

Official Communiqués

Meeting of Deputy Commissioners

The acting Allied High Commissioners, General J. Ganeval (France), Mr. J. G. Ward (United Kingdom), and Maj. Gen. George P. Hays (United States), met at French headquarters in Berlin Sept. 6 with the Berlin commandants, Mr. de Noblet (representing General Carolet, France), Maj. Gen. G. K. Bourne (United Kingdom) and Maj. Gen. Lemuel Mathewson (United States).

Later, they were joined by a delegation from the Federal and Berlin Governments, consisting of Prof. Ludwig Erhard, federal minister of economics; Prof. Ernst Reuter, mayor of Berlin; Dr. H. Vockel, Federal Republic representative in Berlin; Dr. Ernst, Berlin representative to the Federal Government, and Dr. Kaumann, chief of the Trustee Office for Interzonal Trade.

The meeting examined the situation with regard to the arbitrary restrictions on traffic to and from West Berlin. It was affirmed that the latest of these, the tax recently imposed by Soviet Zone authorities on West German and West Berlin motor vehicles, is discriminatory, exorbitant and an infringement on the right guaranteed by international agreement of free access to Berlin.

The Allied and German authorities further considered the necessary measures to be taken promptly.

The acting high commissioners were to meet again the following day to consider outstanding items on their agenda.

HICOM Meeting of Sept. 27

The Council of the Allied High Commission held a short business session (75th meeting) at the Petersburg Sept. 27.

Present were: Mr. Andre Francois-Poncet, French High Commissioner (chairman); Sir Ivone Kirkpatrick, United Kingdom High Commissioner; and Mr. John J. McCloy, United States High Commissioner.

The Council is scheduled to meet again on Thursday, Oct. 4.

Official Statements

Interzonal Trade Agreement Signed

An Allied High Commission spokesman made the following statement upon the signature of the interzonal trade agreement announced by the Federal Government on Sept. 20, 1951:

The Western Allied and German authorities alike have always desired the conclusion of a satisfactory trade agreement, which would be of economic benefit to both areas. However, restrictions imposed by the Soviet Zone authorities on West Berlin's commerce with the West created conditions in which it was impossible for any trade agreement to be effective. Under those conditions, Western signature of the proposed new agreement was naturally withheld.

However, in the course of recent discussions, the Eastern representatives have indicated that the restrictions would be lifted with the signature of the agreement. Accordingly, with this understanding, the

Western representatives have signed the agreement.

Of course, while obstacles to trade and traffic reappear in the future, the trade agreement will be suspended.

US Rejects Czech Note

The US Embassy at Prague has rejected as unsatisfactory a note from the Czechoslovak Foreign Ministry concerning a border incident near Hohenberg, Bavaria, on July 3, in which a German customs policeman was killed.

In their note the Czechs acknowledged that their frontier guards were in the vicinity of the killing at the time of the killing, but alleged that the Czech frontier guards had fired their weapons at a man attempting to cross the Czech border.

The latest US note, dated Aug. 31, charged that the report furnished by the Czechoslovak Foreign Ministry "appears clearly designed to protect guilty persons rather than clarify the facts."

According to the US Embassy's note, complete and detailed investigation on the part of the German authorities and the American military authorities leaves no doubt whatsoever that the shot which killed the German customs policeman was fired from the Czech side of the border from a weapon of the type known to be used by Czech frontier guards and resulted in the death of this official while he was clearly within German territory. These investigations also established conclusively that no firearms were used by the German border officials and that the shot that killed the German customs official was deliberately fired and under no circumstances could have been a wild bullet, the note stated.

"The Embassy again requests that a thorough investigation of this violation be made," the note said. "It expects to be informed thereof and of steps that the Czech Government is taking to punish those guilty and to prevent similar crimes in the future."

The US Embassy had originally protested and demanded an investigation of the border incident in a note to the Czechoslovak Foreign Office on July 17. (See *Information Bulletin*, August 1951, page 71.)

Reorganization of German Iron And Steel Industries

The Combined Steel Group, in implementation of the plan agreed between the Allied High Commission and the Federal Government, issued further orders, effective Oct. 1, 1951, transferring certain iron and steel assets from their present concern owners to a new unit company. With the new orders issued Sept. 20, a total of 10 iron and steel unit companies have so far been created out of the 24 unit companies agreed upon between the Allied High Commission and the Federal Government.

1. Assets from:

Geisweider Eisenwerke A.G., Geisweid, a subsidiary of: Vereinigte Stahlwerke A.G., in liquidation, and Kloeckner Werke A.G., in liquidation.

Harkort-Eicken, Edelmetallwerke G.m.b.H., Hagen,

a subsidiary of: Hoesch A.G., i. l.

Friedrich Thomee A.G., Werdohl/W. a subsidiary of: Vereinigte Stahlwerke A.G., i. l.

Stahlwerke Brueninghaus A.G. also a subsidiary of: Vereinigte Stahlwerke A.G., i. l.

will be transferred as of Oct 1, to a newly formed company, the Steel Unit Company.

Stahlwerke Suedwestfalen A.G. This new company will be constituted on Sept. 21.

2. The order issued Sept. 20 also prescribed that a part of the assets of Stahlwerke Brueninghaus A.G., which are related to the processing industry, will be transferred as of Oct. 1 to the newly formed Brueninghaus G.m.b.H., which will be a subsidiary of Suedwestfalen.

3. Furthermore, the shares of the commercial company, Friedrich Thomee Handelsgesellschaft G.m.b.H., will be, for the time being, transferred to the Stahlwerke Suedwestfalen A.G.

Prior to the Sept. 20 action, six unit companies had thus far been created out of the assets of Vereinigte Stahlwerke and one each out of the assets of Mannesmann Roehrenwerke, Otto Wolff and Gutehoffnungshuette.

The new unit company, employing more than 5,000 persons, will be one of the largest producers of high quality steel in the Federal Republic. The main emphasis is upon structural steel, both plain carbon and alloyed. Pig iron capacity at Geisweid is well balanced to the steel capacity of the new company, and rolling and forging capacity in the various plants are also mutually complementary.

The annual production capacity of the two larger constituent companies is summarized below:

	Huettenwerk Geisweid tons	Stahlwerk Hagen tons
Pig iron and ferro alloys	53,000	—
Martin open hearth steel	88,000	50,000
Electric steel	22,000	7,000
Total steel	110,000	57,000
Hotrolled bars and shapes	34,000	—
Wire rods	—	20,000
Plates and universals	14,000	—
Sheets	20,000	—
Forgings	1,200	6,000

Turnover in 1949-50 was DM 45,900,000 (\$10,769,200) and DM 17,400,000 (\$4,141,200) for Geisweid and Hagen, respectively. On Sept. 30, 1950, there were 2,398 workers employed at Geisweid and 1,132 at Hagen.

The new unit company will also include the Friedrich Thomee A.G., Werdohl and Stahlwerke Brueninghaus A.G., Werdohl (both segregated from the Vereinigte Stahlwerke). These works are concerned with the further processing of steel, and the former has a capacity of about 2,000 tons hot rolled bars and shapes, 20,000 tons wire rod and 24,000 tons of hoops and strip, while the latter is capable of producing about 58,000 tons of hot rolled bars and shapes. Turnover and employment figures corresponding to those of the main works were DM 18,200,000 (\$4,331,600) and DM 34,900,000 (\$8,306,200) and 411 and 1,415, respectively.

Trading in I.G. Farben Debentures

The Tripartite I.G. Farben Control Group of the Allied High Commission announced Sept. 21 that a general license will be is-

sued under Articles 3 and 9 of Allied High Commission Law No. 35 to permit trading in debentures of I.G. Farbenindustrie A.G. and certain limited transactions in I.G. Farben shares. The general license, the first to be issued under Law 35, will be published in a forthcoming issue of the Official Gazette.

The general license will permit free trading in I.G. Farbenindustrie debentures by exempting debentures from the prohibition contained in Article 3 of AHC Law No. 35.

In connection with the shares of I.G. Farbenindustrie A.G., the general license will permit certain transactions of a technical nature related to banking:

1. The deposit of share certificates of I.G. Farbenindustrie A.G. with licensed banking institutions within the German Federal Republic and the western sectors of Berlin, and the transfer of such shares from one banking institution to another.

2. The exchange of damaged share certificates against new ones.

3. The exchange of dividend counterfoils against dividend coupons Nos. 21-30, and certain facilities for the circulation of securities in connection with the procedure laid down in the law concerning the settlement of securities (*Wertpapierbereinigungsgesetz*).

The license will also permit completion of the exchange of the debentures of I.G. Farbenindustrie A.G. against shares of the same company, which began in 1941. In connection with this exchange, the Deutsche Laenderbank A.G., as agent of the I.G. Farbenindustrie A.G., established Reichsmark-blocked accounts for *rest* balances and a share deposit for those debenture creditors who indicated, on time, their intention to take advantage of the exchange offer but who, because of the state of war, were unable to present their debentures for exchange.

These share deposits and blocked accounts will become available to creditors against presentation of the debentures and in conformity with the conversion and foreign currency legislation in force in the Federal Republic.

The I.G. Farben Control Group also announced that, in cases where communities of heirs wish to distribute I.G. Farbenindustrie shares to the individual heirs, the group will issue individual licenses on application to its secretariat at Mainzerlandstr. 28, Frankfurt.

It is stressed that the actual sale of shares of I.G. Farbenindustrie A.G., and in general all transactions for the transfer of ownership of these securities continue to be prohibited under Law No. 35.

The US High Commissioner for Germany has repealed US Military Government Law No. 55 which prohibited transactions in I.G. Farben shares and bonds in the US Zone. This action was taken to avoid conflict with the general license and does not affect the continuing validity of AHC Law No. 35.

Relaxation of Controls on German Industry Given Legal Effect

By Law No. 61

Amending AHC Law No. 24

In order to give legal effect to the relaxations contained in the agreement concerning industrial controls concluded by the high commissioners on behalf of their governments on April 3, 1951, the Allied High Commission has approved a number of amendments to AHC Law No. 24 (law on control of certain articles, products,

installations and equipment) and has simplified and reduced the number of the regulations under that law. The amendments removed many of the prohibitions and limitations on German industry and thus reflect the continuing desire of the three governments to facilitate German industrial progress and the modernization of production.

Copies of the amending Law No. 61 and of the implementing regulations have been sent to the federal chancellor. The text of the law together with the implementing regulations will shortly be published in the Official Gazette.

The agreement concerning industrial controls replaced the Prohibited and Limited Industries agreement signed by the Military Governors in Washington in April 1949, and implemented by Law 24. (*See Information Bulletin May 1951, page 64.*)

Among the important relaxations of control covered by the new law are:

Shipbuilding and Shipyard Facilities

Ships of any size and speed and in any quantity may now be freely constructed within the authorized shipbuilding capacity or may be freely acquired from abroad, except that ships with military features may not be built or acquired without Military Security Board authorization. War-damaged shipyard equipment and facilities may be replaced with MSB approval.

Steel

The new regulations incorporate into Allied High Commission legislation the foreign ministers' New York agreement to allow crude steel to be produced beyond the annual quota of 11,100,000 tons where this will facilitate the common defense effort.

Radio and Related Devices for Normal Commercial Use

Such items (e.g., radio transmitting equipment, cryptographic machines and devices, radio navigational aids and underwater locating equipment) may be manufactured and imported without authorization.

Chemicals and Light Metals

All controls are removed from the chlorine, synthetic ammonia, styrene and aluminum industries. Aluminum and magnesium powders and butadiene are released from control. Primary magnesium may be produced under MSB license.

Optical Instruments

All optical instruments not specifically mentioned in the schedule to the law are now free of controls.

Electronic Tubes

The regulations list the types, manufacture of which is freely permitted. Ten categories which may be imported under MSB license are also described. Licenses for manufacture of these types will not be granted at the present time.

Other Items

Searchlights, survey and cartographic instruments and equipment, engineering tools are released from control. The amendments also further liberalize the controls over machine tools, non-precision ball and roller bearings, synthetic petrol, oil and lubricants, and synthetic rubber.

Departure for United States

The following statement was issued by US High Commissioner John J. McCloy prior to his departure for the United States Sept. 4 for consultations in Washington.

I hope and believe that the meeting of the foreign ministers will mark an important step forward in working out the new

relationship between the Western Allies and the *Bundesrepublik* (Federal Republic).

Obviously, I do not know what decisions will be made in Washington. As I see it, the foreign ministers, basing their decisions on the report the high commissioners have made to them, will probably give us a field in which to complete negotiations on the new status with the Federal Republic. In other words, we will come back to Germany to sit down with Bonn officials and work out final drafts. This is preferable to a procedure in which we would come back with a finished draft of our own.

I hope that then the Federal Republic and the high commissioners can work out an instrument or instruments to be discussed and perhaps formalized in a meeting of foreign ministers at which, I would hope, Chancellor Adenauer would participate.

The new relationship between Germany and the free world will be of utmost importance despite the fact that the Federal Republic and the Western Allies agree that the Soviet occupation of the East zone makes a final peace treaty impossible at the present time.

In working out these agreements we shall not throw overboard the things we have done in the past six years. We seek the establishment of a free and independent German state, but not at the cost of principles and undertakings that are basic to a democratic future for Germany. Nationalistic utterances and intermittent outbursts of petty criticism of the Allies and their policies will not constitute a solution for Germany's problems.

Germany has the greatest opportunity and greatest responsibility in her history to help create a new pattern of international relationships. Germany's great economic and political recovery since 1945 gives her a strong base on which to build her future. The statesmanlike voices that rise from time to time in *der Bundesrepublik* support my belief that the new German state will meet its great responsibilities.

Labor Day Statement

The following statement was issued Sept. 1 by US High Commissioner John J. McCloy on the occasion of Labor Day Sept. 3.

On the occasion of Labor Day, which the people of the United States celebrate in recognition of the worth and dignity of labor, I wish to extend the greetings and best wishes of the American people to the workers and people of Germany.

The last year has shown the determination of the free world to resist armed aggression in Korea or elsewhere. The sacrifices of the free peoples will have the salutary effect of discouraging and deterring aggressive designs on other parts of the world.

The American people have repeatedly shown their will for peace and their support of the United Nations. The words Marshall Plan and Point Four are symbols of American support of common efforts to carry through economic reconstruction.

Our aim is a community of free nations which will resolve its differences peacefully and on the basis of justice. In such a community the German people will take its place on the basis of democratic equality.

This year we must increase our efforts to provide for the common defense, to raise productivity to new heights, to increase the well-being and standard of living of all sections of the population

and to help in the development of backward areas.

The progress and gains and the very existence of free labor are threatened by the spread of forced labor and totalitarianism. American labor understands this and for that reason is contributing in full measure to the defense efforts of the West.

Official Announcements

Closing of Border Crossings

US authorities have been officially informed by Soviet transportation officials that effective Sept. 25, 1951, the crossing points at Sonneberg, Probstzelle and Gutenferst between the US and Soviet Zones will be closed. In substitution for these points a new crossing point will be established at Juchoe, two miles south of Gefell, effective Sept. 20.

The new crossing point can be reached by using Highway No. 2 north through Hof-Gefell to Oberschitz where a junction with the Nuremberg-Berlin *Autobahn* is made. Traffic between Berlin and the Federal Republic will therefore no longer be able to travel over the Hof-Dresden *Autobahn* to Berlin. The reasons given by the Soviet authorities for diverting traffic now using the crossing points which are to be closed is the necessity for repair work on roads and bridges.

US authorities at the present time are studying the impact on transportation which may develop due to closing of the three crossing points in question.

British authorities have had no information as to the closing of any crossing points between Berlin and the British Zone.—from *BE-HICOG announcement, Sept. 19.*

Leave Limit Information

Department of the Army civilian employees in the European Command will continue to accumulate 26 days of annual leave a year, according to official information from the Department of the Army. The provision of the Independent Offices Appropriations Act, 1952, which limits accrual of annual leave by certain employees of the US Government to 20 days a year, and requires use of the leave prior to June 30 of the year following that in which earned, does not apply to such employees whose permanent duty station is outside the continental limits of the United States.—from *EUCOM announcement Sept. 12.*

New Laws in Accident Cases

Additional protection to persons injured in traffic accidents involving private motor vehicles owned by members of the US Forces in Germany, both civilian and military, is afforded by two laws enacted by the United States High Commissioner, the Office of General Counsel, HICOG, has announced.

A spokesman for the General Counsel explained: "The new regulations should be of particular interest to German citizens, who, in the past, have occasionally had difficulties in asserting claims for damages."

The laws are Nos. 22 and 23. They became effective in the US Zone early in August when they were published in the Allied High Commission Official Gazette. They have also been published in the Official Gazette of the Allied Kommandatura in Berlin and have gone into effect there.

Entitled "Third party rights relating to compulsory motor vehicle insurance," Law

No. 22 provides that an injured party filing a claim against a member of the US Forces as a result of an accident shall be protected by the insurance regardless of any defense the company may have in relation to the policyholder. Thus, the insurance company cannot refuse payment on the ground that the car owner has failed to report the accident to the company. Now Law No. 22 is modeled after the German law governing this matter.

Law No. 23 is entitled "Jurisdiction of the United States Court and the United States Court of Appeals of the Allied High Commission in Germany over former members of the Allied Forces in motor vehicle accident cases." In the past, injured parties have sometimes found it virtually impossible to sue a member of the US Forces for damages after his departure from the US area of control or after his separation from service.

The new law provides that such individuals remain, for purposes of accident claims, under the jurisdiction of the US courts in Germany if process is served upon them within six months after the law comes into effect or after their separation or departure, whichever is later. The law details the procedure for service of process upon such individuals.

Extension in DP Act

Robert J. Corkery, European coordinator of the Displaced Persons Commission, announced recently that the extension of the Displaced Persons Act provides for a year's extension to those sections of the law affecting European orphans and displaced orphans.

Under the provisions of the extension legislation sponsors may submit assurances to the Commission for both categories of orphans until June 30, 1952. The bill as amended does not increase the number of orphans eligible for admission to the United States, although it does provide for the issuance of visas until June 30, 1952.

Recent Publications

Listed below are official publications received in the editorial office of the Information Bulletin during September. Request for these publications should be addressed to the originating agency.

Official Gazette, No. 63, Allied High Commission for Germany (Bonn-Petersberg), Aug. 29, 1951. Contains official texts of legislation adopted by or under authority of the Allied High Commission, Pages 1046-1100.

Auszuge aus Presseartikeln (Excerpts from Press Articles), No. 101, Bank Deutscher Laender, Frankfurt/M., Aug. 29, 1951.

Weekly Publication Analysis, No. 290, Press and Publications Branch, Information Services Division, Office of Public Affairs, HICOG (Frankfurt), Aug. 31, 1951. Covers German newspapers and other publications dated up to Aug. 31.

Focus of Berlin Editorial Opinion, Public Relations Branch, Berlin Element, HICOG (Berlin), Sept. 1951. Digest of Berlin press editorials for week ending Sept. 1.

Auszuge aus Presseartikeln (Excerpts from Press Articles), No. 105, Bank Deutscher Laender, Frankfurt/M., Sept. 7, 1951.

Official Gazette, No. 64, Allied High Commission for Germany (Bonn-Petersberg), Sept. 5, 1951. Contains official texts of legislation adopted by or under authori-

ty of the Allied High Commission. Pages 1102-1131.

Weekly Publication Analysis, No. 291, Press and Publications Branch, Information Services Division, Office of Public Affairs, HICOG (Frankfurt), Sept. 7, 1951. Covers German newspapers and other publications dated up to Sept. 7.

Focus of Berlin Editorial Opinion, Public Relations Branch, Berlin Element, HICOG (Berlin), Sept. 10, 1951. Digest of Berlin press editorials for week ending Sept. 8.

HEUTE (Today, semi-monthly German language picture magazine), No. 145, Information Services Division, Office of Public Affairs, HICOG (Munich), Sept. 12, 1951. Price: 50 pfennigs.

Buecher-Vorschau (Book Preview), No. 57, Information Centers Branch, Education and Cultural Relations Division, Office of Public Affairs, HICOG (Frankfurt), Sept. 13, 1951. Lists American books to be distributed to US Information Centers in Germany.

Weekly Publication Analysis, No. 292, Press and Publications Branch, Information Services Division, Office of Public Affairs, HICOG (Frankfurt), Sept. 14, 1951. Covers German newspapers and other publications dated up to Sept. 14.

INDEX to the Official Gazette, Allied High Commission for Germany (Bonn-Petersberg), September 1951. Gives official index of all legislation published in HICOG's Official Gazette of Nos. 1-58 (Sept. 21, 1949 to June 30, 1951).

Official Gazette, No. 65, Allied High Commission for Germany (Bonn-Petersberg), Sept. 19, 1951. Contains official texts of legislation adopted by or under authority of the Allied High Commission, pages 1135-1168.

Weekly Publication Analysis, No. 293, Press and Publications Branch, Information Services Division, Office of Public Affairs, HICOG (Frankfurt), Sept. 21, 1951. Covers German newspapers and other publications dated up to Sept. 21.

EUCOM Information Bulletin, Vol. 6, No. 41, Armed Forces Information and Education Division, EUCOM (Frankfurt), Sept. 23, 1951. Contains article "Why We Maneuver." Distributed to US Armed Forces in Germany.

Information Bulletin for September, Special Publications Branch, Public Relations Division, Office of Public Affairs, HICOG (Frankfurt), Sept. 25, 1951. Contains 25 articles and pictorial features and other information on US operations in Germany.

Buecher-Vorschau (Book Preview), No. 58, Information Centers Branch, Education and Cultural Relations Division, Office of Public Affairs, HICOG (Frankfurt), Sept. 27, 1951. Lists American books to be distributed to US Information Centers in Germany.

HEUTE (Today, semi-monthly German language picture magazine), No. 146, Information Services Division, Office of Public Affairs, HICOG (Munich), Sept. 26, 1951. Price: 50 pfennigs.

Weekly Publications Analysis, No. 294, Press and Publications Branch, Information Services Division, Office of Public Affairs, HICOG (Frankfurt), Sept. 28, 1951. Covers German newspapers and other publications dated up to Sept. 28.

EUCOM Information Bulletin, Vol. 6, No. 42, Armed Forces Information and Education Division, EUCOM (Frankfurt), Sept. 30, 1951. Contains article "Spain and Portugal." Distributed to US Armed Forces in Germany. +END