

Dual Distribution

ANNEXES TO THE IDENTIC NOTIFICATIONS (S/1020) DATED 29 SEPTEMBER 1948 FROM  
THE GOVERNMENTS OF THE FRENCH REPUBLIC, THE UNITED STATES OF AMERICA  
AND THE UNITED KINGDOM TO THE SECRETARY-GENERAL

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ANNEX IA

IDENTIC NOTES DATED 6 JULY 1948 FROM THE GOVERNMENTS OF THE  
UNITED STATES OF AMERICA AND THE UNITED KINGDOM ADDRESSED TO THE  
GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS

The United States Government\* wishes to call to the attention of the Soviet Government the extremely serious international situation which has been brought about by the actions of the Soviet Government in imposing restrictive measures on transport which amount now to a blockade against the sectors in Berlin occupied by the United States, United Kingdom and France. The United States Government regards these measures of blockade as a clear violation of existing agreements concerning the administration of Berlin by the four occupying powers.

The rights of the United States as a joint occupying power in Berlin derive from the total defeat and unconditional surrender of Germany. The international agreements undertaken in connection therewith by the Governments of the United States, United Kingdom, France and the Soviet Union defined the zones in Germany and the sectors in Berlin which are occupied by these powers. They established the quadripartite control of Berlin on a basis of friendly co-operation which the Government of the United States earnestly desires to continue to pursue.

These agreements implied the right of free access to Berlin. This right has long been confirmed by usage. It was directly specified in a message sent by President Truman to Premier Stalin on June 14, 1945, which agreed to the withdrawal of United States forces to the zonal boundaries, provided satisfactory arrangements could be entered into between the military commanders, which would give access by rail, road and air to United States forces in Berlin. Premier Stalin replied on June 16 suggesting a change in date but no other alteration in the plan proposed by the President. Premier Stalin then gave assurances that all necessary measures would be taken in accordance with the plan. Correspondence in a similar sense took place between Premier Stalin and Mr. Churchill. In accordance with this understanding, the United States, whose armies had penetrated deep into Saxony and Thuringia, parts of the Soviet zone, withdrew its forces to its own area of occupation in Germany and took up

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\* The note of His Majesty's Government in the United Kingdom was phrased in identic terms.

its position in its own sector in Berlin.\*\* Thereupon the agreements in regard to the occupation of Germany and Berlin went into effect. The United States would not have so withdrawn its troops from a large area now occupied by the Soviet Union had there been any doubt whatsoever about the observance of its agreed right of free access to its sector of Berlin. The right of the United States to its position in Berlin thus stems from precisely the same source as the right of the Soviet Union. It is impossible to assert the latter and deny the former.

It clearly results from these undertakings that Berlin is not a part of the Soviet zone, but is an international zone of occupation. Commitments entered into in good faith by the zone commanders, and subsequently confirmed by the Allied Control Authority, as well as practices sanctioned by usage, guarantee the United States together with other powers, free access to Berlin for the purpose of fulfilling its responsibilities as an occupying power. The facts are plain. Their meaning is clear. Any other interpretation would offend all the rules of comity and reason.\*\*\*

In order that there should be no misunderstanding whatsoever on this point, the United States Government categorically asserts that it is in occupation of its sector in Berlin with free access thereto as a matter of established right deriving from the defeat and surrender of Germany and confirmed by formal agreements among the principal Allies. It further declares that it will not be induced by threats, pressure or other actions to abandon these rights. It is hoped that the Soviet Government entertains no doubts whatsoever on this point.

This Government now shares with the Governments of France and the United Kingdom the responsibility initially undertaken at Soviet request on July 7, 1945, for the physical well-being of 2,400,000 persons in the western sectors of Berlin. Restrictions recently imposed by the Soviet authorities in Berlin have operated to prevent this Government and the Governments of the United Kingdom and of France from fulfilling that responsibility in an adequate manner.

The responsibility which this Government bears for the physical

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\*\* The note of His Majesty's Government in the United Kingdom reads: "In accordance with this understanding, the British 21st Army Group which had reached a line WISMAR - SCHEWERIN - LUDWIG - SLUST - DOMITZ withdrew....."

\*\*\* The note of His Majesty's Government in the United Kingdom reads: "Any other interpretation would violate all the rules of reason and all the established principles of international conduct."

well-being and the safety of the German population in its sector of Berlin is outstandingly humanitarian in character. This population includes hundreds of thousands of women and children, whose health and safety are dependent on the continued use of adequate facilities for moving food, medical supplies and other items indispensable to the maintenance of human life in the western sectors of Berlin. The most elemental of those human rights which both our Governments are solemnly pledged to protect are thus placed in jeopardy by these restrictions. It is intolerable that any one of the occupying authorities should attempt to impose a blockade upon the people of Berlin.

The United States Government is therefore obliged to insist that in accordance with existing agreements the arrangements for the movement of freight and passenger traffic between the western zones and Berlin be fully restored. There can be no question of delay in the restoration of these essential services since the needs of the civilian population in the Berlin area are imperative.

Holding these urgent views regarding its rights and obligations in the United States sector of Berlin, yet eager always to resolve controversies in the spirit of fair consideration for the viewpoints of all concerned, the Government of the United States declares that duress should not be invoked as a method of attempting to dispose of any disagreements which may exist between the Soviet Government and the Government of the United States in respect of any aspect of the Berlin situation.

Such disagreements if any should be settled by negotiation or by way of the other peaceful methods provided for in Article 33 of the Charter in keeping with our mutual pledges as co-partners in the United Nations. For these reasons the Government of the United States is ready as a first step to participate in negotiations in Berlin among the four Allied Occupying Authorities for the settlement of any question in dispute arising out of the administration of the City of Berlin. It is, however, a prerequisite that the lines of communication and the movement of persons and goods between the United Kingdom, the United States and the French sectors in Berlin and the Western Zones shall have been fully restored.

ANNEX IB

NOTE DATED 6 JULY 1948 FROM THE GOVERNMENT OF THE FRENCH REPUBLIC  
ADDRESSED TO THE GOVERNMENT OF THE UNION OF SOVIET  
SOCIALIST REPUBLICS

The French Government wishes to call the attention of the Soviet Government to the extremely serious international situation which has been brought about in Berlin as a result of the restrictive measures on transport imposed recently by the Soviet authorities which amount to the establishment of a blockade against the sector of the City occupied by France as well as Sectors occupied by the United States and Great Britain. The French Government regards these measures as a violation of the agreements between the four occupying Powers concerning the control and occupation of Berlin.

The rights of France as an occupying Power in Berlin derive from the total defeat and unconditional surrender of Germany. The international agreements undertaken in connection therewith by the Governments of France, the United States, Great Britain and the Soviet Union defined the zones in Germany and the sectors in Berlin which are occupied by these Powers. They established the quadripartite control of Berlin on a basis of friendly co-operation which the French Government has time and time again expressed the desire to pursue. These agreements imply the right of free access to Berlin and this right has been confirmed by long usage.

It clearly results from the above that Berlin is not part of the Soviet zone but is an international zone of occupation. Commitments entered into in good faith by the Zone Commanders and subsequently confirmed by the Allied Control Authority as well as practices sanctioned by usage, guarantee to France, together with the other Powers, free access to Berlin for the purpose of permitting her to assume her responsibilities as an Occupying Power.

The operation of this system during the last three years should be sufficient to prove that it is both the indispensable prerequisite for the administration of Berlin and a practicable solution which does no damage to the interests of any of the Occupying Powers. Nothing can justify its disruption by the Soviet authorities.

In this connection the French Government wishes to underline that it is the Soviet authorities in Germany who have interrupted communications between Berlin and the Western zones. It is they who put an end to the activities of the Berlin Kommandatura. It is they who took the initiative  
dd /in introducing

in introducing in the International zone constituted by Berlin the currency circulating in their own zone, thus obliging the French authorities in Berlin to introduce in turn in their sector of the City the currency circulating in the French zone of occupation. The French Government recalls that its representatives have made every effort to avoid such a situation. They have gone as far as possible in seeking an understanding by suggesting by agreement with the American and British representatives that the currency circulating in the Soviet zone should be the sole legal tender in Berlin, provided that the introduction of this currency should be on a quadripartite basis. By refusing this suggestion the Soviet authorities have taken upon themselves responsibility for the disruption of the monetary unity of Berlin.

In order that there should be no misunderstanding whatsoever the French Government categorically asserts that its occupation of its sector of Berlin and freedom of movement between the French zone and the French sector of Berlin are matters of established right deriving from the defeat and surrender of Germany and confirmed by formal agreements among the principal allies.

It further declares that it has no intention of abandoning these rights and that it will not yield to threats or pressure. It hopes that the Soviet Government entertains no doubts whatsoever on this point.

It was the Soviet Government who on 7th July, 1945 requested the French Government as well as the American and British Governments to accept responsibility for the feeding and maintenance of the population of the Western sectors of Berlin, that is to say of 2,400,000 people. The restrictions recently imposed by the Soviet authorities in Berlin have operated to prevent the French Government and the American and British Governments from fulfilling in an adequate manner the obligations undertaken at the specific request of the Soviet Government.

The responsibility which the French Government bears for the maintenance and safety of the German population in its sector of Berlin is outstandingly humanitarian in character. This population includes hundreds and thousands of men, women and children whose existence depends on the continued use of transport facilities adequate to ensure the provision of food, medical supplies and other indispensable items. The present restrictions endanger the most elementary human rights which our two Governments are solemnly pledged to protect. It is intolerable that any one of the Occupying Powers should attempt to impose a blockade upon the people of Berlin.

The French Government is, therefore, obliged to insist that in accordance with existing agreement, arrangements should be made to restore the movement of persons and goods between the Western zones and Berlin. There can be no question of delay in the restoration of these services which are essential to cover the imperative needs of the civilian population in Berlin.

Conscious of the gravity of the problem and the necessity of a rapid solution the French Government desires to resolve controversies in the spirit of fair consideration for the view point of all concerned. It must declare, however, that duress should not be invoked as a method of settling any disagreements which may exist between the Soviet Government and the French Government in respect of any aspect of the Berlin situation. Such disagreements, if any, should be settled by negotiation or by any other of the peaceful methods provided for in Article 33 of the Charter in keeping with the mutual pledges of our Governments as members of the United Nations.

For these reasons the French Government is ready as a first step to agree that a settlement of any question in dispute arising out of the administration of Berlin should be discussed in Berlin among the Allied authorities on a quadripartite basis. It is, however, a prerequisite that lines of communication and the movement of persons and goods between the French, United Kingdom and United States sectors of Berlin and the Western zones should be fully restored.



## ANNEX IIA

IDENTIC NOTES DATED 14 JULY 1948 FROM THE GOVERNMENT OF THE  
UNION OF SOVIET SOCIALIST REPUBLICS ADDRESSED TO THE GOVERNMENTS  
OF THE UNITED STATES OF AMERICA AND THE UNITED KINGDOM  
(Unofficial translation)

1. The Soviet Government has familiarized itself with the note of the Government of the United States of America\* of July 6, 1948 in which the situation which has been created at the present time in Berlin is described as a result of measures taken by the Soviet side. The Soviet Government cannot agree with this statement of the Government of the United States and considers that the situation which has been created in Berlin has arisen as a result of violation by the Governments of the United States of America, Great Britain, and France of agreed decisions taken by the four powers in regard to Germany and Berlin which (violation) has found its expression in the carrying out of a separate currency reform, in the introduction of a special currency for the western sectors of Berlin and in the policy of the dismemberment of Germany. The Soviet Government has more than once warned the Governments of the United States of America, Great Britain and France of the responsibility which they would take upon themselves in following along the path of the violation of agreed decisions previously adopted by the four powers in regard to Germany. The decisions adopted at the Yalta and Potsdam Conferences and also the agreement of the four powers concerning the control mechanism in Germany have as their aim the demilitarization and democratization of Germany, the removal of the base itself of German militarism and the prevention of the revival of Germany as an aggressive power and thereby the transformation of Germany into a peace-loving and democratic state. These agreements envisage the obligation of Germany to pay reparations and thereby to make at least partial compensation for the damage to those countries which suffered from German aggression. In accordance with these agreements the Governments of the four powers took upon themselves the responsibility for the administration of Germany and bound themselves jointly to draw up a statute for Germany or for any areas including Berlin which were part of German territory and to conclude with Germany a peace treaty which should be signed by a Government of a democratic Germany adequate for that purpose.

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\* The note to His Majesty's Government in the United Kingdom was phrased in identic terms.

These most important agreements of the four powers in regard to Germany have been violated by the Governments of the United States of America, Great Britain, and France. Measures for the demilitarization of Germany have not been completed and such a very important part of German war industry as the Ruhr district has been taken out from under the control of the four powers. The execution of decisions concerning reparations from the western zones of occupation of Germany has been interrupted by the Governments of the United States of America, the United Kingdom, and France. By the separate actions of the Governments of the United States of America, Great Britain and France the four power control mechanism in Germany has been destroyed and the Control Council as a result thereof has ceased its activity.

Following the London meeting of the three powers with the participation of Benelux, measures have been undertaken by the Governments of the United States of America, Great Britain and France directed towards the division and dismemberment of Germany including preparations which are now in progress for the designation of a separate Government for the western zones of Germany and the separate currency reform for the western zones of occupation carried out on June 18th of this year.

In as much as the situation created in Berlin as well as in all Germany is the direct result of the systematic violation by the Governments of the United States of America, Great Britain, and France of the decisions of the Potsdam Conference and also of the agreement of the four powers concerning the control mechanism in Germany, the Soviet Government must reject as completely unfounded the statement of the Government of the United States to the effect that the measures for the restriction of transport communications between Berlin and the western zones of occupation of Germany introduced by the Soviet command for the defense of the economy of the Soviet zone against its disorganization are allegedly in violation of the existing agreements concerning the administration of Berlin.

2. The Government of the United States declares that it is occupying its sector in Berlin by right arising out of the defeat and capitulation of Germany, referring in this connection to agreements between the four powers in regard to Germany and Berlin. This merely confirms the fact that the exercise of the above mentioned right in regard to Berlin is linked to the obligatory execution by the powers occupying Germany of the four power agreements concluded among themselves in regard to Germany as a whole. In conformity with these agreements Berlin was envisaged as the seat of the supreme authority of the four powers occupying Germany, in which connection

the agreement concerning the administration of "Greater Berlin" under the direction of the Control Council was reached.

Thus the agreement concerning the four power administration of Berlin is an inseparable component part of the agreement for the four power administration of Germany as a whole. After the United States of America, Great Britain, and France by their separate actions in the western zones of Germany destroyed the system of four power administration of Germany and had begun to set up a capital for a Government for Western Germany in Frankfurt-am-Main, they thereby undermined as well the legal basis which assured their right to participation in the administration of Berlin.

The Government of the United States in its note points out that its right to be in Berlin is based also on the fact that the United States withdrew its forces from certain regions of the Soviet zone of occupation into which they had penetrated during the period of hostilities in Germany, and that if it (the United States Government) had foreseen the situation, which has been created in Berlin, it would not have withdrawn its forces from those regions. However, the Government of the United States well knows that in removing its troops to the boundaries of the American zone established by agreement of the four powers concerning zones of occupation in Germany it was only carrying out an obligation which it had taken upon itself, the execution of which could alone accord the right of the entry of the troops of the United States into Berlin. An examination of the letter referred to in the note of the Government of the United States of America of President Truman to Premier Stalin of June 14, 1945 and the letter in reply of Premier Stalin of June 16, 1945 confirms the fact that, thanks to the agreement then reached, the forces of the United States of America, Great Britain, and France were given the opportunity to enter not only the capital of Germany, Berlin, but also the capital of Austria, Vienna, which as is known, were taken only by the forces of the Soviet Army. In addition, it is known that the agreements referred to concerning the question of Berlin and also of Vienna were only a part of the agreements concerning Germany and Austria upon the fulfilment of which the Soviet Government continues to insist.

3. The Government of the United States declares that the temporary measures put into effect by the Soviet Command for the restriction of transport communications between Berlin and the western zones have created difficulties in supplying the Berlin population of the western sectors. It is impossible, however, to deny the fact that these difficulties were occasioned by the actions of the Governments of the United States of America, Great Britain, and France, and primarily by their separate actions in the introduction of new currency in the western zones of Germany and special

currency in the western sectors of Berlin.

Berlin lies in the center of the Soviet zone and is a part of that zone. The interests of the Berlin population do not permit a situation in which in Berlin or only in the western sectors of Berlin there shall be introduced special currency which has no validity in the Soviet zone. Moreover, the carrying out of a separate monetary reform in the western zones of Germany has placed Berlin and the whole Soviet zone of occupation as well in a situation in which the entire mass of currency notes which were cancelled in the western zone threatened to pour into Berlin and the Soviet zone of occupation of Germany.

The Soviet Command has been forced therefore to adopt certain urgent measures for the protection of the interests of the German population and also of the economy of the Soviet zone of occupation and the area of "Greater Berlin". The danger of the disruption of the normal economic activity of the Soviet zone and of Berlin has not been eliminated even at the present time, in as much as the United States, Great Britain and France continue to maintain in Berlin their special currency.

Furthermore, the Soviet Command has consistently displayed and is displaying concern for the well being of the Berlin population and for assuring to them normal supply in all essentials and is striving for the speediest elimination of the difficulties which have arisen recently in the matter. In this connection, if the situation requires, the Soviet Government would not object to assuring by its own means adequate supply for all "Greater Berlin."

With reference to the statement of the Government of the United States that it will not be compelled by threats, pressure or other actions to renounce its right to participation in the occupation of Berlin, the Soviet Government does not intend to enter into discussion of this statement since it has not need for a policy of pressure, since by violation of the agreed decisions concerning the administration of Berlin the above-mentioned Governments themselves are reducing to naught their right to participation in the occupation of Berlin.

4. The Government of the United States in its note of July 6 expresses the readiness to begin negotiations between the four Allied occupying authorities for consideration of the situation created in Berlin but passes by in silence the question of Germany as a whole.

The Soviet Government, while not objecting to negotiations, considers, however, it necessary to state that it cannot link the inauguration of these negotiations with the fulfilling of any preliminary conditions whatsoever and

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that, in the second place, four-power conversations could be effective only in the event that they were not limited to the question of the administration of Berlin, since that question cannot be severed from the general question of four-power control in regard to Germany.

## ANNEX IIB

NOTE DATED 14 JULY 1948 FROM THE GOVERNMENT OF THE UNION OF  
SOVIET SOCIALIST REPUBLICS ADDRESSED TO THE GOVERNMENT OF THE  
FRENCH REPUBLIC

(Unofficial translation)

1. The Soviet Government has familiarized itself with the note of the French Government of July 6, 1948 in which the situation which has been created at the present time in Berlin is described as a result of measures taken by the Soviet side. The Soviet Government cannot agree with this statement of the French Government and considers that the situation which has been created in Berlin has arisen as a result of violation by the Governments of France, the United States of America, and Great Britain, of agreed decisions taken by the four powers in regard to Germany and Berlin which (violation) has found its expression in the carrying out of a separate currency reform, in the introduction of a special currency for the western sectors of Berlin and in the policy of the dismemberment of Germany. The Soviet Government has more than once warned the Governments of France, the United States of America, and Great Britain of the responsibility which they would take upon themselves in following along the path of the violation of agreed decisions previously adopted by the four powers in regard to Germany. The decisions adopted at the Yalta and Potsdam Conferences and also the agreement of the four powers concerning the control mechanism in Germany have as their aim the demilitarization and democratization of Germany, the removal of the base itself of German militarism and the prevention of the revival of Germany as an aggressive power and thereby the transformation of Germany into a peace-loving and democratic State. These agreements envisage the obligation of Germany to pay reparations and thereby to make at least partial compensation for the damage to those countries which suffered from German aggression. In accordance with these agreements the Governments of the four powers took upon themselves the responsibility for the administration of Germany and bound themselves jointly to draw up a statute for Germany or for any areas including Berlin which were part of German territory and to conclude with Germany a peace treaty which should be signed by a Government of a democratic Germany adequate for that purpose.

These most important agreements of the four powers in regard to Germany have been violated by the Governments of France, the United States of America, and Great Britain. Measures for the demilitarization of Germany have not been completed and such a very important center of German war industry as

the Ruhr district has been taken out from under the control of the four powers. The execution of decisions concerning reparations from the western zones of occupation of Germany has been interrupted by the Governments of France, the United States of America, and Great Britain. By the separate actions of the Governments of France, the United States of America, and Great Britain, the four power control mechanism in Germany has been destroyed and the Control Council as a result thereof has ceased its activity.

Following the London meeting of the three powers with the participation of Benelux, measures have been undertaken by the Governments of France, the United States of America, and Great Britain directed towards the division and dismemberment of Germany including preparations which are now in progress for the designation of a separate Government for the western zones of Germany and the separate currency reform for the western zones of occupation carried out on June 18th of this year.

In as much as the situation created in Berlin as well as in all Germany is the direct result of the systematic violation by the Governments of France, the United States of America and Great Britain of the decisions of the Potsdam Conference and also of the agreement of the four powers concerning the control mechanism in Germany, the Soviet Government must reject as completely unfounded the statement of the French Government to the effect that the measures for the restriction of transport communications between Berlin and the western zones of occupation of Germany introduced by the Soviet command for the defense of the economy of the Soviet zone against its disorganization are allegedly in violation of the existing agreements concerning the administration of Berlin.

2. The French Government declares that it is occupying its sector in Berlin by right arising out of the defeat and capitulation of Germany, referring in this connection to agreements between the four powers in regard to Germany and Berlin. This merely confirms the fact that the exercise of the above mentioned right in regard to Berlin is linked to the obligatory execution by the powers occupying Germany of the four power agreements concluded among themselves in regard to Germany as a whole. In conformity with these agreements Berlin was envisaged as the seat of the supreme authority of the four powers occupying Germany, in which connection the agreement concerning the administration of "Greater Berlin" under the direction of the Control Council was reached.

Thus the agreement concerning the four power administration of Berlin is an inseparable component part of the agreement for the four power administration of Germany as a whole. After France, the United States

of America, and Great Britain by their separate actions in the western zones of Germany destroyed the system of four power administration of Germany and had begun to set up a capital for a Government for Western Germany in Frankfurt-am-Main, they thereby undermined as well the legal basis which assured their right to participation in the administration of Berlin.

3. The French Government declares that the temporary measures put into effect by the Soviet Command for the restriction of transport communications between Berlin and the western zones have created difficulties in supplying the Berlin population of the western sectors. It is impossible, however, to deny the fact that these difficulties were occasioned by the actions of the Governments of France, the United States of America, and Great Britain, and primarily by their separate actions in the introduction of new currency in the western zones of Germany and special currency in the western sectors of Berlin.

Berlin lies in the center of the Soviet zone and is a part of that zone. The interests of the Berlin population do not permit a situation in which in Berlin or only in the western sectors of Berlin there shall be introduced special currency which has no validity in the Soviet zone. Moreover, the carrying out of a separate monetary reform in the western zones of Germany has placed Berlin and the whole Soviet zone of occupation as well in a situation in which the entire mass of currency notes which were cancelled in the western zone threatened to pour into Berlin and the Soviet zone of occupation of Germany.

The Soviet Command has been forced therefore to adopt certain urgent measures for the protection of the interests of the German population and also of the economy of the Soviet zone of occupation and the area of "Greater Berlin." The danger of the disruption of the normal economic activity of the Soviet zone and of Berlin has not been eliminated even at the present time, in as much as France, the United States and Great Britain continue to maintain in Berlin their special currency.

Furthermore, the Soviet Command has consistently displayed and is displaying concern for the well being of the Berlin population and for assuring to them normal supply in all essentials and is striving for the speediest elimination of the difficulties which have arisen recently in the matter. In this connection, if the situation requires, the Soviet Government would not object to assuring by its own means adequate supply for all "Greater Berlin."

With reference to the statement of the French Government that it will not be compelled by threats, pressure or other actions to renounce its right



to participation in the occupation of Berlin, the Soviet Government does not intend to enter into discussion of this statement since it has not need for a policy of pressure, since by violation of the agreed decisions concerning the administration of Berlin the above-mentioned Governments themselves are reducing to naught their right to participation in the occupation of Berlin.

4. The French Government in its note of July 6 expresses the readiness to begin negotiations between the four Allied occupying authorities for consideration of the situation created in Berlin but passes by in silence the question of Germany as a whole.

The Soviet Government, while not objecting to negotiations, considers, however, it necessary to state that it cannot link the inauguration of these negotiations with the fulfilling of any preliminary conditions whatsoever and that, in the second place, four-power conversations could be effective only in the event that they were not limited to the question of the administration of Berlin, since that question cannot be severed from the general question of four-power control in regard to Germany.

## ANNEX III

AIDE MEMOIRE DELIVERED TO MR. ZORIN ON 30 JULY 1948  
BY THE REPRESENTATIVES OF THE GOVERNMENTS OF THE UNITED STATES OF AMERICA,  
THE UNITED KINGDOM AND THE FRENCH REPUBLIC

The United States Government\* has given the most serious consideration to the note delivered by the Soviet Ambassador in Washington and have exchanged views with the British and French Governments on the similar notes received by these Governments. The United States Government does not accept the contention in the Soviet note that the right of the Western occupying powers to participate in the occupation of Berlin no longer exists, and while they do not wish to enter into a detailed discussion of the allegations contained in Mr. Panyushkin's note of July 14, they would like to make it plain at the outset that they cannot accept the Soviet version of the facts nor the interpretation placed on them.

Whatever may be the reasons which have led the Soviet authorities to decide the restriction of communications between Berlin and Western zones of occupation of Germany, whether these reasons be technical as was first stated, or political, as Mr. Panyushkin's note would seem to indicate, the measures taken by the Soviet authorities in Berlin have created an abnormal and dangerous situation, the gravity of which does not need to be emphasized.

The Soviet reply of July 14 offers no constructive suggestion for the bringing to an end of the abnormal situation in Berlin. Nevertheless the United States Government as any peace-loving government, holds the view that this situation is capable of settlement. They trust that the Soviet Government share this view. The question of negotiation has never been, and is not the issue. The willingness to negotiate in the absence of duress has always been there. In the opinion of the United States Government, the best way to a solution of the present difficulties lies in direct approach. They think that a frank discussion between Generalissimo Stalin and Mr. Molotov on one side and the representatives of each of the three Western occupying powers on the other side should give the opportunity of finding a solution. I accordingly have been instructed by my Government to request that you should arrange an interview between Generalissimo Stalin and Mr. Molotov on the one hand and the French Ambassador, the United Kingdom Charge d'Affaires and myself on the other hand in order to discuss the present situation in Berlin and its wider implications.

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\* The notes of His Majesty's Government in the United Kingdom and of the Government of the French Republic were phrased in identic terms.

ANNEX IV

ORAL STATEMENT MADE ON 3 AUGUST 1948 TO PREMIER STALIN BY THE  
UNITED STATES AMBASSADOR ON BEHALF OF THE REPRESENTATIVES OF THE  
GOVERNMENTS OF THE UNITED STATES OF AMERICA,  
THE UNITED KINGDOM AND THE FRENCH REPUBLIC

It is not our purpose at this time to rebut in detail the charges contained in the Soviet note. It is highly important, however, to make completely clear certain fundamental points in the position of the United States, the United Kingdom and France and to clarify the position of the Soviet Union which in certain respects is obscure. The Three Governments must re-emphasize their right to be in Berlin to be unquestionable and absolute. They do not intend to be coerced by any means whatsoever into abandoning this right.

Action taken by the Soviets in interfering with rights in connection with occupation, derived through the defeat and surrender of Germany and through international agreement and usage, by interrupting communications between Berlin and the Western zones, thus interfering with duties of Allied Military Forces of Occupation, is viewed with extreme seriousness by the Governments of the United States, the United Kingdom and France. It is incumbent on them to take such measures as are necessary to assure the supply of their forces and discharge of their occupational duties. The United States, the United Kingdom and France do not wish the situation to deteriorate further and assume that the Soviet Government shares this desire. The Three Governments have in mind restrictive measures which have been placed by Soviet authorities on communication between the Western zones of Germany and Western sectors of Berlin. It was the feeling of our Governments that if these measures arose from technical difficulties, such difficulties could easily be remedied. The Three Governments renew their offer of assistance to this end. If in any way related to the currency problem, such measures are obviously uncalled for, since this problem could have been, and can now be, adjusted by representatives of the four powers in Berlin. If, on the other hand, these measures are designed to bring about negotiations among the four occupying powers they are equally unnecessary, since the Governments of the United Kingdom, the United States and France have never at any time declined to meet representatives of the Soviet Union to discuss questions relating to Germany. However, if the purpose of these measures is to attempt to compel the three Governments to abandon their rights as occupying powers in Berlin, the Soviet Government will understand from what has been stated previously that such an attempt could not be allowed to succeed.

/In spite

In spite of recent occurrences, the three powers are unwilling to believe that this last reason is the real one. Rather they assume that the Soviet Government shares their view that it is in the interest of all four occupying powers, of the German people and of the world in general to prevent any further deterioration of the position and to find a way by mutual agreement to bring to an end the extremely dangerous situation that has developed in Berlin.

The Soviet Government will, however, appreciate that the three Governments are unable to negotiate in the situation which the Soviet Government has taken the initiative in creating. Free negotiations can only take place in an atmosphere relieved of pressure. This is the issue. Present restrictions upon communications between Berlin and the Western zones offend against this principle. When this issue is resolved, such difficulties as stand in the way of resumption of conversations on the lines set out should be removed.

ANNEX V

DIRECTIVE TO THE FOUR MILITARY GOVERNORS IN BERLIN  
AGREED TO ON 30 AUGUST 1948 BY THE GOVERNMENTS OF THE  
UNION OF SOVIET SOCIALIST REPUBLICS, THE UNITED STATES OF AMERICA,  
THE UNITED KINGDOM AND THE FRENCH REPUBLIC

The Governments of France, the United Kingdom, the United States, and the Union of Soviet Socialist Republics have decided that, subject to agreement being reached among the four Military Governors in Berlin for their practical implementation, the following steps shall be taken simultaneously:

(A) Restrictions on communications, transport and commerce between Berlin and the Western zones and to and from the Soviet zone of Germany which have recently been imposed shall be lifted;

(B) The German mark of the Soviet zone shall be introduced as the sole currency for Berlin, and the Western mark B shall be withdrawn from circulation in Berlin.

In connection with the above, you are instructed to consult together with your colleagues so as to make, in the shortest time possible, the detailed arrangements necessary for the implementation of these decisions, and to inform your Government not later than September 7 of the results of your discussions, including the exact date on which the measures under (A) and (B) above can be brought into effect. The four Military Governors will work out arrangements involved in the introduction of the German mark of the Soviet zone in Berlin.

The arrangements relating to the currency changeover and to the continued provision and use in Berlin of the German mark of the Soviet zone shall ensure:

(a) No discrimination or action against holders of Western marks B in connection with the exchange of those Western marks issued in Berlin. These shall be accepted for exchange for German marks of the Soviet zone at the rate of one for one;

(b) Equal treatment as to currency and provision of fully accessible banking and credit facilities throughout all sectors of Berlin. The four Military Governors are charged with providing adequate safeguards to prevent the use in Berlin of the German mark of the Soviet zone from leading to disorganizing currency circulation or disrupting the stability of currency in the Soviet zone;

(c) A satisfactory basis for trade between Berlin and third countries and the Western zones of Germany. Modification of this agreed basis to be made only by agreement among the four Military Governors;

dd

/(d) The provision

(d) The provision of sufficient currency for budgetary purposes and for occupation costs, reduced to the greatest extent possible, and also the balancing of the Berlin budget.

The regulation of currency circulation in Berlin is to be undertaken by the German bank of Emission of the Soviet zone through the medium of the credit establishments operating at present in Berlin.

A Financial Commission of representatives of the four Military Governors shall be set up to control the practical implementation of the financial arrangements indicated above, involved in the introduction and continued circulation of a single currency in Berlin.

ANNEX VI

JOINT REPORT DATED 7 SEPTEMBER 1948 SUBMITTED BY THE  
MILITARY GOVERNORS OF THE UNITED STATES OF AMERICA,  
THE UNITED KINGDOM AND FRANCE IN GERMANY  
CONCERNING THE CONVERSATIONS OF THE FOUR MILITARY GOVERNORS IN BERLIN

The French, United States and United Kingdom Commanders-in-Chief in Germany have agreed to report jointly to their Governments as follows on the discussions which have taken place in Berlin in accordance with the directive upon which agreement has been reached between their Governments and the Soviet Government in Moscow.

1. The discussions have not produced agreement on the subjects referred to examination by the Commanders-in-Chief in the directive. The position on the main issue is as set out below.
2. Removal of restrictions on communications and transport. No progress was made on this matter until today, 7th September, when Marshal Sokolovsky produced a fresh proposal in which he made a considerable advance on the position which he had hitherto taken up. As regards road and rail traffic, his proposals, although they do not completely restore the position as it existed in March, are probably acceptable. We have agreed to study them carefully. With regard to inland water traffic his proposals are less clear and less satisfactory. At the conclusion of his proposals he presented a clause dealing with air traffic in which he stipulated that the regulations adopted by the Control Council in November 1945 shall be strictly observed. By his interpretation of these regulations civil air traffic to Berlin would be prohibited. On this point we have informed him that we are unable to discuss the imposition of restrictions on air traffic since none existed in March.

3. On financial matters agreement has been reached on a number of points of detail regarding the conversion of 'B' marks in currency and in accounts into the German mark of the Soviet zone. The financial experts have not yet completed discussion of their agenda. In particular there has as yet been no discussion on the question of

- (A) How payments are to be made for food and coal brought into Berlin by the western powers.
- (B) Balancing the Berlin city budget.
- (C) Occupation costs.

We point out that these are important questions with far-reaching consequences. However, in the financial field the disagreement regarding the functions of the Finance Commission is of overriding importance. In essence we  
dd /have contended

have contended according to our interpretation of the directive that the Finance Commission should control the activities of the German bank of emission in regard to the conversion of currency and its subsequent circulation in Berlin. Marshal Sokolovsky has refused to admit this and has maintained that the functions of the Finance Commission are limited to the four points (A) to (D) with regard to which the Military Governors were instructed to make financial arrangements.

4. Trade: Deadlock has been reached in the discussion regarding the establishment of a satisfactory basis for trade between Berlin and the western zones and foreign countries. This is due to Soviet insistence that the S. M. A. shall be exclusively responsible for approving the relevant trade agreements and for issuing import/export licenses. We have contended that the trade of Berlin should be controlled or supervised by a quadripartite body. Agreement has been reached on interzonal trade only.

5. We feel that we can sum up the overall position by reporting that after some days of little progress Marshal Sokolovsky has given ground on most of the subsidiary issues as well as making a reasonable proposal in regard to road and rail traffic. There remain three main points of disagreement, namely:

(A) The functions of the Finance Commission and in particular its relation to the German bank of emission.

(B) The Soviet insistence on Soviet control of the trade of Berlin.

(C) The Soviet proposal to introduce restrictions on air transport.

We feel that the last-minute concessions which the Soviet have made today were designed to improve their bargaining position on these main issues in view of the probability that they would be raised on the government level.

6. We have observed no sign in Marshal Sokolovsky of an intention to yield on these three points and we see no chance of real progress here until action has been taken on a governmental level to resolve them. Given a satisfactory solution to each of these points we believe that discussions can usefully be resumed in Berlin since a number of detailed matters will still require settlement; however we must point out that some of the matters which have not yet been discussed, particularly the question of payment for food and coal and that of the occupation costs may yet constitute very serious difficulties.

7. We informed Marshal Sokolovsky today that in accordance with the directive we propose to report to our governments. We emphasized that this did not imply in any way that the conversations in Berlin had broken down. We suggested that our governments would probably wish to consider our reports and might send us further instructions. We promised to tell him when we were able to resume discussions with him. We have agreed that comment to the press here will be to explain discontinuance of meetings as being to permit detailed study of the reports before us.

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ANNEX VII

AIDE MEMOIRE DELIVERED TO MR. MOLOTOV ON 14 SEPTEMBER 1948 BY THE  
REPRESENTATIVES OF THE GOVERNMENTS OF THE UNITED STATES OF  
AMERICA, THE UNITED KINGDOM AND THE FRENCH REPUBLIC

1. The Governments of France, the United Kingdom and the United States having received and studied reports from their Military Governors of the discussions in Berlin find it necessary to draw the attention of the Soviet Government to the fact that the position adopted by the Soviet Military Governor during the meetings in Berlin on a number of points deviates from the principles agreed at Moscow between the four Governments and contained in the agreed directive to the four Military Governors. As the Soviet Government is aware, the terms of this directive were finally agreed after long and careful consideration, and after clarifications as to interpretation had been received from the Soviet Government.

2. The specific issues on which in the opinion of the Governments of France, the United Kingdom and the United States, the Soviet Military Governor has departed from the understandings reached at Moscow relate to: (1) restrictions on communications, transport and commerce between Berlin and the western zones; (2) the authority and functions of the Financial Commission, and in particular its relation to the German Bank of Emission; and (3) the control of the trade of Berlin.

3. As to the first, the Soviet Military Governor has presented a proposal which falls outside the agreed principle that the restrictions which have recently been imposed on communications, transport and commerce be lifted. He has proposed that restrictions upon air traffic, not heretofore existing, should now be imposed, and in particular that air traffic to Berlin should be strictly limited to that necessary to meet the needs of the military forces of occupation.

4. As the Soviet Government is aware, the directive makes no mention of air transport and this question was not discussed at Moscow. The directive reads: "Restrictions on communications, transport and commerce between Berlin and the Western zones and to and from the Soviet zone of Germany which have recently been imposed shall be lifted." There have been and are no such restrictions on air traffic. The purpose of the directive is to lift restrictions and not to impose new ones. The proposal of the Soviet Commander-in-Chief, therefore, falls outside the scope of the present discussions and is unacceptable.

5. Secondly, on the question of the authority and functions of the

Financial Commission, there should be not the slightest grounds for any misunderstanding. At the meeting on August 23 attended by Premier Stanlin and Mr. Molotov and the representatives of the Governments of France, the United Kingdom and the United States, the intention of the directive in regard to the powers of the Financial Commission including its power to control the operations in Berlin of the German Bank of Emission was clearly and specifically confirmed by Premier Stalin. The Soviet Military Governor has refused to accept both the meaning of the directive and the clear understanding of the Four Powers reached at Moscow.

6. Thirdly, there is the question of the control of the trade of Berlin. The position of the Soviet Military Governor during the discussions in Berlin in regard to matters relating to the control of trade between Berlin and the western zones of Germany amounts to a claim for exclusive Soviet authority over such matters. Such a claim is a contradiction of the spirit and meaning of the directive to the four Military Governors to which the four Governments gave their approval and is therefore unacceptable.

7. In bringing these major points of difference to the notice of the Soviet Government, the Governments of United States, the United Kingdom and France do not wish to imply that these are the only points of difference which have arisen during the conversations in Berlin.

8. The Governments of France, the United Kingdom and the United States have understood clearly the principles agreed to in Moscow and the assurances given by Premier Stalin. Their Military Governors in Berlin have acted in accordance with those principles and assurances. The position taken by the Soviet Military Governor, on the contrary, has constituted a departure from what was agreed in Moscow and strikes at the very foundation upon which these discussions were undertaken. The divergencies which have accordingly arisen on these questions are so serious that the Governments of France, the United Kingdom and the United States feel compelled to inquire whether the Soviet Government is prepared to affirm the understandings outlined herein and to issue the necessary instructions to the Soviet Military Governor, confirming the agreed intention of the directive in regard to:

(a) The lifting of all restrictions on communication, transport and commerce imposed after March 30, 1948, without imposition of any new air or other restrictions; and

(b) The control by the Financial Commission of the financial arrangements contemplated by the agreed directive, including control of the operations of the Bank of Emission with respect to Berlin as specifically confirmed by Premier Stalin; and

dd

/(c) A satisfactory

(c) A satisfactory basis for trade between Berlin and third countries and the western zones of Germany in accordance with an agreement to be reached between the four Military Governors which does not involve the unilateral control of such trade by the Soviet Trade Administration and which recognizes the right of each of the occupying powers to import in fulfillment of their respective responsibilities, and to control the proceeds from food and fuel imported for the use of the Berlin population and industry.

9. The Governments of France, the United Kingdom and the United States believe that only if the steps proposed in this aide memoire are taken will it be possible for the Military Governors to continue their discussions.

ANNEX VIII

AIDE MEMOIRE OF THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST  
REPUBLICS DELIVERED ON 18 SEPTEMBER 1948 TO THE REPRESENTATIVES  
OF THE UNITED STATES OF AMERICA, THE UNITED KINGDOM AND THE  
FRENCH REPUBLIC

(Unofficial translation)

1. The Government of the USSR has acquainted itself with the aide memoire dated September 14 last of the Governments of France, the United Kingdom and the United States, which gives a unilateral account of the course of discussions between the four Military Governors in Berlin and which presents incorrectly the position adopted by the Soviet Military Government during those discussions.

The Soviet Government believes that consideration of the differences referred to in the said aide memoire, which arose during the Berlin discussions in regard to the interpretation of the directive to the Military Governors would have been facilitated and expedited had the four Military Governors submitted to their Governments a joint report with an account of the course of discussions. In that event the discussions in Moscow would not have been based on any unilateral communications but on an accurate statement of the positions adopted by all four Military Governors both on points already agreed between them and on points left outstanding. Since, however, the representatives of the three Governments have refused to follow that method of discussion, the Soviet Government finds it necessary to reply to the questions raised in the aide memoire.

The aide memoire of September 14 refers to the following three questions: (1) Restrictions on communications, transport and commerce between Berlin and the Western zones; (2) the authority and functions of the Financial Commission, and in particular its relation to the German Bank of Emission; (3) the control of the trade of Berlin. At the same time it is asserted that the Soviet Military Governor allegedly deviated from the understanding reached on these questions in Moscow.

The Soviet Government believes this assertion to be without foundation because during the Berlin discussions the Soviet Military Governor strictly followed the agreed directive and the clarification which had been given by the Soviet Government when it was being drawn up in Moscow. Study by the Soviet Government of all materials relating to the Berlin discussions has shown that the reason for the differences which arose during the Berlin discussions lies in the desire of the United States, the United Kingdom

Kingdom and the French Military Governors to interpret the directive agreed upon in Moscow in a unilateral manner and to give it an interpretation which had not been implied when it was being drawn up and which constitutes a violation of the directive, and with this the Soviet Government is unable to agree.

2. The directive to the four Military Governors states the following in regard to the first question referred to in the aide memoire of September 14: "Restrictions on communications, transport and commerce between Berlin and the Western zones and on the traffic of goods to and from the Soviet zone of Germany which have recently been imposed shall be lifted."

The concrete proposals submitted by the Soviet Military Governor on this point are in full conformity with the directive and have for their purpose the lifting of all restrictions on communications, transport and commerce, which have been imposed after March 30, 1948, as was stipulated when the directive was drawn up. During consideration of this question the Soviet Military Governor pointed to the necessity of the other three Military Governors complying strictly with the regulations imposed by the Control Council's decision of November 30, 1945 on air traffic for the needs of the occupation forces, and this had never been disputed by any of the Military Governors since the adoption of these regulations three years ago. There is no foundation whatsoever for regarding this justified demand of the Soviet Military Governor as an imposition of new restrictions on air traffic, because these regulations had been imposed as far back as 1945 and not after March 30, 1948. Nevertheless, the United States Military Governor attempted to deny the necessity of observing the regulations which had been imposed by the Control Council on air traffic of the occupation forces and which remain in force to this very day.

In view of the above, the Soviet Government believes that the position of the Soviet Military Governor on this question is absolutely correct, while the position of the United States Military Governor, far from being based on the agreed directive, is in contradiction with it. An interpretation to the contrary might lead to an arbitrary denial of any decision previously agreed upon by the Control Council, and to this the Soviet Government cannot give its assent.

3. The directive to the Military Governors also contains a clear statement regarding the authority and functions of the Financial Commission and regarding the German Bank of Emission:

"The arrangements relating to the currency changeover and to the continued provision and use in Berlin of the German mark of the Soviet  
dd /zone shall ensure:

zone shall ensure:

"(a) No discrimination or action against holders of Western marks B in connection with the exchange of those Western marks issued in Berlin. These shall be accepted for exchange for German marks of the Soviet zone at the rate of one for one;

"(b) Equal treatment as to currency and provision of fully accessible banking and credit facilities throughout all sectors of Berlin. The four Military Governors are charged with providing adequate safeguards to prevent the use in Berlin of the German mark of the Soviet zone from leading to disorganizing currency circulation or disrupting the stability of currency in the Soviet zone;

"(c) A satisfactory basis for trade between Berlin and third countries and the Western zones of Germany. Modification of this agreed basis to be made only by agreement among the four Military Governors;

"(d) The provision of sufficient currency for budgetary purposes and for occupation costs, reduced to the greatest extent possible, and also the balancing of the Berlin budget.

"The regulation of currency circulation in Berlin is to be undertaken by the German Bank of Emission of the Soviet zone through the medium of the credit establishments operating at present in Berlin.

"A Financial Commission of representatives of the four Military Governors shall be set up to control the practical implementation of the financial arrangements indicated above, involved in the introduction and continued circulation of a single currency in Berlin."

This directive was drawn up in full conformity with the preliminary clarifications on this matter made by Premier J.V. Stalin on August 23, and referred to in the above-mentioned aide memoire.

It will be seen from the above text that the authority and functions of the Financial Commission and of the German Bank of Emission are precisely laid down in the directive, and it was by this that the Soviet Military Governor was guided. According to that directive and to the understanding reached in Moscow by the four powers, the Financial Commission should not exercise control over all operations of the Bank of Emission in regard to Berlin, but only over those operations of the Bank of Emission in Berlin which are specifically provided for in paragraphs (a), (b), (c), and (d) of the directive. The proposal to establish control of the Financial Commission over the whole activity of the German Bank of Emission in Berlin was not accepted during the discussion of this question in Moscow because this would have led to such interference on the part of the

Financial Commission in matters of the regulation of currency circulation as is incompatible with the Soviet administration's responsibility for the regulation of currency circulation in the Soviet zone of occupation.

Accordingly, the Soviet Government cannot agree to the incorrect interpretation of the agreed directive given in the aide memoire of the Governments of France, the United Kingdom and the United States of America, and believes it necessary that the directive should be strictly followed.

4. As to trade, the previously agreed directive is confined to an instruction to the Military Governors to work out a satisfactory basis for trade between Berlin and third countries and the Western zone of Germany. It will be recalled that on August 23 during the discussions in Moscow, the Soviet Government submitted a definite proposal on this subject, but the question was not considered in detail and was referred to the Military Governors for discussion.

The proposals on this subject made by the Soviet Military Governor give no reason to assert that they are a contradiction of the spirit and meaning of the agreed directive. On the contrary, the intention of those proposals is to have the directive fulfilled in accordance with the agreements reached in Moscow.

However, for the purpose of expediting the drawing up of practical arrangements in Berlin, the Soviet Government proposes that the Military Governors be given more detailed instructions on this matter than those contained in the agreed directive. The Soviet Government agrees to have trade between Berlin and third countries and the Western zones of Germany placed under the control of the quadripartite Financial Commission, which control should provide at the same time for the maintenance of the existing procedure regarding the traffic of goods in and out of Berlin under license of the Soviet Military Administration. The Soviet Government believes that such an instruction would be of help in the drawing up of a concrete agreement on matters of trade with Berlin.

5. The Soviet Government believes that discussions between the Military Governors in Berlin can yield positive results only in the event that all the Military Governors follow strictly the directives and instructions agreed between the Governments of France, the United Kingdom, the United States and the Union of Soviet Socialist Republics.

ANNEX IX

IDENTIC NOTES DATED 22 SEPTEMBER 1948 FROM THE GOVERNMENTS OF  
THE UNITED STATES OF AMERICA, THE UNITED KINGDOM AND THE  
FRENCH REPUBLIC ADDRESSED TO THE GOVERNMENT OF THE  
UNION OF SOVIET SOCIALIST REPUBLICS

1. The Government of the United States\*, together with the Governments of France and the United Kingdom, has now reviewed the discussions which have taken place on the Berlin situation and which have culminated in the Soviet reply of the 18th September to the aide memoire of the three Governments of the 14th September, 1948.

2. The three Governments find that the Soviet unwillingness to accept previous agreements, to which reference is made in their aide memoire of the 14th September is still preventing a settlement. The reply of the Soviet Government in its aide memoire of the 18th September is unsatisfactory.

3. The final position of the three Governments on the specific points at issue is as follows:

- (a) They cannot accept the imposition of any restrictions on air traffic between Berlin and the Western zones.
- (b) They insist that the Finance Commission must control the activities of the German Bank of Emission of the Soviet zone in so far as they relate to the financial arrangements for the introduction and continued use of the Soviet zone mark as the sole currency in the City of Berlin.
- (c) They insist that trade between Berlin and the Western zone and other countries must be under quadripartite control including the issuance of licenses.

4. After more than six weeks of discussion, the Governments of the United States, the United Kingdom and France feel that the Soviet Government is now fully acquainted with the position of the three Governments, and that further discussions on the present basis would be useless.

5. It is clear that the difficulties that have arisen in the attempts to arrive at practical arrangements which would restore normal conditions in Berlin derive not from technical matters but from a fundamental difference of views between the Governments of the United States, the United Kingdom and France and the Soviet Government as to the rights and obligations of the occupying powers in Berlin, their right to have access by air, rail, water and road to Berlin and to participate in the administration of the affairs of the City of Berlin. The blockade imposed by the Soviet

\* The notes of His Majesty's Government in the United Kingdom, and of the Government of the French Republic were phrased in identic terms.



authorities together with other of their acts in Berlin are in violation of the rights of the three Western Occupying Powers.

6. Accordingly, the Government of the United States in agreement with the Governments of France and the United Kingdom asks the Soviet Government whether, in order to create conditions which would permit a continuance of discussions, it is now prepared to remove the blockade measures, thus restoring the right of the three Western Occupying Powers to free communications by rail, water, and road, and to specify the date on which this will be done.

7. The Foreign Ministers of the three Governments will be meeting shortly in Paris, and they will be glad to have the reply of the Soviet Government as soon as possible.

ANNEX X

IDENTIC NOTES FROM THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST  
REPUBLICS DATED 25 SEPTEMBER 1948 ADDRESSED TO THE GOVERNMENTS  
OF THE UNITED STATES OF AMERICA, THE UNITED KINGDOM  
AND THE FRENCH REPUBLIC

(Unofficial translation)

The Government of the Union of Soviet Socialist Republics has acquainted itself with the note of the Government of the United States of America of September 22, 1948 concerning negotiations of the Four Powers which have taken place in Moscow and Berlin on the question of the introduction of the German Mark of the Soviet Zone as the sole currency in Berlin and concerning the removal of the restrictions on communications, transport and trade between Berlin and the Western Zones of Germany.

In connection with this, the Soviet Government considers it necessary to declare that the position taken by the Government of the United States of America not only does not facilitate but on the contrary complicates the reaching of agreement concerning the settlement of the situation which has arisen in Berlin as a result of carrying out of a separate currency reform and the introduction of a separate currency in the Western Zones of Germany and in the Western sectors of Berlin, which constituted an extreme and most far reaching measure in execution of the policy of partitioning Germany being carried out by the Governments of the United States of America, Great Britain and France.

In its note, the Government of the United States of America refers to three disputed questions which were mentioned by the Governments of the United States of America, Great Britain and France in the Aide-Memoire of September 15 and by the Government of the USSR in the Aide-Memoire of September 18, 1948.

The Government of the United States of America states that the continuation of the negotiations on the above-mentioned questions on the present basis would be useless and considers that in order to create the conditions which would permit a continuation of the negotiations, there would have to be a removal of the temporary transport restrictions between Berlin and the Western Zones which were introduced by the Soviet Command for the purpose of protecting the interests of the German population as well as the economy of the Soviet Zone of Occupation and of Berlin itself.

Such a statement of the Government of the United States of America is in direct conflict with the agreements reached on August 30 in Moscow between  
dd /the four

the four Governments (the directive to the Military Governors), in which it was stated:

"The Governments of France, the United Kingdom, the United States, and the USSR have decided that, subject to agreement being reached among the four Military Governors in Berlin for their practical implementation, the following steps shall be taken simultaneously:

"(A) Restrictions on communications, transport and commerce between Berlin and the Western zones, and also on the movement of freight to and from the Soviet zone of Germany which have recently been imposed, shall be lifted.

"(B) The German mark of the Soviet zone shall be introduced as the sole currency for Berlin, and the Western mark B shall be withdrawn from circulation in Berlin."

From the text of the agreement cited above it is evident that the four Governments agreed during the negotiations in Moscow on the simultaneous lifting of restrictions on trade and communications between Berlin and the Western zones and introduction of the German mark of the Soviet zone as the sole currency in Berlin. The Soviet Government insists on this, since the situation created by the separated measures of the Western Powers means that the three Governments are not limiting themselves to their sovereign administration of the Western zones of Germany but wish at the same time to administer in currency and financial matters the Soviet zone of Occupation as well, by means of introducing into Berlin, which is in the center of the Soviet zone, their separate currency and thus disrupting the economy of the Eastern zone of Germany and in the last analysis forcing the USSR to withdraw therefrom.

The Soviet Government considers it necessary that the agreement reached in Moscow be carried out and considers that further negotiations can be successful only in the event that the other three Governments likewise observe that agreement. If the Government of the United States of America repudiates the agreement reached on August 30, only one conclusion can be drawn therefrom: namely that the Government of the United States of America does not wish any agreement between the Union of Soviet Socialist Republics, the United States of America, Great Britain and France for the settlement of the situation in Berlin.

Inasmuch as the position of the Governments of the United States of America, Great Britain and France on the three disputed points was set forth in the note of September 22, the Soviet Government considers it necessary to do likewise.

(A) As regards air communication between Berlin and the Western zones, the establishment by the Soviet Command of a control over the transport of commercial freight and passengers is just as necessary in this case as in the case of rail, water and highway transport. The air routes cannot remain uncontrolled, since an understanding has been reached between the four Governments to the effect that the agreement must envisage the establishment of a corresponding control over currency circulation in Berlin and the trade of Berlin with the Western zones.

(B) In the directive to the Military Governors adopted by the four Governments on August 30th the functions of control by the Four Power Financial Commission of the execution of measures connected with the introduction and circulation of a single currency in Berlin were explicitly provided for.

The Soviet Government considers it necessary that this agreement be carried out, including the maximum reduction of occupation costs in Berlin and the establishment of a balanced budget in Berlin (not considered up to this time in the Berlin conversations), which were provided for in that agreement.

(C) The Soviet Government has already expressed its agreement that trade between Berlin, third countries and the Western zones of Germany should be placed under the control of the Four Power Financial Commission. The Soviet Government now declares its readiness to agree to the establishment of Four-power control likewise over the issuance of import and export licenses, provided agreement is reached on all other questions.

Thus the reaching of agreement about the situation in Berlin now depends above all on whether the Governments of Great Britain, the United States of America and France are seeking such agreement.

## ANNEX XI

IDENTIC NOTES DATED 26 AND 27\* SEPTEMBER 1948 FROM THE GOVERNMENTS  
OF THE FRENCH REPUBLIC, THE UNITED KINGDOM AND THE UNITED STATES  
OF AMERICA TO THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS

1. The Governments of the United States, France and the United Kingdom, conscious of their obligations under the Charter of the United Nations to settle disputes by peaceful means, took the initiative on July 30, 1948 in approaching the Soviet Government for informal discussions in Moscow in order to explore every possibility of adjusting a dangerous situation which had arisen by reason of measures taken by the Soviet Government directly challenging the rights of the other occupying powers in Berlin. These measures, persistently pursued, amounted to a blockade of land and water transport and communication between the Western Zones of Germany and Berlin which not only endangered the maintenance of the forces of occupation of the United States, France and the United Kingdom in that City but also jeopardized the discharge by those governments of their duties as occupying powers through the threat of starvation, disease and economic ruin for the population of Berlin.

2. The Governments of the United States, France and the United Kingdom have explicitly maintained the position that they could accept no arrangement which would deny or impair the rights in Berlin acquired by them through the defeat and unconditional surrender of Germany and by Four-Power agreements. They were, however, willing to work out in good faith any practical arrangements, consistent with their rights and duties, for restoring to normal the situation in Berlin, including the problems presented by the existence of two currencies in that City.

3. After long and patient discussion, agreement was arrived at in Moscow on a directive to the four Military Governors under which the restrictive measures placed by the Soviet Military Government upon transport and communications between the Western Zones and Berlin would be lifted simultaneously with the introduction of the German mark of the Soviet Zone as the sole currency for Berlin under Four-Power control of its issue and continued use in Berlin.

\* The note of the United States Government was delivered on 26 September. The notes of His Majesty's Government in the United Kingdom and of the Government of the French Republic were delivered on 27 September.

4. In connection with the lifting of restrictions and the maintenance of freedom of communication and the transport of persons and goods between Berlin and the Western zones, the agreed directive provided that restrictions recently imposed should be lifted. Generalissimo Stalin during the discussions personally confirmed that this meant the removal also of any restrictions imposed prior to June 18, 1948.

In connection with the currency situation in Berlin, the Soviet authorities insisted that the German mark of the Soviet Zone be accepted as the sole currency for Berlin. The three Western Occupying Powers declared that they were ready to withdraw from circulation in Berlin the Western Mark "B" issued in that City and to accept the German mark of the Soviet Zone subject to Four-Power control over its issuance, circulation and continued use in Berlin (i.e. in Berlin only and not in the Soviet zone). After long discussions Generalissimo Stalin, on August 23rd, 1948, personally agreed to this Four-Power control and himself proposed the establishment of a Four-Power Financial Commission which would control the practical implementation of the financial arrangements involved in the introduction and continued circulation of a single currency in Berlin and which, Generalissimo Stalin specifically stated, would have the power to control the German Bank of Emission of the Soviet Zone in so far as its operations with respect to Berlin were concerned.

5. It was with these understandings, personally confirmed by Generalissimo Stalin, that the agreed directive was sent to the four Military Governors in Berlin to work out the technical arrangements necessary to put it into effect.

6. Despite these clear understandings, the Soviet Military Governor soon made it plain in the discussions held by the four Military Governors in Berlin that he was not prepared to abide by the agreed directive.

Although the directive called for the unqualified lifting of the restrictions on transport and communications between the Western Zones and Berlin, the Soviet Military Governor failed to comply. What is more he demanded that restrictions should be imposed on air traffic. He endeavoured to support his demand by a false interpretation of a decision of the Control Council of November 30, 1945. Actually during the discussions leading up to the decision of the Control Council of November 1945 to establish air corridors the Soviet Military Authorities in Berlin had suggested that the traffic in the corridors should be limited to the needs of the military forces. Neither the Control Council, however, nor any other Four-Power body accepted this proposal and the traffic in the corridors has since been subject only to those safety

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regulations which were agreed on a Four-Power basis. Other than these agreed safety regulations, no restrictions whatsoever have been or are in existence on the use by aircraft of the occupying Powers of air communications in the Corridors between Berlin and the Western Zones of Germany.

In regard to Four-Power control of the German mark of the Soviet Zone in Berlin, the Soviet Military Governor refused to admit, despite the agreement in Moscow, that the Financial Commission should exercise control over the operations with respect to Berlin of the German Bank of Emission of the Soviet Zone.

Furthermore, with respect to the question of the control of the trade of Berlin, the position of the Soviet Military Governor amounted to a claim for exclusive Soviet authority over the trade of Berlin with the Western Zones of occupation and with foreign countries. This claim was a contradiction of the clear meaning of the agreed directive to the four Military Governors.

7. Even while discussions were in progress, the Soviet authorities in Berlin tolerated attempts on the part of minority groups sympathetic to their political aims forcibly to overthrow the legal government of the City of Berlin, constituted by democratic elections held under Four-Power supervision. On August 30 the representatives of the three Western Occupying Powers in Moscow had drawn Mr. Molotov's attention to the disturbed situation in Berlin. They suggested that instructions be sent to the four Military Governors that they should do all in their power to preserve a favourable atmosphere in Berlin, but Mr. Molotov claimed that such instructions to the Soviet Military Governor were unnecessary. Nevertheless, after that date these attempts to overthrow the City Government increased in violence.

8. On September 14, 1948 the representatives of the Governments of the United States, France and the United Kingdom, acting on specific instructions, called the attention of the Soviet Government to the Soviet Military Governor's disregard of the agreements reached during the Moscow discussions and requested that he be instructed to give effect to them.

9. The Soviet Government's reply of September 18, however, upheld the Soviet Military Governor's position. The Soviet Government further confirmed its intention to disregard its commitment to lift the restrictions imposed on transport and communications by seeking to impose restrictions which had not before been in effect.

With respect to trade, the Soviet requirement that the licensing of trade with Berlin be placed in the hands of the Soviet Military Authorities made plain the Soviet Government's intention to obtain

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exclusive control over the trade of Berlin.

As regards the powers of the Four-Power Financial Commission, the Soviet reply asserted that the Western Occupying Powers desired to establish control over all operations of the German Bank of Emission. In fact the United States, the United Kingdom and French Military Governors sought only to secure the Soviet Military Governor's acceptance of the agreed principle that the Four-Power Financial Commission should control the operations of the Bank with respect to the financial arrangements relating to the currency changeover and to the continued provision and use of the German mark of the Soviet Zone in the City of Berlin (i.e. in Berlin only and not in the Soviet Zone). In the light of Mr. Molotov's statements during the discussion of the Soviet reply, it became clear that no assurance was given that the Soviet Military Governor would be prepared to proceed on the previously agreed basis. Thus in this matter, as in others, the intention of the Soviet Government was manifestly to impose conditions nullifying the authority of the Western Occupying Powers and to acquire complete control over the City of Berlin.

10. For the Governments of the United Kingdom, the United States and France to continue discussions when fundamental agreements previously reached had been disregarded by the Soviet Government would have been futile. It would have been equally fruitless to continue such discussions in the face of the unmistakable intention of the Soviet Government to undermine, and indeed to destroy, the rights of the three Governments as occupying powers in Berlin as a price for lifting the blockade, illegally imposed in the first instance and still unlawfully maintained. The three Governments therefore despatched identic notes on September 22nd to the Soviet Government. In those notes after restating their position on the specific points at issue they asked the Soviet Government whether it was prepared to remove the blockade measures which it had imposed and thereby to establish conditions which would permit a continuation of discussions.

11. The reply of the Soviet Government in its notes to the three Governments of the 25th September, 1948 is unsatisfactory.

As regards the introduction and continued circulation and use in Berlin of the German mark of the Soviet Zone, the Soviet Government misrepresents the position of the three Western Occupying Powers. The latter have made it clear from the outset that they do not desire to exercise any control over the financial arrangements in the Soviet Zone of occupation, but are insisting on those conditions only which would provide adequate Four-Power control over the financial arrangements for the introduction and continued circulation and use of the German Mark of

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the Soviet Zone as the sole currency in Berlin.

As regards control of the trade of Berlin the Soviet Government contrary to its previous attitude now states its willingness to agree to the establishment of Four-Power control over the issuance of licenses for the import and export of goods provided that agreement is reached on all other questions. It is clear, after more than six weeks of discussions, from the Soviet Government's persistent refusal to remove the blockade measures and its continued insistence on other conditions which would enable it to destroy the authority and rights of the United Kingdom, the United States and France as occupying powers in Berlin that this conditional concession is illusory.

As regards air traffic between Berlin and the Western Zones of Occupation, the Soviet Government, while neither affirming nor withdrawing the demand for the particular restrictions put forward by the Soviet Military Governor during the discussions in Berlin and confirmed in its reply of September 18th, introduces another requirement to the effect that transport by air of commercial freight and passengers must be placed under the control of the Soviet Command.

The Soviet Government's note of September 25th therefore not only ignores the request of the three Governments that the blockade measures should be removed in order that conditions may be established which would permit the continuation of discussions. It also seeks to impose restrictions on transport and communications between Berlin and the Western Zones which would place the maintenance of the forces of occupation of the three Western Occupying Powers and the whole life of the Berlin population within the arbitrary power of the Soviet Command, thus enabling the Soviet Military Authorities to reimpose the blockade at any moment in the future if they so desired.

12. Accordingly it is apparent that the Soviet Government had no intention of carrying out the undertakings to which it had subscribed during the Moscow discussions in August. In the face of the expressed readiness of the Governments of the United States, the United Kingdom and France to negotiate with the Soviet Government all outstanding questions regarding Berlin and Germany as a whole in an atmosphere free from duress, the Soviet Government has, in fact, persisted in using duress. It has resorted to acts of force rather than to the processes of peaceful settlement. It has imposed and maintained illegal restrictions amounting to a blockade of Berlin. It has failed to work out in good faith Four-Power arrangements for the control of the currency of that City. Even while the Western Occupying Powers were seeking agreement on measures to  
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implement the understandings reached in Moscow, the Soviet Military Authorities condoned and encouraged attempts to overthrow the legally constituted municipal Government of Berlin. These actions are plainly attempts to nullify unilaterally the rights of the Western Occupying Powers in Berlin, which are co-equal with those of the Soviet Union and like them are derived from the defeat and unconditional surrender of Germany and from Four-Power agreements to which the Soviet Government is a party. Moreover, the use of coercive pressure against the Western Occupying Powers is a clear violation of the principles of the Charter of the United Nations.

13. The issue between the Soviet Government and the Western Occupying Powers is therefore not that of technical difficulties in communications nor that of reaching agreement upon the conditions for the regulation of the currency for Berlin. The issue is that the Soviet Government has clearly shown by its actions that it is attempting by illegal and coercive measures in disregard of its obligations to secure political objectives to which it is not entitled and which it could not achieve by peaceful means. It has resorted to blockade measures; it has threatened the Berlin population with starvation, disease and economic ruin; it has tolerated disorders and attempted to overthrow the duly elected municipal government of Berlin. The attitude and conduct of the Soviet Government reveal sharply its purpose to continue its illegal and coercive blockade and its unlawful actions designed to reduce the status of the United States, the United Kingdom and France as occupying powers in Berlin to one of complete subordination to Soviet rule, and thus to obtain absolute authority over the economic, political and social life of the people of Berlin, and to incorporate the City in the Soviet Zone.

14. The Soviet Government has thereby taken upon itself sole responsibility for creating a situation, in which further recourse to the means of settlement prescribed in Article 33 of the Charter of the Nations is not, in existing circumstances, possible, and which constitutes a threat to international peace and security. In order that international peace and security may not be further endangered the Governments of the United States, the United Kingdom and France, therefore, while reserving to themselves full rights to take such measures as may be necessary to maintain in these circumstances their position in Berlin, find themselves obliged to refer the action of the Soviet Government to the Security Council of the United Nations.