ASSIMILATION OF GERMANY into a broad European community and prevention of the rebirth of a new aggressive menace, along with counteracting the Soviets' coercive system, were described by Mr. McCloy as objectives in solving the problems of Germany. He outlined this program at the annual Pilgrims' Dinner in London, April 4. Following his opening remarks in response to the introductory speech, Mr. McCloy spoke as follows:

Our friendships here symbolize the links between our two countries. Those links have been greatly strengthened by the war and the events since its end. These events have also demonstrated our vital concern in Europe. Together with our European neighbors we have embarked through the Marshall Plan and the Atlantic Pact on a joint program to provide for the common defense and to promote the general economic welfare.

In the occupation of Germany we are engaged in still another part of this joint task. Tonight I want to give you my thoughts on this German problem and its solution.

Any discussion of Germany must deal with the split between the East and West. When the fighting ended we had hoped that the four allies could work together in healing the deep wounds of tyranny and war. Instead, each year the Kremlin has sought to widen the gap between East and West.

IN GERMANY the contest has taken dramatic form. The Soviets have constantly frustrated the determined efforts of the western Allies to preserve four-power unity. The Soviet rulers have maneuvered only to subjugate Germany into vassalage.

In this drive the Soviets are again using in Germany the very methods the Nazis used such a short time ago—marching youth, mammoth meetings, appeals to militarism and the national front, violent abuse of opponents, and constant purges. Despite their solemn pledge to outlaw German militarism they are training a German army in the eastern zone under the guise of a police force. The Soviet campaign aims first of all at Berlin. The course of that campaign has been tortuous. First they sacked the city, then they woood it, next they sought to starve it. Now, talking of freedom, they threaten, with the help of their puppet regime, to force Berlin into submission by a new application of totalitarian methods.

The Soviet pressure to absorb Berlin and force us out is strong proof of the challenge of Western ideals. As an outpost behind the Iron Curtain, Berlin is a constant reminder to the satellite peoples of the possibility of a different way of life—a reminder which no amount of propaganda can erase, a reminder which the Soviets recognize is a standing threat to their coercive system.

THE COMMUNISTS WILL NOT succeed in taking over the city of Berlin. The free men and women of the city will not permit it and we will not permit it. The British, the French and the Americans are fully determined and fully united. We shall stay in Berlin.

Counteracting Soviet pressure is vital, but it does not solve the German problem. Now, what is our common policy in Germany? All of us want to prevent Germany from again becoming a menace. In seeking to attain this goal, we have been following two main roads.

First, to prohibit institutions and activities dangerous to peace.

Second, to encourage a truly democratic society.

On the first point, in the interest of security, our fixed policy has been to impose and maintain effective controls against the revival of a German war machine. This we intend to do until the evidence convinces us that progressive forces have strongly established themselves in the political and economic life of Germany. In order to

Returning from London where he had addressed the Pilgrims' Society, Mr. McCloy (center) is greeted at the Rhine/Main Airport near Frankfurt by press correspondents (left to right) Robert Haeger of United Press; Louis Deroche of Agence France Press, and Howard Kennedy of Stars and Stripes.

[PRINHTO PHOTO]
foster the growth of democratic practices and attitudes, the German people and their elected governments have been granted substantial powers and responsibilities. But even so, we have retained important security controls and, in the event of a real threat, we can resume all or part of the authority we have relinquished.

There is no gainsaying the fact that Germany still gives evidence of the need for restrictions and controls. Wisely administered and kept simple and clear, these various forms of control can serve as important safeguards of the peace.

But restraints alone are not enough. Our greater hope must lie in constructive efforts to strengthen the progressive forces in German life. We do not aim to remake Germany in our own image, but we do seek to encourage Germans of good will to build a vigorous democratic state.

In ITS HISTORY Germany has produced many creative figures. But for too long the world has suffered from the destructive side of the German character. In justice to herself and the world, Germany must display to this and coming generations the peaceful, creative side of genius. This is the great challenge. Only the Germans can meet it, but we can do much to help them.

In short, our German program seeks to achieve security by restricting the power to make war and by encouraging the growth of democracy. This two fold program is wise and necessary. Nevertheless, in my judgment, it is only half the remedy. The other half must be a united Europe of which Germany must be a part.

The need for a united Europe is made more urgent by the threat from the East, but it would still be pressing even without that threat. The fact is, we cannot solve the German problem without fitting it into the larger context of a united Europe. Only within that context do I see the opportunity to direct the economic, political and spiritual forces of Germany into healthy and peaceful channels.

Time does not permit me to develop in detail the reasons which lead me to this conclusion. But I do wish to suggest some of the main considerations. First, let us look for a moment at the economic facts. These are critical. With only half the area of prewar Germany, the Federal Republic has 70 percent of all Germany's prewar population, including over 9,000,000 refugees from the East. I hope we shall be successful in our efforts to unite Germany but even with unity, Germany to support that population must rely on industrial output more heavily than she did before the war.

Without the solution of this and other basic economic problems, democratic forces will not be able to retain power and exercise influence in Germany. It is essential then to build a German economy strong enough to support her larger population. Yet this may require an economy strong enough to be a potential threat to the security of her neighbors. The dilemma must be solved.

This, I am convinced, can be accomplished only by assimilating Germany into a broader European community. Only thus can Germany and Europe produce goods and services necessary for a prosperous and secure future.

These economic factors lead directly to the political. To ensure the freer flow of trade and the development of European markets will require effective political machinery. Moreover, centuries of European conflict demonstrate the need for an agency adequate to restrain nationalistic forces. To be specific, after two world wars Germany's neighbors today fear the rebuilding of a strong German economy unless some over-all rule of law protects them against its use for ruthless aggression.

There is a third aspect of the problem which may be the most important: the psychological or spiritual factor. Man seeks loyalties and ideals to which he can dedicate himself and which will give meaning to his daily life. In an earlier day national states provided sufficient scope for this need. Today this is no longer true. Certainly in Germany young men and women feel that their lives are blocked by a dead end. The cause is not only the physical or economic condition of their country. The difficulty is rather that no goal or concept seems to inspire hope or to evoke dedication.

Without such a hope, without a wider horizon, they may again become victims of the demagogue. But with such a hope they may create a free society.

In short, the crucial need is for a genuine European community. The demands of security, of economic and of spiritual health all call for the same solution. Events press us to this solution and by "events" I do not mean
merely the East-West split, but the deeper moral, political and economic forces that surge in Europe today.

Many factors call for prompt action. Today the West has the opportunity to unite for its own defense. Tomorrow may be too late. Today Germany is still in a formative stage and, I believe, wants to join in a united Europe. Tomorrow the situation in Germany and in other European countries may have taken a turn which will make action more difficult. Today the idea of a European community has a strong hold on the minds of the common people throughout the continent. Tomorrow, if steps have not been taken to make this idea a reality, those hopes may be dashed and support for the program may be dissipated.

Today the United States is firmly committed to help Europe and has shown in many ways its hope in the development of a European community. Tomorrow that interest may decline from its present high level unless it is matched by the interest of others.

Finally, in the last 10 years, in war and peace, the leaders and peoples of Europe have been learning to work together on many joint projects. These skills and attitudes can form the firm base for the next step toward a real community.

At the same time every thoughtful person must recognize the tremendous obstacles in the path of European unity. No friend of Britain, aware of her problems, would dare urge any step which might prejudice Britain’s existence or impair her position as a leader of nations. The United States, too, will have to do its share. So it is with full appreciation of the difficulties involved that I say no permanent solution of the German problem seems possible without an effective European union.

Experience between the two wars and since teaches us that palliatives will not do. And there is good reason to believe the problem can be solved. The courage and energy so magnificently displayed in the war can be enlisted in the creative task of building a strong European community. The European tradition is a heritage which the world cannot afford to lose. That heritage can best be preserved by making Europe a vital outlet for the energies of its young men and women.

This concept of a new Western Europe is our best hope for peace. It is a threat to no one. Its very existence will reduce the danger of armed conflicts, its rightful power will check the ruthless plans of ambitious men; and its democratic nature will preclude any aggressive action on its own part.

Three hundred years ago a member of Bradford’s Company* wrote back to England after the first harsh winter in Plymouth Colony. He was able to weigh these hardships against the spiritual goal of the Pilgrims. He wrote:

“It is not with us as with other men whom small things can discourage, or small discontentments cause to wish themselves at home again.”

We too must measure our difficulties in the light of our own purposes. If we carry in our hearts this spirit of the Pilgrims, we may also count as small obstacles to our own high goals.

* Plymouth (Mass.) Colony, of which William Bradford (1590–1657) was an early governor.

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Labor Unions a Strong Democratic Force

Describing the German trade union movement as "the strongest, most constructive and most democratic force in present-day Germany," Algot Joensson, Swedish labor leader, in a report to the Office of Labor Affairs, declared that German unions must form the core of the new German democracy.

The Swedish labor expert and official of the Swedish Trade Union Federation came to Germany last summer at the invitation of the Manpower Division, MOMUS, predecessor of the HICOG’s Office of Labor Affairs. He spent practically his entire time in Bavaria, where he discussed problems with trade union leaders and workmen.

Currency reform, ERP aid and the new constitution guaranteeing basic human rights have created a sound basis for the democratic development of Germany, Mr. Joensson stated, but he pointed to the disparity between wages and prices as "good soil for the dissatisfaction of the working man."

"As far as I could find out," he said, "the purchasing power of wage and salary earners is very low. Whatever they earn is spent for food, rent utilities and social insurance. It is therefore very difficult to afford clothing and furniture. And the need for these goods is very great after the war and the destruction."

The three most important problems facing the German government today, he said, are those of housing construction, unemployment and the price-wage relationship.

"The next few years can be of decisive importance for democracy in Germany," he said. "If the three aforementioned problems can be brought to a reasonable solution, the external conditions for democratic development will be quite favorable. If they are not solved, there is the danger that developments may go in a quite different and undesirable direction. A strong and purposeful hold on the problem of housing construction could further a solution to the other two problems."

Mr. Joensson noted a special inclination on the part of the German trade union movement for legislation. He also noted that a large number of minor disputes which should be settled through direct negotiation between the employer and the trade union, are taken to labor courts for settlement. He recommended that the training of youth and educational leaders be extended; that German trade unionists, including youth leaders, study democratic developments in Sweden, and that all possibilities for conducting the broad work of enlightenment be examined, including support of correspondence school courses.