countries except those specified in paragraph 9 below.

9. The Governments of the U. K. and the U. S. A. renounce their claims in respect of reparations to shares of German enterprises which are located in the Eastern Zone of occupation in Germany, as well as to German foreign assets in Bulgaria, Finland, Hungary, Rumania and Eastern Austria.

10. The Soviet Government makes no claims to gold captured by the Allied troops in Germany.

<sup>3</sup> The words "occupation in" are a manuscript addition.

[v]

## DISPOSAL OF THE GERMAN NAVY AND MERCHANT MARINE

The Conference agreed in principle upon arrangements for the use and disposal of the surrendered German fleet and merchant ships. It was decided that the Three Governments would appoint experts to work out together detailed plans to give effect to the agreed principles. A further joint statement will be published simultaneously by the Three Governments in due course.

## VI.

## CITY OF KOENIGSBERG AND THE ADJACENT AREA

The Conference examined a proposal by the Soviet Government that pending the final determination of territorial questions at the peace settlement, the section of the western frontier of the Union of Soviet Socialist Republics which is adjacent to the Baltic Sea should pass from a point on the eastern shore of the Bay of Danzig to the east, north of Braunsberg-Goldap, to the meeting point of the frontiers of Lithuania, the Polish Republic and East Prussia.

The Conference has agreed in principle to the proposal of the Soviet Government concerning the ultimate transfer to the Soviet Union of the City of Koenigsberg and the area adjacent to it as described above subject to expert examination of the actual frontier.

The President of the United States and the British Prime Minister have declared that they will support the proposal of the Conference at the forthcoming peace settlement.

## VII.

## WAR CRIMINALS

The Three Governments have taken note of the discussions which have been proceeding in recent weeks in London between British, United States, Soviet and French representatives with a view to reaching agreement on the methods of trial of those major war criminals whose crimes under the Moscow Declaration of October 1943 have no particular geographical localization. The Three Governments reaffirm their intention to bring those criminals to swift and sure justice. They hope that the negotiations in London will result in speedy agreement being reached for this purpose, and they regard it as a matter of great importance that the trial of those major criminals should begin at the earliest possible date. The first list of defendants will be published before September 1.

## VIII

## AUSTRIA

The Conference examined a proposal by the Soviet Government on



the extension of the authority of the Austrian Provisional Government to all of Austria.

The three Governments agreed that they were prepared to examine this question after the entry of the British and American forces into the city of Vienna.

IX <sup>4</sup>

## POLAND

The Conference considered questions relating to the Polish Provisional Government and the western boundary of Poland.

On the Polish Provisional Government of National Unity they defined their attitude in the following statement:

A—<sup>5</sup> We have taken note with pleasure of the agreement reached among representative Poles from Poland and abroad which has made possible the formation, in accordance with the decisions reached at the Crimea Conference, of a Polish Provisional Government of National Unity recognized by the Three Powers. The establishment by the British and United States Governments of diplomatic relations with the Polish Provisional Government has resulted in the withdrawal of their recognition from the former Polish Government in London, which no longer exists.

The British and United States Governments have taken measures to protect the interest of the Polish Provisional Government as the recognized government of the Polish State in the property belonging to the Polish State located in their territories and under their control, whatever the form of this property may be. They have further taken measures to prevent alienation to third parties of such property. All proper facilities will be given to the Polish Provisional Government for the exercise of the ordinary legal remedies for the recovery of any property belonging to the Polish State which may have been wrongfully alienated.

The three Powers are anxious to assist the Polish Provisional Government in facilitating the return to Poland as soon as practicable of all Poles abroad who wish to go, including members of the Polish Armed Forces and the Merchant Marine. They expect that those Poles who return home shall be accorded personal and property rights on the same basis as all Polish citizens.

The three Powers note that the Polish Provisional Government in accordance with the decisions of the Crimea Conference has agreed to the holding of free and unfettered elections as soon as possible on the basis of universal suffrage and secret ballot in which all democratic and anti-Nazi parties shall have the right to take part and to put forward candidates, and that representatives of the Allied press shall enjoy full freedom to report to the world upon developments in Poland before and during the elections.

<sup>4</sup> This Roman numeral is a manuscript correction of the numeral "vii" in the original typescript. The correction is initialed by George M. Elsey.

<sup>5</sup> "A—" is a manuscript addition;

B—The following agreement was reached on the western frontier of Poland:

In conformity with the agreement on Poland reached at the Crimea Conference the three Heads of Government have sought the opinion of the Polish Provisional Government of National Unity in regard to the accession of territory in the north and west which Poland should receive. The President of the National Council of Poland and members of the Polish Provisional Government of National Unity have been received at the Conference and have fully presented their views. The three Heads of Government reaffirm their opinion that the final delimitation of the western frontier of Poland should await the peace settlement.

The three Heads of Government agree that, pending the final determination of Poland's western frontier, the former German territories east of a line running from the Baltic Sea immediately west of Swinemunde, and thence along the Oder River to the confluence of the western Neisse River and along the western Neisse to the Czechoslovak frontier, including that portion of East Prussia not placed under the administration of the Union of Soviet Socialist Republics in accordance with the understanding reached at this conference and including the area of the former free city of Danzig, shall be under the administration of the Polish State and for such purposes should not be considered as part of the Soviet zone of occupation in Germany.

#### X.

#### CONCLUSION OF PEACE TREATIES AND ADMISSION TO THE UNITED NATIONS ORGANIZATION.

The Conference agreed upon the following statement of common policy for establishing, as soon as possible, the conditions of lasting peace after victory in Europe:

The Three Governments consider it desirable that the present anomalous position of Italy, Bulgaria, Finland, Hungary and Rumania should be terminated by the conclusion of Peace Treaties. They trust that the other interested Allied Governments will share these views.

For their part the Three Governments have included the preparation of a Peace Treaty for Italy as the first among the immediate important tasks to be undertaken by the new Council of Foreign Ministers. Italy was the first of the Axis Powers to break with Germany, to whose defeat she has made a material contribution, and has now joined with the Allies in the struggle against Japan. Italy has freed herself from the Fascist regime and is making good progress towards the reestablishment of a democratic government and institutions. The conclusion of such a Peace Treaty with a recognized and democratic Italian Government will make it possible for the Three Governments to fulfill their desire to support an application from Italy for membership of The United Nations.

The Three Governments have also charged the Council of Foreign Ministers with the task of preparing Peace Treaties for Bulgaria,

Finland, Hungary and Rumania. The conclusion of Peace Treaties with recognized democratic Governments in these States will also enable the three Governments to support applications from them for membership of the United Nations. The three Governments agree to examine each separately in the near future, in the light of the conditions then prevailing, the establishment of diplomatic relations with Finland, Rumania, Bulgaria, and Hungary to the extent possible prior to the conclusion of peace treaties with those countries.

The three Governments have no doubt that in view of the changed conditions resulting from the termination of the war in Europe, representatives of the Allied press will enjoy full freedom to report to the world upon developments in Rumania, Bulgaria, Hungary and Finland.

As regards the admission of other states into the United Nations Organization, Article 4 of the Charter of the United Nations declares that:

"1. Membership in the United Nations is open to all other peace-loving States who accept the obligations contained in the present Charter and, in the judgment of the organization, are able and willing to carry out these obligations;

"2. the admission of any such State to membership in the United Nations will be effected by a decision of the General Assembly upon the recommendation of the Security Council."

The Three Governments, so far as they are concerned, will support applications for membership from those States which have remained neutral during the war and which fulfill the qualifications set out above.

The Three Governments feel bound however to make it clear that they for their part would not favor any application for membership put forward by the present Spanish Government, which, having been founded with the support of the Axis Powers, does not, in view of its origins, its nature, its record and its close association with the aggressor States, possess the qualifications necessary to justify such membership.

## XI

### TERRITORIAL TRUSTEESHIPS <sup>6</sup>

The Conference examined a proposal by the Soviet Government concerning trusteeship territories as defined in the decision of the Crimea Conference and in the Charter of the United Nations Organization.

After an exchange of views on this question it was decided that the disposition of any former Italian territories was one to be decided in connection with the preparation of a peace treaty for Italy and that the question of Italian territory would be considered by the September Council of Ministers of Foreign Affairs.

<sup>6</sup> This typed caption replaces an earlier caption, "Trusteeship Territories", which has been crossed out by hand.

## XII

REVISED ALLIED CONTROL COMMISSION PROCEDURE IN RUMANIA,  
BULGARIA, AND HUNGARY

The Three Governments took note that the Soviet Representatives on the Allied Control Commissions in Rumania, Bulgaria and Hungary, have communicated to their United Kingdom and United States colleagues proposals for improving the work of the Control Commission, now that hostilities in Europe have ceased.

The Three Governments agreed that the revision of the procedures of the Allied Control Commissions in these countries would now be undertaken, taking into account the interests and responsibilities of the Three Governments which together presented the terms of armistice to the respective countries, and accepting as a basis the agreed proposals.

## XIII

## ORDERLY TRANSFERS OF GERMAN POPULATIONS

The Conference reached the following agreement on the removal of Germans from Poland, Czechoslovakia and Hungary:

The Three Governments, having considered the question in all its aspects, recognize that the transfer to Germany of German populations, or elements thereof, remaining in Poland, Czechoslovakia and Hungary, will have to be undertaken. They agree that any transfers that take place should be effected in an orderly and humane manner.

Since the influx of a large number of Germans into Germany would increase the burden already resting on the occupying authorities, they consider that the Allied Control Council in Germany should in the first instance examine the problem with special regard to the question of the equitable distribution of these Germans among the several zones of occupation. They are accordingly instructing their respective representatives on the Control Council to report to their Governments as soon as possible the extent to which such persons have already entered Germany from Poland, Czechoslovakia and Hungary, and to submit an estimate of the time and rate at which further transfers could be carried out, having regard to the present situation in Germany.

The Czechoslovak Government, the Polish Provisional Government and the Control Council in Hungary are at the same time being informed of the above, and are being requested meanwhile to suspend further expulsions pending the examination by the Governments concerned of the report from their representatives on the Control Council.

## XIV

## MILITARY TALKS

During the Conference there were meetings between the Chiefs of Staff of the three Governments on military matters of common interest.

Approved:

J. V. STALIN  
HARRY S. TRUMAN  
C. R. ATTLEE<sup>7</sup>

## LIST OF DELEGATIONS

*For the United States*

The President:

Harry S. Truman

The Secretary of State:

James F. Byrnes

Fleet Admiral William D. Leahy, U. S. N., Chief of Staff to the President

Joseph E. Davies, Special Ambassador

Edwin Pauley, Special Ambassador<sup>8</sup>

W. Averell Harriman[,] Ambassador to the U. S. S. R.

General of the Army, George C. Marshall, Chief of Staff, United States Army

Fleet Admiral, Ernest J. King, U. S. N., Chief of Naval Operations and Commander in Chief, U. S. Fleet

General of the Army, H. H. Arnold, U. S. Army Air Forces

Lieutenant General [*sic*] Brehon B. Somervell, Commanding General, Army Service Forces

Vice Admiral Emory S. Land, War Shipping Administrator

William L. Clayton[,] Assistant Secretary of State

James C. Dunn[,] Assistant Secretary of State

Ben Cohen, Special Assistant to the Secretary of State

H. Freeman Matthews, Director of European Affairs, Department of State

Charles E. Bohlen[,] Assistant to the Secretary,  
(together with political, military and technical advisers).

<sup>7</sup> These typed signatures appear on the source text of the Communiqué. Concerning the document to which the holograph signatures of the Heads of Government were attached, see document No. 1380.

<sup>8</sup> Upon telegraphic instructions from Babelsberg, "Ambassador Robert D. Murphy, Political Adviser to the Commander-in-Chief, United States Zone in Germany" was added at this point to the text released at Washington.

*For the United Kingdom*

The Prime Minister:

Mr. Winston S. Churchill, M. P.

Mr. C. R. Attlee, M. P.

The Secretary of State for Foreign Affairs:

Mr. Anthony Eden, M. P.

Mr. Ernest Bevin, M. P.

Lord Leathers[,] Minister of War Transport

Sir Alexander Cadogan, Permanent Under Secretary of State for Foreign Affairs

Sir Archibald Clark Kerr, H. M. Ambassador at Moscow

Sir Walter Monckton, Head of the U. K. Delegation to Moscow Reparations Commission.

Sir William Strang, Political Adviser to the Commander-in-Chief, British Zone in Germany.

Sir Edward Bridges, Secretary of the Cabinet

Field Marshal Sir Alan Brooke, Chief of the Imperial General Staff.

Marshal of the Royal Air Force, Sir Charles Portal, Chief of the Air Staff.

Admiral of the Fleet Sir Andrew Cunningham, First Sea Lord.

General Sir Hastings Ismay, Chief of Staff to the Minister of Defence.

Field Marshal Sir Harold Alexander, Supreme Allied Commander, Mediterranean Theatre.

Field Marshal Sir Henry Maitland Wilson, Head of the British Joint Staff Mission at Washington.

and other advisers

*[For the Soviet Union <sup>9</sup>]*

[The Chairman of the Council of People's Commissars:

J. V. Stalin

People's Commissar for Foreign Affairs:

V. M. Molotov

Fleet Admiral N. G. Kuznetsov, People's Commissar, the Naval Fleet of the U. S. S. R.

A. I. Antonov, Chief of Staff of the Red Army

A. Ya Vyshinski, Deputy People's Commissar for Foreign Affairs

S. I. Kavtaradze, Assistant People's Commissar for Foreign Affairs

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<sup>9</sup> This list of the Soviet Delegation was not included in the source copy. Upon telegraphic instructions from Babelsberg, it was added to the text released at Washington. It is here reprinted from the Department of State *Bulletin*, vol. XIII, p. 161.

- I. M. Maisky, Assistant People's Commissar for Foreign Affairs  
 Admiral S. G. Kucherov, Chief of Staff of the Naval Fleet  
 F. T. Gusev, Ambassador of the Soviet Union in Great Britain  
 A. A. Gromyko, Ambassador of the Soviet Union in the United States of America  
 K. V. Novikov, Member of the Collegium of the Commissariat for Foreign Affairs, Director of the Second European Division  
 S. K. Tsarapkin, Member of the Collegium of the Commissariat for Foreign Affairs, Director of the United States Division  
 S. P. Kozyrev, Director of the First European Division of the Commissariat for Foreign Affairs  
 A. A. Lavrishchev, Director of the Division of Balkan Countries, Commissariat for Foreign Affairs  
 A. A. Sobolev, Chief of the Political Section of the Soviet Military Administration in Germany  
 I. [M.] Z. Saburov, Assistant to the Chief of the Soviet Military Administration in Germany  
 A. [S.] A. Golunsky, Expert consultant of the Commissariat for Foreign Affairs  
 and also political, military, and technical assistants.]