

FOOD SITUATION IMPROVES IN GERMANY

Collections are Better and May Imports Meet Quota, Military Governor Tells Laenderrat; Bizonal Economic Council Explained

The new bizonal Economic Council and the food situation were discussed by General Lucius D. Clay, the Military Governor, with the Laenderrat at its meeting 3 June in Stuttgart. The text of his speech follows.

Last week I sent by special messenger to the ministers-president a copy of an agreement for the further integration of the American and British Zones worked out by the American and British Military Governments. With some minor modifications in the document as you saw it, it has been approved and is now an agreement between the British and American Military Governments.

As you know, both you and ourselves have been conscious of the difficulty in obtaining economic integration without political integration. Nevertheless, we have not been willing to unify the American and British Zones politically in the fear that it might be harmful to the early unification of Germany as a whole. Thus, the agreement which we have reached still does not provide for political unification of the American and British Zones. On the other hand, within the field of economics, and under strictly defined powers, it does provide an arrangement where the views of the German people can be given to the American and British Military Governments on the economic policies to be followed by the two governments.

Elected by Landtage

There is established an Economic Council which is composed of representatives elected by the Landtage of the several Laender on the basis of one representative to each 750,000 persons, with a minimum, of course, of one representative from each Land of lesser population. To the extent possible within each Land the representatives of the Economic Council will be proportioned to the political party strength at the last election. The Economic Council will be charged

with the enactment of policies and ordinances within the field of economics, subject, of course, to the approval of the British and American Military Governments.

In addition to the Economic Council and to assure co-ordination among the bizonal economic agencies there is also established an executive committee. This executive committee will be composed of one representative from each of the Laender. It will nominate the heads of the executive agencies for confirmation by the Economic Council. It will be authorized to issue implementing regulations under the policies and laws of the Economic Council. It will sit continuously and will be responsible for the coordination and supervision of the several economic agencies.

As an executive agency it must operate under the policies and ordinances of the Economic Council. However, it is not subordinate to the Economic Council and it is charged with co-ordination and supervision of economic agencies in its own right. There will, of course, be reporting to this executive committee, the executive directors of the several economic agencies whose duties and functions will be roughly comparable to that of state secretaries.

The law will become effective on the tenth of June in the hope that both the Economic Council and the executive committee will be selected by the Laender and will be ready to work without delay. I know that you may ask yourselves what the effect of this law will be on the Laenderrat. As you know many of these functions have been transferred by your own legislation to the existing executive committees. Moreover, the Economic Council is not a political body and its powers are limited.

The Laenderrat, on the other hand, is a political body and subject to the approval of Military Government. Its activities cover the full range of government. The Laenderrat has been

a most effective organization since the day it was formed and it has been particularly helpful to Military Government in presenting the views of the German people.

In a personal way it has been most helpful to me in helping me in the discharge of my responsibilities. I hope that you will agree with me, therefore, that it is most desirable for the Laenderrat to continue in the remaining fields of government until Germany's political unification. That includes the continuance of our monthly meetings.

I would now like to say just a few words on the subject of food. First, I would like to congratulate the Ministers President on the improvements which have been made in the methods of collecting the food. These methods, if continued and improved as I am sure you will continue and improve them, will do much to better the collection record from the coming harvests. The results to date, particularly in meat collections in Bavaria, have been excellent.

Imports meet Quota

At our last meeting of the Laenderrat I think I told you that you were at a low ebb in food stocks; that the food situation would get no worse and would slowly improve. I know that it is dangerous to talk in generalities with respect to food, particularly with a low stock position, as call-ups against the ration will vary from locality to locality. However, I am certainly under the impression that the call-ups against the ration are improving in many localities and the arrival of imports is constantly increasing.

We had promised an import program of over 300,000 tons of flour-equivalent for May. During the month we attempted urgently to get the consent of other countries for the temporary divergence of ships where the stock position of the other countries

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