FIRST MEETING OF COUNCIL OF FOREIGN MINISTERS, LONDON, SEPTEMBER 11 TO OCTOBER 2, 1945

Report by Secretary Byrnes, October 5, 1946

The first session of the Council of Foreign Ministers closed in a stalemate. But that need not, and should not, deprive us of a second and better chance to get on with the peace.

In the past I have been criticized and commended for being a compromiser. I confess that I do believe that peace and political progress in international affairs as in domestic affairs depend upon intelligent compromise. The United States Delegation acted in that spirit at Berlin. We acted in that spirit at London. And we shall continue to act in that spirit at future conferences.

That spirit is essential in international conferences where action can be taken only by unanimous agreement. When any one member can prevent agreement, compromise is. a necessity. Men and women who have served on a jury can appreciate that.

Compromise, however, does not mean surrender, and compromise unlike surrender requires the assent of more than one party.

The difficulties encountered at the London conference will, I hope, impress upon the peoples of all countries, including our own people, the hard reality that none of us can expect to write the peace in our own way. If this hard reality is accepted by statesmen and peoples at an early stage of the peacemaking process, it may at later stages save us and save the peace of the world from the disastrous effects of disillusionment and intransigences.

Regardless of how Americans may differ as to domestic policies, they desire unity in our foreign policies. This unity will be essential in the days ahead of us when we may expect differences in views by various governments as to peace settlements. However, the political party in power cannot expect this unity unless it freely consults representatives of the opposing political party.

Believing this, I requested Mr. John Foster Dulles, one of the best informed Americans in the field of foreign relations and a loyal Republican, to accompany me to London in an advisory capacity. He has been more than an adviser; he has been a partner. Between us there have been no secrets. At the Council table and in private conference he has participated in the making of all decisions. Our accord serves to show that in foreign affairs Republicans and Democrats can work together and that in vital matters of foreign policy we Americans are united.

When it was agreed at Berlin to establish the Council of Foreign Ministers I think we all had in mind the precedent of the Dumbarton Oaks conference. There, representatives of Great Britain, the Soviet Union, China, and the United States worked together to prepare draft proposals for the <u>United Nations Charter</u> as a basis for discussion with other nations. France was not present at Dumbarton Oaks only because France had not yet been liberated. Her right to permanent membership on the United Nations Security Council was not questioned.

Experience reveals that a certain degree of understanding among the major powers is essential to secure general agreement among many nations. When understanding among the great powers is not

achieved in advance of a conference participated in by many nations, it usually has to be secured informally during the conference.

At the Versailles conference, for example, it took the Big Three and the Big Five so long to agree among themselves that the complaint was made that the smaller powers had little more time to consider the treaty than was given to the Germans.

The <u>Berlin agreement</u> envisaged the naming of high-ranking deputies who could carry on the work of the Council in the absence of their chiefs, the Foreign Secretaries. The Council, as President Truman and I understood it, was to be a sort of combined staff to explore the problems and prepare proposals for the final peace settlements.

At Berlin it certainly was never intended that the three powers present or the five powers constituting the Council should take unto themselves the making of the final peace. The Berlin declaration setting up the Council begins with the statement, "The Conference reached the following agreement for the establishment of a Council of Foreign Ministers to do the necessary preparatory work for the peace settlements."

The Council was not to make the peace settlements but to do the necessary preparatory work for the peace settlements. It certainly was not my intention to agree to any final treaty without first getting the views of the Foreign Relations Committee of the Senate which must pass upon all treaties before ratification.

The first session of the Council, so far as the personal participation of the Foreign Ministers was concerned, was intended to provide directives for the deputies in the preparation of treaties for Italy, Rumania, Bulgaria, Hungary, and Finland.

This work was exploratory-to find out on what points we were in agreement, on what points we differed, and on what points further study and data were required. It is a little naive to suppose that when really vital differences emerge, one nation or another is likely to abandon its position on the first interchange of views.

At this stage it is as important to know and understand wherein we and our Allies differ as wherein we agree. We must understand our points of difference before we can intelligently consider means of reconciling them.

So far as the Italian treaty was concerned I think we made very good progress toward agreement on directives to govern the work of our deputies.

There was ready acceptance of our proposal that Italy should undertake to maintain a bill of rights which will secure the freedoms of speech, religious worship, political belief and public meeting envisaged for Italy in the Moscow Declaration of November 1943 and which will confirm the human rights and fundamental freedoms set forth in the Charter of the United Nations.

There was some difference among the conferees at the start as to providing for the limitation of armaments. But it was our feeling that Italy should rely on the United Nations for protection against aggression and should not engage in competition in armaments when all her resources are badly needed to restore her civilian economy. And this view gained general acceptance.

While the very controversial boundary dispute between Yugoslavia and Italy was not settled, it was encouraging to find that it was possible to agree that the line should in the main be governed by ethnic considerations and that regardless of its sovereignty there should be a free port at Trieste under international control.

The Council was in general agreement that the Dodecanese Islands should go to Greece although the assent of one member was qualified pending the study of certain questions by his government.

There was general agreement that the Italian colonies should come under the trusteeship provisions of the <u>United Nations Charter</u>. Various views were expressed as to the preferred form of trusteeship for the colonies.

The American Delegation was particularly gratified that the directive to the deputies, while not restricting their studies, called for special consideration of the American proposal for a truly international administration directly responsible to the United Nations with a view to the attainment of the greatest degree of independence of the inhabitants of two of the colonies at the end of ten Years and independence for the people of a third colony at as early a date as possible.

This proposal was presented by the American Delegation when the Italian treaty first was taken up and was consistently adhered to.

It is our view that the object of a trusteeship should be to promote the self-government of the people of a colony and not to enrich a trustee or increase its economic or military power.

It was also agreed that Italian sovereignty should be restored on the conclusion of the treaty so that foreign troops may be withdrawn and, except as specially provided in the treaty, foreign controls within Italy terminated.

There was no definite understanding on reparations. The United States took the position that Italy could not pay anything like \$600,000,000. Apart from certain foreign assets, she should be required to pay as reparations only such factory and tool equipment designed for the manufacture of war implements which are not required for the limited military establishment permitted to her and which cannot be readily converted to peaceful purposes. If she is stripped of more, then her economy cannot be restored.

We have contributed several hundred million dollars for the relief of the Italian people. Their condition is deplorable. We must continue to help them. But we cannot contribute more millions, if those millions are to be used to enable Italy to pay reparations to other governments. We did that for Germany after the last war. We shall not do it again.

Substantial progress was also made on the directives for the preparatory work on the Finnish treaty and the treaties with Rumania and Bulgaria. The principles suggested by the American Delegation and accepted for the Italian treaty for the safeguarding of human rights and fundamental freedoms are also to be incorporated in these treaties.

The directives concerning the limitation of armament for Rumania and Bulgaria are expected to follow the same general line as those accepted for Italy.

Before work could be commenced upon the directives for the :Hungarian treaty the Soviet Delegation announced they felt obliged to withdraw their assent to the procedure previously accepted by the Council for dealing with peace treaties.

Before taking up these procedural difficulties I should say a few words about the Soviet Delegation's disappointment with the failure of Great Britain and the United States to recognize the Bulgarian and Rumanian Governments.

The thought apparently exists in their mind that our government objects to these governments because they are friendly to the Soviet Union and that our unwillingness to recognize these governments is a manifestation of unfriendliness to the Soviet Union.

There could be no greater misconception of our attitude. I was at Yalta. The <u>Yalta declaration</u> on the liberated and ex-satellite countries was based on a proposal submitted by President Roosevelt. Under it the Allied Powers, including the Soviet Union, assumed the responsibility of concerting their policies to assist in the establishment of interim governments broadly representative of all important democratic elements in the population and pledged to the earliest possible establishment through free elections of governments responsive to the will of the people. That pledge cannot be fulfilled in countries where freedom of speech and of assembly are denied.

That policy sponsored by President Roosevelt was America's policy and remains America's policy.

We are well aware that no government is perfect and that the representative character of any provisional government will always be subject to debate. We do not demand perfection where perfection is unobtainable.

In an effort to concert our policies with our Allies we have tried to show a spirit of conciliation. Certainly we did not make unduly exacting the requirements we set before we recognized the Provisional Polish Government or the conditions which we have proposed as a basis for the recognition of the Provisional Hungarian Government.

And I hope that as the result of efforts now being made by the Provisional Austrian Government to broaden its representation, we may soon be able to recognize that Government.

At Berlin we stated we would examine in the near future, in the light of prevailing conditions, the question of recognition of Rumania and Bulgaria. We have investigated and we shall continue to investigate. But we cannot know whether conditions justify recognition unless our political representatives are fully informed and unless our news correspondents are permitted freely to enter countries and freely to send their stories uncensored.

We do not seek to dictate the internal affairs of any people. We only reserve for ourselves the right to refuse to recognize governments if after investigation we conclude they have not given to the people the rights pledged to them in the <u>Yalta agreement</u> and in the <u>Atlantic Charter</u>.

The peace of Europe depends upon the existence of friendly relations between the Soviet Union and its European neighbors, and two wars in one generation have convinced the American people that they have a very vital interest in the maintenance of peace in Europe.

The American Government shares the desire of the Soviet Union to have governments friendly to the Soviet Union in eastern and central Europe.

But lasting peace depends not only upon friendship between governments but upon friendship between peoples.

Had it not been for the difficulties experienced by the Allied Governments in agreeing upon a common policy in regard to the recognition of the Governments of Rumania and Bulgaria a snore conciliatory spirit might possibly have prevailed and might greatly have helped to overcome the procedural difficulties of the Council.

No one present at the Council on September 11 questioned the decision taken by the Council that day inviting all five members to be present at all meetings.

Directives for the Italian treaty were under discussion for several days with China, not a party to the surrender terms, present, participating in the discussion, but not voting. No one objected.

Directives for the Finnish treaty were then considered, with the United States, France, and China present but not voting. No one objected.

Directives for the Rumanian treaty and then for the Bulgarian treaty were considered, with France and China present but not voting. No one objected.

It was only on September 22 that the Soviet Delegation took the position that the decision of the Council on September 11 violated the <u>Berlin agreement</u>.

It will be recalled that the Berlin agreement set up a Council of the Soviet Union, Great Britain, France, China and the United States to undertake the necessary preparatory work for the peace settlements. It provided that the Council should draw up with a view to their submission to the United Nations peace treaties with Italy, Rumania, Bulgaria, Hungary, and Finland.

It provided that in the discharge of these tasks the Council will be composed of members representing those states which were signatory to the terms of surrender imposed upon the enemy state concerned, and for the purpose of the Italian settlement, France should be regarded as signatory to the surrender terms.

The <u>Berlin agreement</u> further provided that other members of the Council will be invited to participate when matters directly concerning them are under discussion.

This distinction between members of the Council who were parties to the surrender terms and those who were not, was not part of the original American proposal and was reluctantly accepted by us. We were fully aware that a member would not have the right to vote if not a party to the surrender terms, but we understood from the exchange of views at the table that all members would be allowed to participate in all discussions in the Council.

It certainly never occurred to President Truman or myself that any of the five members of the Council who are also the five permanent members of the United Nations Security Council, which is charged with the responsibility for maintaining the peace which the Council of Foreign Ministers is preparing, would not be invited to be present during the discussions of the treaties.

Such exclusion of two permanent members of the Security Council would not promote the harmonious relations essential to the success of the United Nations Organization.

The Soviet Delegation's position was not simply that they wished to withdraw the invitation to China and France to participate without right to vote. Their position was that it was beyond the authority of the states signatory to the surrender terms to extend the invitation.

Although this construction of the Berlin agreement did not accord with the understanding of the American Delegation or the British Delegation or the President of the United States or the Prime Minister of Great Britain, the Soviet Delegation insisted that they could no longer discuss treaty matters in the presence of members who were not parties to the surrender terms.

Thereafter the meetings of the Council for a number of days were confined to the discussion of other items on the agenda such as international inland waterways, the Ruhr, acceleration of German reparations, restitution, repatriation of Allied nationals, and the Austrian food supply.

When the general items on the agenda were exhausted, agreement had not been reached for solving the procedural obstacles which, in the view of the Soviet Delegation, made further discussion of treaty matters impossible until the decision of September 11 should be rescinded.

Since it had always been my view that the <u>Berlin agreement</u> contemplated a broadening out of the participants before the final conclusion of a peace treaty, I sought to find a compromise along that line.

The <u>Berlin agreement</u> expressly provided in section 4 of the article establishing the Council that the Council may adapt its procedures to the particular problems under discussion; that in some cases it may hold its own discussions prior to the participation of other interested states; and in other cases it may convoke a formal conference of states interested in particular problems.

I therefore proposed, with considerable reluctance, that we ask our French and Chinese colleagues to accept the position of the Soviet Delegation that the preparatory and exploratory work of the Council for the peace settlements be confined to the signatories of the surrender terms in question, provided that at the same time it should be agreed that a truly representative peace conference should be convoked before the end of the year. To ensure the calling of such a conference we thought that France and China, in the interest of peace, might make even this sacrifice.

This conference would be convoked for the purpose of considering the peace treaties with Italy, Rumania, Bulgaria, Hungary, and Finland. To the conference would be invited-

- (1) The five members of the Council of Foreign Ministers which are also the five permanent members of the United Nations Security Council;
 - (2) All European members of the United-Nations
- (3) All non-European members of the United Nations which supplied substantial military contingents in the war against the European members of the Axis.

The American Delegation took the position that, in an interdependent, democratic world, peace cannot be the exclusive concern of a few presently powerful states; that unless we were to revert to a

world of isolationism none of the states which we wanted invited to the peace conference could be said to be not directly concerned in the peace.

We urged that those states, both large and small, which had fought and suffered in the war must make the peace. This has been a peoples' war and it must be a peoples' peace.

The Soviet Delegation stated, however, that they could not agree to the American proposal for a peace conference until they had returned to Moscow and had personal consultations with their Government.

It therefore became obvious that there could be no agreement unless the other delegations were prepared to yield their views and convictions to those of the Soviet Delegation. This none of the other delegations was prepared to do.

The United States is willing to dictate terms of peace to an enemy but is not willing to dictate terms of peace to its Allies.

Our task then became one of arranging an adjournment until the Soviet Delegation could return to Moscow. It is customary before adjournment to adopt and have an conferees to sign a protocol containing a record of the agreed decisions of a conference. The Soviet Delegation would not agree to the inclusion in the protocol of the decision of September 11 that the five members should participate in all meetings, even though it included a statement of the action taken by the Soviet Delegation on September 22 to withdraw their assent to that decision.

On the last day of the session the Soviet Delegation announced it would offer a compromise proposal. The proposal was that there should be four separate protocols without recording in any of them the decision of September 11 which had been agreed to by them but which they later wished to rescind. This was the same position that they had urged for days. The only thing new about it was the suggestion that on the following day they would discuss unsettled questions including the American proposal for a peace conference and the disputed September 11 decision.

In answer to a question the Soviet Foreign Minister stated that while he could discuss the proposal for a peace conference, he still was without authority to act upon it. The proposal had been discussed for a week. Further discussion without action was futile.

It was also obvious that once the four protocols were signed, it would be useless on the following day to discuss the question of inserting in the protocols the decision of September 11. An objection by the Soviet Delegation would prevent its insertion.

The Soviet Delegation also reiterated their position that they would not discuss the treaties in the presence of members they now believed to-be ineligible. This would have excluded China from the consideration of all treaties and France from the consideration of all but one without any assurance of participation in a peace conference.

It became apparent that agreement was impossible and further meetings were useless. The Chinese Foreign Minister who was presiding when the Council adjourned and at whose instance the Council had remained in session from Sunday until Tuesday, stated that under the circumstances he could not ask the Council to continue in session longer.

As the record stands the Foreign Minister of the Soviet Union has not rejected our proposal for a peace conference. During the discussions he admitted it was correct in principle. My hope is that, after he has conferred with his government, his government will agree that the nations that fought the warthe World War-shall have a chance to make the world peace.

The matter that caused the suspension of our work is no trivial or technical question. It presented an issue that had to be met. It is whether the peace shall be made by three or even five nations to the exclusion of other nations vitally concerned in the maintenance and enforcement of the peace which is being prepared.

The issue goes even deeper. The Council of Foreign Ministers acts under the unanimity rule just as the Security Council of the United Nations must act in many important matters, but in the Security Council no nation has the veto power in procedural matters while in the Council of Foreign Ministers one nation can veto all action.

The veto power is a great power and should not be lightly exercised. We are willing to make many concessions but the United States does not believe in agreement at any price.

The power of veto in procedural matters should not be used by the United States or any other nation to coerce the judgment and conscience of fellow nations.

Peace must be based upon mutual understanding and mutual respect. It can not be secured by procedural maneuverings which obscure from the people the real and vital issues upon which their peace depends.

Undeterred by temporary set-backs and ever willing to accord to others that tolerant understanding that we wish others to accord to us, we must not relax in our efforts to achieve a just and lasting peace for ourselves and all nations. "With firmness in the right as God gives us to see the right, let us strive on to finish the work we are in."

SECOND MEETING OF THE COUNCIL OF FOREIGN MINISTERS, PARIS

(a) First Part, April 25 to May 16,1946

Report by Secretary Byrnes, May 20,1946

I wish to talk with you about the meeting of the Council of Foreign Ministers at Paris. On that mission I was accompanied by Senator Connally, Chairman of the Senate Foreign Relations Committee, and Senator Vandenberg, a Republican member of that Committee. I cannot adequately express my appreciation of their wise counsel and loyal cooperation. Senator Connally was exceedingly helpful. Senator Vandenberg by his wholehearted cooperation let the world know that regardless of how much he and his party may disagree with the administration domestic issues, in our relations with foreign governments we have but one policy, the policy of the United States.

Building the foundations of a people's peace in a war-shattered world is a long, hard process. A people's peace cannot be won by flashing diplomatic triumphs. It requires patience and firmness, tolerance and understanding. We must not try to impose our will on others, but we must make sure that others do not get the impression they can impose their will on us.

The progress made towards peace at the Paris meeting of the Council of Foreign Ministers was disappointingly small in light of the expectations we had when it was agreed at Moscow last December that the Council should resume the work which had been interrupted by our inability to agree at London last September.

But the progress towards peace at Paris was infinitely greater than I expected when I suggested that the Council should meet in Paris preparatory to the prompt calling of a peace conference. The Ministers did come to Paris seriously intending to pave the way for a peace conference. We differed considerably on a number of fundamental points; but we did come to know what those fundamental points were and the varying weight the different Ministers attached to those points.

We found that there were three basic issues outstanding on the Italian treaty: reparations, the colonies and the Italian-Yugoslav boundary, particularly as it concerns the Italian city of Trieste.

In summarizing the significance of these basic issues, I shall deliberately seek to avoid intensifying the conflict in viewpoints.

Our position on reparations is simple. To enable the Italian nation to live we have already advanced directly or indirectly \$900,000,000. We should prefer in the interest of peace to forget about reparations. But we are willing to agree to limited reparations, provided these do not deprive Italy of resources necessary to enable her to subsist without external assistance.

If Italy requires help from others she will look to us. And we made it clear we are not going to advance millions of dollars to enable Italy to produce goods to be paid as reparations to any of our Allies.

The Soviet Government has insisted on reparations for itself of \$100,000,000. We have pointed out certain sources from which reparations can be taken which would not seriously affect the Italian economy and which would yield substantially the amount which the Soviets claim. But the Soviet Government is unwilling to count what she will obtain from some of these sources as reparations.

For example, she insists that some of the naval ships surrendered by Italy to the navies of the United States and Britain be shared with her. She declares the ships are war booty. But war booty belongs to the nation capturing it. The Soviet Union has never shared with Allied nations any war booty captured by her. We are willing to give to her in lieu of reparations some of the naval ships surrendered to us. She demands the ships but refuses to consider them as a substitute for reparations. She insists upon being paid out of current production. We would have to finance the production, and therefore I refused to agree with the proposal.

Differences regarding the colonies have been narrowed but not resolved. The Soviet Government receded from its claim for a trusteeship of Tripolitania, first in favor of a joint Soviet-Italian trusteeship and later in favor of an Italian trusteeship as originally proposed by the French.

Our position has always been that the colonies should be placed under United Nations trusteeship, having as its objective the welfare of the inhabitants and their independence at the earliest practicable date. The Trusteeship Council should appoint a neutral administrator responsible to it, thus avoiding all possible rivalry between the powers. Libya and Eritrea should be granted independence in ten years.

It is open to question whether Italy is in an economic position to assume the responsibility of trusteeship and whether the return of the colonies to Italy as trustee takes sufficiently into account the wishes of the inhabitants. For these reasons it was with considerable reluctance that I indicated my willingness to yield to the French suggestion of an Italian trusteeship if that would bring about an agreement in the Council, and if it were agreed that a definite date would be fixed for the independence of Libya and Eritrea. But the French Government was unwilling to agree to a fixed date for independence.

The British felt that because of their promises during the war they could not agree to an Italian trusteeship for territory occupied by the Senussi tribes. For security reasons they also proposed a British trusteeship for Cyrenaica.

When no agreement was reached, I again urged the original American proposal for a United Nations trusteeship.

It was my impression that agreement on reparations and the colonies as well as on a host of other questions would not be long delayed if only a solution of the Trieste problem could be found. The Soviet Representative finally indicated that there would be no serious question on the cession of the Dodecanese Islands to Greece but he refused to approve it until the other territorial dispositions could be agreed upon.

The experts appointed to investigate the Italian-Yugoslav frontier did not differ as to the facts. But the Soviet Representative differs from the other members of the Council as to the conclusions to be

Drawn from the facts. It is his position that Venezia Giulia must be treated as an inseparable whole, and that so treated the claim of Yugoslavia to the area is superior to that of Italy. The other Representatives believe that wise statesmanship as well as the explicit decision taken by the Council at London requires a boundary line which will in the main be an ethnic line leaving a minimum of people - under alien rule.

It was wrong to give Italy the whole of Venezia Giulia after World War I. It would be equally wrong to give Yugoslavia the whole of Venezia Giulia now. It would transfer from Italy to Yugoslavia approximately 500,000 Italians.

The British and French experts proposed ethnic lines more favorable to Yugoslavia than our own. In an effort to reach agreement we stated we were willing to accept the British or French line or any other ethnic line that could be justified upon the basis of the London decision.

The American Delegation suggested a plebiscite for the area between the line proposed by the United States and the line proposed by the Soviet Union-but the Soviet Delegation would not consider a plebiscite except for the whole Venezia Giulia area. All of us are agreed that Yugoslavia and the countries of Central Europe which have for years used the port of Trieste shall have free access to Trieste at which there shall be a free port under international control. But we will continue to appeal to the Soviet Government and the Yugoslav Government not to press for a boundary line which will needlessly violate ethnic principles and will breed trouble in the future.

Agreement on the Balkan treaties is blocked principally by the inability of the Council to agree upon the economic clauses. Agreement on these provisions may have been delayed as part of a bargaining process, although so far the Soviet Government has stood out against the inclusion in the treaties of any provision which would promise freedom of commerce on the Danube, the gateway to Central Europe.

If the Soviet Government is opposed, as the United States Government is opposed, to the formation of exclusive political and economic blocs, they will not persist in their refusal to permit the countries of Central Europe to open their gates to the commerce of all nations.

It is regrettable that our outstanding differences on the treaties could not have been adjusted at our recent meeting in Paris. A short recess to allow a calm re-examination of our respective positions should expedite agreement when we reconvene. But when a world short of goods and short of food is crying for the return of conditions: of peace, we cannot indefinitely delay the making of peace and the withdrawal of troops from occupied areas. The four Allied governments cannot indefinitely delay the making of peace with countries which they have long ceased to fight, simply because they cannot agree among themselves on peace terms. The Council of Foreign Ministers was formed to facilitate and not obstruct the making of peace.

If a peace conference is not called this summer, the United States will feel obliged to request the General Assembly of the United Nations under <u>Article 14 of the Charter</u> to make recommendations with respect to the peace settlements. But I confidently expect a peace conference to be called this summer.

The situation which we will face in the coming months will be a test not only of others but of ourselves. There are now and there will be in the future many occasions which might impel us to say as we did after the last war that, much as we would like to cooperate in the restoration of Europe, cooperation as a practical matter is impossible without the sacrifice of our principles and that we must be content to cultivate and defend our own hemisphere.

But we must not forget that if we fail to cooperate in a peace which is indivisible we may again find that we will have to cooperate in a war which is world-wide. Whether we like it or not, we live in one world.

I am unwilling to admit that we cannot cooperate without sacrifice of our principles. If we are going to play our part we must take the offensive for peace as we took the offensive for war.

But the victories of peace like those of war require sacrifice not of principle but for principle. They require faith in ourselves and in our ideals. They require initiative, resourcefulness, and unrelenting effort. There is no iron curtain that the aggregate sentiments of mankind cannot penetrate.

The American Delegation at Paris did not hesitate to start the offensive for peace.

Security is the concern of every nation. But the effort of one nation to increase its security may threaten the security of other nations and cause them in turn to try to increase their own security. The quest for security may lead to less rather than more security in the world.

It is in truth extremely difficult to know to what extent the action of any nation may be ascribed to its quest for security or to its desire to expand. But some so-called security moves on the diplomatic checkerboard have not contributed to a general sense of security.

Many of these moves are said to originate in the fear of the revival of German military might.

On our way to Potsdam last summer President Truman and I discussed this situation and agreed that it should be American policy to disarm Germany and keep her disarmed and to do what we can to prevent a struggle between the powers for the control of Germany which might give Germany the chance to divide and conquer.

Those principles were stated in the <u>Potsdam agreement</u>. But President Truman and I thought at that time that the policy of disarming Germany and keeping Germany disarmed for a definite period of years should become a part of a solemn treaty between the principal Allied powers. Our policy should be to prevent war and not to wait until aggression gets out of hand.

It was not a new thought. It had been foreshadowed in the Moscow Declaration of 1943. Others had discussed it, but no one more forcefully than Senator Vandenberg in a speech in the Senate in January, 1945.

At the <u>London meeting of the Council of Foreign Ministers</u> when the Soviet Foreign Secretary seemed greatly concerned about the Soviet security requirements in the Balkans, I suggested a twenty-five year four-power treaty, to keep Germany disarmed as a means of preventing any real threat to Soviet security. I explained that we contemplated a similar joint guaranty of the disarmament of Japan.

I again proposed such a treaty in a talk with Generalissimo Stalin on December 24 while I was in Moscow The Gerneralissimo said that if the United States made such a proposal he would wholeheartedly support it.

Later I also spoke to Mr. Bevin who advised me that he personally was most sympathetic to the suggestion.

In February I sent a working draft of the proposed treaty for German disarmament to the Soviet, British and the French Governments and the proposed treaty for Japanese disarmament to the Soviet, British and Chinese Governments. I invited their suggestions as to the draft.

I was informed by Mr. Bevin and M. Bidault that they favored the proposal in principle but would have a few suggestions to make. I did not hear from Mr. Molotov. Just before the Paris meeting I advised the Ministers I would like to discuss the proposal at Paris.

The Soviet Minister agreed to discuss it informally but stated without specification that there were serious objections to the draft.

At Paris the Soviet Representative stated he first wanted to know if Germany was being disarmed as contemplated by the <u>Potsdam Agreement</u> and he feared the treaty might delay immediate disarmament. I pointed out that our proposal could not fairly be so construed; that it did not lessen the obligation to disarm Germany now but provided machinery to keep Germany disarmed.

To remove any question as to our purpose I asked General Clay to request the Allied Control Council to appoint representatives with power to go into every zone and make a report as to the disarmament of Germany.

Later the Soviet Representative stated that when Generalissimo Stalin agreed with me to support the treaty I did not have a draft of it. He said that as it could not become effective until after a German treaty was signed, consideration of it could be delayed.

It Is our sincere hope that after the Soviet Union studies our proposal and comes to appreciate our earnest desire to see Germany disarmed and kept disarmed, the Soviet Union will support it wholeheartedly

While the making of the German peace settlement may take some time, we took the initiative at Paris to propose the immediate appointment of special deputies to prepare a peace settlement which could be considered at a general Allied conference, the date of which should be fixed by the Council at its next session.

While there is no German government yet which could accept the settlement, agreement among the Allies on the nature of the settlement is necessary to enable the Allies to know the goal towards which the Allied occupation and administration should be directed and the kind of German government which should be created to accept the settlement.

I also asked that the Special Deputies on Germany be instructed to report on several pressing problems, including boundary and economic questions. We cannot, for example, continue to carry out the reparation program if Germany is not to be administered as an economic unit as agreed upon at Potsdam. Whatever boundaries are agreed upon for Germany, she must be able to subsist without external assistance. We cannot subsidize Germany to enable her to pay reparations to other nations.

I regret that the Soviet Representative was not prepared to act upon my proposal for the appointment of Special Deputies without further study. I shall renew my proposal when the Council reconvenes.

Important as the German questions are and eager as we are to press for their speedy solution, we must not and cannot delay the peace settlements with other countries. At Potsdam it was agreed that the start should be made with Italy, Bulgaria, Hungary, Rumania and Finland. While Germany must remain under occupation for some time, we cannot fail to do our part to rid the rest of Europe of the burden of the forces of occupation. There can be no recovery in Europe until we do.

It is particularly important that we press forward vigorously with the Austrian treaty. The Moscow Declaration on Austria contemplated that Austria should be regarded more as a liberated than as a satellite country. It was agreed at Potsdam that no reparations would be taken from her. She was one of the first countries in Central Europe to have free elections following the liberation. The continuance of foreign troops in Austria is an undue burden on her economy.

In February we asked that the Austrian treaty be prepared along with other treaties for satellite states. At Paris I insisted upon its preparation but the Soviet Representative declined to discuss the Austrian treaty or say when he would consider it.

The making of peace with Austria is essential to the restoration of anything like conditions of peace in Europe. As long as there is no peace with Austria and foreign troops remain on her soil, military communication lines will continue to be maintained in Rumania and Hungary and possibly Italy.

It was for that reason that the American Delegation proposed that the Council at its next meeting on June 15 should conclude as far as possible its work on the proposed drafts, but that the date for the peace conference should be definitely fixed for July I or July 15 and invitations should be issued at once.

It was our view that the Council had taken sufficient time to try to narrow their differences and at this stage with the principal issues defined, we should not deny to our other war partners their right to participate. The making of peace is not the exclusive prerogative of any four governments.

The Soviet Delegation insisted that invitations for the conference could not be sent until we had reconvened and agreed on all fundamental questions. Unanimous agreement was necessary and we were forced, therefore, to recess without agreement for the actual calling of the peace conference.

While the American Delegation will, when the Council reconvenes, make every effort to reach agreement on fundamental questions, it. will renew its demand for the calling of a peace conference on July I or July 15.

If we cannot have a peace conference until the four nations agree on every subject deemed fundamental by any one of them, that will give to one member of the Council the power to stop all efforts toward peace. It would be better for the Council to submit to the peace conference a single draft of each treaty and to set forth in this draft both the matters on which agreement had been reached and those on which agreement had not been reached. This would permit free discussion in the peace conference by all the nations that did the fighting, and world opinion will then point the way to a final settlement.

If peace could be made with Austria concurrently with the treaties now under consideration, there would be no necessity or excuse for a single soldier on foreign soil in Europe with the exception of Germany and a line of communication through Poland. European States would have a chance to live and breathe.

It is American policy to press unremittingly for the conclusion of peace settlements to make possible the withdrawal of troops from countries where they do not belong and where they impose Justified economic and social difficulties upon the people. And even without waiting for the conclusion of peace treaties it is American policy to press for the reduction of occupation troops in all countries.

Our policy of continuing to press for the return of conditions of peace, without regard to the making of formal peace treaties, finally yielded some constructive results in the case of Italy. For months we have been urging the revision of the Italian armistice so as to restore virtually complete sovereignty to Italy except in the colonies and in the controversial Venezia Giulia area. At Paris this revision was agreed to.

While the absence of a peace treaty still handicaps Italy in her effort to rebuild her broken economic and political life, the revised armistice gives the Italian Government the largest possible freedom that can be given to it without a formal peace treaty.

Our problems are serious, but I am not discouraged. Our offensive to secure peace has only begun. We are determined to work for political and economic peace in Europe, in the Near East and in the rest of the world. We shall work for it in the peace conferences and in the councils of the United Nations. The objective of our offensive is not territory or reparations for the United States. The objective is peace-not a peace founded upon vengeance or greed, but a just peace, the only peace that can endure.

(b) Second Part, June 16 to July 12,1946

Report by Secretary Byrnes, July 15,1946

After every great war the victors find the making of peace difficult and disappointing. It took the 13 American states more than 5 years after winning their independence to agree upon a constitution which promised anything like a durable peace among themselves.

To build world peace, bridging differences in ideas, values, codes of conduct, and deeply cherished aspirations, requires even greater tolerance, patience, and understanding. It requires the will and ability to seek the best, to accept the best obtainable, and then to make the best obtainable work. As war breeds war so peace can be made to breed peace.

That is why President Truman and I were determined at Potsdam

last summer two months after V-E Day to set up the Council of Foreign Ministers. We were eager to have the Council start the making of peace and to make peace as quickly as possible wherever possible.

It was obvious then that the making of peace with Germany would take time. There was no German government to deal with, and no agreement as to how soon we should permit a German government to function. It was equally obvious that a start could be made toward making peace with Italy and the states which were satellites of the Axis. They had governments. So we started there.

The whole world knows how great the struggle has been during the last 10 months to harmonize the views of the great powers so as to make possible the presentation of tentative drafts of treaties to a peace conference. That struggle has now been brought to a successful conclusion and the Peace Conference has been called to meet in Paris on July 29.

In addition to the Soviet Union, the United Kingdom, France China, and the United States, the states which are represented on Council of Foreign Ministers, the 16 other states which took an active part in the fighting against the European Axis will be represented at the Conference.

While the Council of Foreign Ministers has made some suggestions as to the organization and procedure of the Conference, the Conference will be free to determine its own organization and procedure.

It was proposed that the meetings of subcommittees should be secret. But on our objection this provision was eliminated. I gave notice that, so far as the United States is concerned, it will use its influence to open to the press the meetings of the Conference and of its committees.

The Conference will make only recommendations. But the members of the Council are committed, in drafting the final texts of the treaties, to consider the recommendations of the Conference and not to reject any of them arbitrarily.

It is my hope that the Council of Foreign Ministers will consider the recommendations and agree upon the final text so that the treaties may be signed by the delegates before the Conference adjourns.

The drafts of treaties agreed upon are not the nest which human wit could devise. But they are the best which human wit could get the four principal Allies to agree upon. They represent as satisfactory an approach to the return of peace as we could hope for in this imperfect and war-weary world.

The attitude of the United States in these matters represented not only the judgment of the President and the Secretary of State but also the judgment of Senator Connally and Senator Vandenberg, whose long experience in our foreign relations and intimate knowledge of the specific issues made their counsel invaluable.

The greatest struggle was over the Italian treaty, and the greatest issue involved in that treaty was the fate of Trieste and adjacent territory along the western shore of the Istrian Peninsula. The American Delegation, supported by the French and British, urged that Trieste and adjacent territory which are predominantly Italian should remain with Italy, and the predominantly Slavic hinterland should go to Yugoslavia.

The Soviet Union argued strongly that Trieste and adjacent territory should not be cut off from its immediate hinterland. While it admitted that a few cities and towns along the coast were predominantly Italian, it urged that the Istrian Peninsula should be regarded as a whole and that so regarded it was predominantly Yugoslav. This view was also urged by Czechoslovakia.

The Soviet Union further urged that greater consideration should be given to the Yugoslav claims than to the Italian claims because, while Italy as one of the Axis partners was responsible for bringing on the war against the Allies and for the loss of thousands of Allied lives, Yugoslavia had fought on the Allied side throughout the: war and suffered from the attacks of- Italy.

As neither the Soviets nor ourselves were prepared to-yield, we then proposed that the issue be left to the Peace Conference, but the Soviets would not agree.

This left us in a more serious dilemma than most people realize. We could make a separate peace with Italy, leaving her Trieste, but the Soviet and Yugoslav Governments and possibly others would not accept that treaty.

If we made a separate peace, the Soviet and Yugoslav Governments would undoubtedly demand that Italy make a separate peace with them, ceding Trieste to Yugoslavia. If Italy refused, it is not difficult to foresee the difficulties which would arise.

Even if no one of us presented a treaty to Italy, a disarmed Italy could hold Trieste against the Army of Yugoslavia only so long as our troops held it for her.

In an effort to break this deadlock the French informally suggested that Trieste and adjacent territory be separated from Italy but not ceded to Yugoslavia, and that its security and integrity be internationally guaranteed.

At first no one liked this proposal. But the more it was studied the more it seemed to offer a reasonable basis for agreement. It was recalled that before Italy entered World War I she had proposed that the Trieste area should become an autonomous state.

Our delegation insisted that the area should be protected by the United Nations and not by joint agreement between Italy and Yugoslavia as the Soviets proposed, and not by the four principal Allied powers as suggested by the French. Our proposals were accepted.

The proposal as finally agreed upon leaves Gorizia and Montefalcone with Italy in the north and includes within the Free Territory of Trieste the rest of the area west of the agreed ethnic line.

It is true that the Free Territory of Trieste is predominantly Italian in the city and predominantly Slav outside of the city. But neither the Italians nor the Slavs in this territory are placed under alien rule. They are given home rule. The people will elect their own Assembly and the Assembly will elect the officials to administer the laws. They will be subject to supervision only by the United Nations Security Council and by an impartial governor appointed by the Security Council.

The prosperity and welfare of Trieste are linked not only with Italy but with Yugoslavia and the countries of central Europe. It is the natural outlet of central Europe to the Mediterranean. The only railroads entering Trieste come through Yugoslavia and are controlled by Yugoslavia. Representatives of that Government asserted that if Trieste were given to Italy they would divert traffic to Flume or some other port in Yugoslavia.

Because of the bad feeling between the two peoples in that area, the control by the United Nations may prove to be the best means of preventing armed conflict and relieving tension.

If the area were joined either with Italy or Yugoslavia, its political and economic relations with the other would suffer. Its industries might be unable to attract the necessary capital, and labor might have difficulty finding employment.

If friendly relations are maintained between the Free Territory of Trieste and her neighbors, this little territory may enjoy greater prosperity and be a source of greater prosperity to its neighbors than; would be the case if it were joined: either with Italy or Yugoslavia.

I am convinced that the agreed solution to the problem of Trieste, is fair and workable if the peoples most concerned work together to make it so. Unless they work together, there can be no solution.

No final decision was reached on the disposition of the Italian colonies.

It will be recalled that originally the Soviets had requested the trusteeship of Tripolitania. They stated they wanted a base in the Mediterranean for their merchant ships. The French favored Italy as trustee for all the colonies, and at the April session the Soviets expressed their willingness to accept the French proposal. Except for certain reservations in respect of Cyrenaica, the British were willing to accept our proposal to have all the colonies placed under the trusteeship of the United Nations.

In view of the difficulty the Foreign Ministers were having in reaching agreement and the danger of the colonial question becoming a pawn in the settlement of other issues, I suggested that we defer a final decision.

It was finally agreed that the ultimate disposition of the colonies should be made by the four principal Allied powers in light of the wishes and welfare of the inhabitants and world peace and security, taking into account the views of other interested governments.

If the four principal Allied powers do not agree upon the disposition to be made of the colonies within a year after the coming into force of the treaty, they have bound themselves to make such disposition of them as may be recommended by the General Assembly of the United Nations.

The four powers have further agreed to send commissions to the colonies to ascertain the wishes of the local population.

Pending the final disposition of the colonies, they will remain under the existing British military administration.

The thing I like about the agreement on the colonies is that the ultimate decision does not require unanimity. Failing agreement among the four powers, the decision rests with the United Nations.

The Soviets finally withdrew their objection to the cession of the Dodecanese to Greece and to the permanent demilitarization of the Islands.

It was, however, extremely difficult for us to reach agreement on reparations. The Soviets insisted that they were entitled to at least \$100,000,000 reparations for the devastation of their territory by the Italian armies.

Moreover, under the armistice agreements with Hungary, Rumania, and Finland reparations payments of \$300,000,000 from each had been imposed. The Soviets found it difficult to reconcile themselves to a more lenient reparations policy in the case of Italy.

We on the other hand were more deeply conscious of the help that Italy gave us in the last months of the war and opposed putting on her a reparations burden which would delay her economic recovery.

We had previously agreed that reparations could be taken in war plants not needed for Italian peacetime economy and could be paid out of Italian assets in Hungary, Rumania, and Bulgaria. But the Soviets insisted that part of the reparations should come from current or future production of Italian factories and shipyards.

We reluctantly agreed that the Soviets could receive reparations up to \$100,000,000. But we required them to agree that, in so far as reparations were taken from Italian production, the deliveries must be arranged so as to avoid interference with economic reconstruction.

We further required the Soviets to agree that such deliveries should not commence for two years. In order to avoid our having to finance Italy's purchase of raw materials to furnish manufactured products to the Soviets, we also required agreement that the imported materials needed by Italy to make these deliveries should be supplied by the Soviets.

There remain some questions in the Italian treaty and other treaties on which we were unable to reach final agreement. As the Soviet Delegation took the position that they would not agree to the calling of the Peace Conference until the four governments had harmonized their views on fundamental questions, we assume that the Soviets do not regard these issues as fundamental and will accept the decisions of the Peace Conference.

I admit that prior to our meeting in April I had little hope we would every reach agreement. After our April meeting I had less hope. Now the prospect for peace treaties with these countries is bright. Ninety

days after ratification of those treaties occupation armies must be withdrawn except where they protect a line of communications. Then the people of the occupied states can live and breathe as free people. We are on the road back to peace.

I have no desire to conceal from the American people the great struggle and tremendous difficulties the four governments had in harmonizing their views to the extent they did on these treaties. In the long run we shall have a much better chance to work out our problems if we and our Allies recognize the basic differences in our ideas, standards, and methods instead of trying to make ourselves believe that they do not exist or that they are less important than they really are.

While the Council made real progress toward peace with Italy and the ex-satellite states it made no progress at all on the German and Austrian questions. Perhaps the time taken in discussion was not wholly lost, because our experience suggests that understandings, particularly with our Soviet friends, cannot be reached until we have gone through rounds of verbal combat, in which old complaints are repeated, past positions reaffirmed, differences accentuated, and crises provoked.

I am ready to believe it is difficult for them to understand us, just as it is difficult for us to understand them. But I sometimes think our Soviet friends fear we would think them weak and soft if they agreed without a struggle on anything we wanted, even though they wanted it too. Constant struggle, however, is not always helpful in a world longing for peace.

The Soviets started the German discussion with a prepared statement on the draft treaty we had proposed to guarantee the continued demilitarization and disarmament of Germany for at least a quarter of a century. The Soviet statement reveals how hard-pressed the Soviets were to find real objection to a treaty which gives them the assurance that Germany should never again become a threat to their security or to the security of Europe.

I do not believe that the Soviets realize the doubts and suspicions which they have raised in the minds of those in other countries who want to be their friends by the aloofness, coolness, and hostility with which they have received America's offer to guarantee jointly the continued disarmament of Germany.

Had America been a party to such a guaranty after World I, World War II would never have occurred, and the Soviet Union would never have been attacked and devastated.

Is German militarism going to be used as a pawn in a struggle between the East and the West, and is German militarism again to be given the chance to divide and conquer?

To that question there must be an unequivocal answer, for equivocation will increase unbearably the tensions and strains which men of good-will everywhere are striving to relieve.

The Soviets stated that our proposed treaty was inadequate; that it did not assure the de-Nazification and democratization of Germany; that it did not assure them reparations. But these are political matters which are already dealt with in the Potsdam Agreement.

Our military agreement of June 5, 1945 provided for the prompt disarmament of armed forces and demilitarization of war plants. By our 25-year treaty we propose that when Germany is once disarmed we shall see that she stays disarmed. We cannot understand Soviet opposition, especially as Generalissimo Stalin on last December 24th agreed with me in principle on this subject.

The Soviet representative stated he had reports that in the British zone the disarming of military forces was not being carried out. The British representative stated he had reports that in the Soviet zone German war plants were being operated.

We asked that the Control Commission investigate the accuracy of both reports. The British and the French agreed. But the Soviet Government would not agree to the investigation unless we limited it to the disarmament of armed forces.

I certainly made clear in our earlier meeting in Paris that the proposed guaranty of German demilitarization was only a part of the German settlement. I proposed then and I proposed again at our recent meeting that deputies be appointed to start work on the whole settlement which the Allies expect the Germans to accept. The British and French accepted the proposal. The Soviets rejected it.

The Soviets suggested that we have a special session of the Council on the German problem. I agreed and insisted on setting a date. But from my experience with the Italian and Balkan settlements I fear that, until the Soviets are willing to have responsible deputies who are in close touch with the Foreign Ministers sit together continuously over a period of time and find out just what is the area of our agreement and our disagreement, the exchange of views between the Ministers on the complicated problems of the German settlement will not be sufficient.

It is no secret that the four-power control of Germany on a zonal basis is not working well from the point of view of any of the four powers. Under the Potsdam Agreement Germany was to be administered as an economic unit and central administrative departments were to be established for this purpose.

But in feet Germany is being administered in four closed compartments with the movement of people, trade, and ideas between the zones more narrowly restricted than between most independent countries.

In consequence none of the zones is self-supporting. Our zone costs our taxpayers \$200,000,000 a year. And despite the heavy financial burden being borne by ourselves and other occupying powers, the country is threatened with inflation and economic paralysis.

This condition must not continue. At Paris we proposed that the Control Commission be instructed to establish the central administrative agencies necessary to administer Germany as an economic unit, and to arrange for the exchange of products between the zones and for a balanced program of imports and exports.

The French Government, which had previously opposed the establishment of central administrative agencies, indicated their willingness to accept our proposal when we suggested that the Saar be excluded from the jurisdiction of these agencies. The British agreed.

But the Soviets said that they could not agree to the exclusion of the Saar without further study, and therefore no immediate progress was possible.

I made clear that we were unwilling to share responsibility for the economic paralysis and suffering we felt certain would follower continuance of present conditions in Germany.

I then announced that as a last resort we were prepared to administer our zone in conjunction with any one or more of the other zones as an economic unit. I indicated that recently we had secured cooperation with the Soviet zone in one matter and with the British in another. I explained that our offer was made not in an effort to divide Germany but to bring it together.

I stated that whatever arrangements were made with one government would be open on equal terms to the governments of the other zones at any time they were prepared to participate.

The British stated that they would consider our proposal and indicated they hoped to agree. Neither the Soviets nor the French expressed any view.

Our military representative in Germany will this week be instructed to cooperate with any one or all of the three governments in essential administrative matters like finance, transportation, communication, trade, and industry. We will either secure economic cooperation between the zones or place the responsibility for the violation of the Potsdam Agreement.

Finally we came to a discussion of the Austrian problem. On June 1, I had circulated a proposed draft treaty recognizing the independence of Austria and providing for the withdrawal of the occupying troops. The British also had submitted a draft for consideration. I asked that the Deputies be directed to prepare the treaty.

The Soviets submitted a counterproposal calling first for further action to insure the de-Nazification of Austria and the removal of a large number of displaced persons from Austria whom they regard as unfriendly to them.

The British and French were willing to join us in submitting to the Deputies the consideration of the treaty and in requesting the Control Council to investigate and report on the progress of de-Nazification and on the problem of the-displaced persons. But the Soviets were unwilling to agree to the Deputies' taking up the Austrian treaty until more tangible action was taken on these other two problems.

We recognize the seriousness of these problems and have been grappling with them. The problem of displaced persons is particularly difficult to solve. Where they are willing we help them to return to their homes. But many refuse to return to their own countries because they fear death or imprisonment for their political views Our tradition of protecting political refugees is too precious for us to consent to the mass expulsion of these people from our zone. The United Nations has a committee studying the problem, and we shall continue to do our part to try to find a solution, but it cannot be a cruel solution that will reflect discredit upon the American people.

It would be a tragedy to hold up the peace treaty with Austria because she is obliged to afford temporary refuge to these people until homes can be found for them in other countries.

We shall press on in session and out of session to restore conditions of peace to this war-sick world, to bring soldiers back to their homes and to their families, to beat our swords into plowshares. The war has left wounds, but we must work to heal those wounds.

We do not believe in a peace based on a desire for vengeance. We believe in justice, charity, and mercy. If we act with charity and mercy, those we fear as enemies may become our friends. We must trust to the healing processes of peace and pray that God in His mercy will give peace to the world.

PARIS PEACE CONFERENCE, JULY 29 TO OCTOBER 15, 1946

Report by Secretary Byrnes, October 18, 1946

It is now 15 months since the decision was reached at <u>Potsdam</u> to set up the Council of Foreign Ministers to start the preparatory work on the peace treaties with Italy, Bulgaria, Rumania, Hungary, and Finland.

Those months have been hard, difficult months.

At the Council of Foreign Ministers and at the Paris Peace Conference your representatives were a united and harmonious delegation acting under the guidance and instructions of the President of the United States. The difficult tasks were immeasurably lightened by the splendid work and cooperation of my associates, Senator Connally, Democratic chairman of the Foreign Relations Committee, and Senator Vandenberg, spokesman for the Republican Party in foreign affairs. In the Conference we have represented no political parties. We have been united in representing the United States.

After every great war the victorious allies have found it difficult to adjust their differences in the making of peace. Even before the fighting stopped, President Roosevelt warned us that

"The nearer we came to vanquishing our enemies the more we inevitably became conscious of differences among the allies."

That was why President Roosevelt was so insistent that the United Nations should be established before the peace settlements were made.

It was inevitable that in the making of concrete peace settlements the Allies should discuss and debate the issues on which they disagree and not those on which they agree. It was also inevitable that such discussions should emphasize our differences.

That is one reason I have continuously pressed to bring about agreements upon the peace settlements as rapidly as possible.

Leaving unsettled issues which should be settled only serves to increase tension among the Allies and increase unrest among the peoples affected.

We cannot think constructively on what will or will not contribute to the building of lasting peace and rising standards of life until we liquidate the war and give the peoples of this world a chance to live again under conditions of peace.

It is difficult to deal with the problems of a convalescing world until we get the patient off the operating table.

These treaties are not written as we would write them if we had a free hand. They are not written as other governments would write them if they had a free hand. But they are as good as we can hope to get by general agreement now or within any reasonable length of time.

Our views on reparations are different from the views of countries whose territories were laid waste by military operations and whose peoples were brought under the yoke of alien armies and alien gestapos.

The reparation payments are heavy-excessively heavy in some cases. But their burdens should not be unbearable if the peoples on which they are laid are freed from the burdens of sustaining occupying armies and are given a chance to rebuild their shattered economic lives.

For Europe with her mingled national economies there are no ideal boundary settlements.

The proposed settlement for the Trieste area was long and warmly debated. The Conference approved the proposal of the Council of Foreign Ministers that this area should become a free territory under the protection of the United Nations. The Conference also by a two thirds vote made recommendations for an international statute defining the responsibilities of the United Nations in relation to the free territory. Such recommendations are an expression of world opinion and cannot be arbitrarily disregarded.

Those recommendations of the Conference provide that the governor appointed by the Security Council should have sufficient authority to maintain public order and security, to preserve the independence and integrity of the territory' and to protect the basic human rights and fundamental freedoms of all the inhabitants.

The minority proposal which was supported by the Soviet Union, Yugoslavia, and other Slav countries would have made a figurehead of the United Nations governor and would have given Yugoslavia virtual control of the customs, currency, and foreign affairs of the territory. Certainly we could not agree to that. It would make the territory a protectorate of Yugoslavia and would leave the United Nations powerless to prevent it becoming a battleground between warring groups. There must be no seizure of power in Trieste after this war as there was in Fiume after the last war.

The Yugoslav Delegation advised the Conference it would not sign the treaty recommended. My hope however is that after consideration Yugoslavia will realize that just as other states have made concessions she must make concessions in order to bring about the peace.

Although the Council of Foreign Ministers were unable to agree to any change in the Austrian-Italian Frontier, the representatives of Austria and Italy at Paris were encouraged by the American Delegation to reach an agreement which should help to make the South Tyrol a bond rather than a barrier between the two peoples.

It is my earnest hope that Czechoslovakia and Hungary and Rumania and Hungary may find by common agreement somewhat similar solutions to their complicated nationality problems on the basis of working together as friends and as neighbors. We in America know that people of many different races and stocks can live together in peace in the United States. They should be able to live together in peace in Europe.

At Potsdam in the summer of 1945 President Truman stressed the importance of providing for free navigation of the great international rivers in Europe on terms of equality for the commerce of all states.

President Truman was not seeking any special advantage for the United States. He was seeking to promote peace. He was seeking to ensure that these great waterways should be used to unite and not divide the peoples of Europe.

The Delegations representing the Soviet Republic and the Slav countries have vigorously opposed the proposal.

The Paris Conference recommended by a two-thirds vote that the treaties should ensure freedom of commerce on the Danube on terms of equality to all states.

I hope that when the Foreign Ministers meet we can agree upon the adoption of this recommendation.

In recent weeks much has been said about acrimonious debates and the divisions in the Paris Conference. Back of those debates and divisions were real and deep differences in interest, in ideas, in experience, and even in prejudices.

Those differences cannot be dispelled or reconciled by a mere gloss of polite words. And in democratic world those differences cannot and should not be kept from the peoples concerned.

In a democratic world, statesmen must share with the people their trials as well as their triumphs.

It is better that the world should witness and learn to appraise clashes of ideas rather than clashes of arms.

If this peace is to be lasting, it must be a people's peace; and the peoples of this world who long for peace will not be able to make their influence felt if they do not know the conflict in ideas and in interest that give rise to war, and if they do not know how the statesmen and the peoples of other countries view those conflicts.

But it is our hope that in international democracy, as in national democracy, experience will prove that appeals to reason and good faith which unite people count for more in the long run than appeals to prejudice and passion which divide people.

In a world where no sovereign state can be compelled to sign or ratify a peace treaty, there is no perfect peacemaking machinery. Where boundaries, colonies, and reparations are involved, a peace treaty cannot be made effective unless it is satisfactory to the principal powers.

Under these circumstances the Paris Conference provided as adequate an opportunity for the smaller states and the ex-enemy states to express their views on the proposed treaties as it was practical to provide.

The thing which disturbs me is not the lettered provisions the treaties under discussion but the continued if not increasing tension between us and the Soviet Union.

The day I took office as Secretary of State I stated that "the supreme task of statesmanship the world over is to help the people of this war-ravaged earth to understand that they can have peace and freedom only if they tolerate and respect the rights of others to opinions, feelings and ways of life which they do not and cannot share."

It is as true now as it was then that the development of sympathetic understanding between the Soviet Union and the United States is the paramount task of statesmanship.

Such understanding is necessary to make the United Nations a true community of nations.

From the <u>Potsdam Conference</u>, which took place at the beginning of his administration, President Truman and I have worked and we shall continue to work to bring about an understanding with the Soviet Government.

Two states can quickly reach an understanding if one is willing to yield to all demands. The United States is unwilling to do that. It is equally unwilling to ask it of another state.

Every understanding requires the reconciliation of differences and not a yielding by one state to the arbitrary will of the other.

Until we are able to work out definite and agreed standards of conduct such as those which govern decisions within the competence of the International Court of Justice, and such as those which we hope may be agreed upon for the control of atomic energy, international problems between sovereign states must be worked out by agreement between sovereign states.

But if states are to reach such agreements they must act in good faith and in the spirit of conciliation. They must not launch false and misleading propaganda against one another.

They must not arbitrarily exercise their power of veto, preventing a return to conditions of peace and delaying economic reconstruction.

No state should assume that it has a monopoly of virtue or of wisdom. No state should ignore or veto the aggregate sentiments of mankind.

States must not unilaterally by threats, by pressures, or by force disturb the established rights of other nations. Nor can they arbitrarily resist or refuse to consider changes in the relationships between states and peoples which justice, fair play, and the enlightened sentiments of mankind demand.

We must cooperate to build a world order, not to sanctify the states quo, but to preserve peace and freedom based upon justice.

And we must be willing to cooperate with one another-veto or no veto-to defend, with force if necessary, the principles and purposes of the Charter of the United Nations.

Those are the policies we have pursued. In following those policies we have been criticized at times for being too "soft" and at times for being too- "tough". I dislike both words. Neither accurately describes our earnest efforts to be patient but firm.

We have been criticized for being too eager to find new approaches after successive rebukes in our efforts to effectuate our policies. And we have likewise been criticized for not seeking new approaches. We will not permit the criticism to disturb us nor to influence our action.

We will continue to seek friendship with the Soviet Union and all other states on the basis of justice and the right of others, as well as ourselves, to opinions and ways of life which we do not and cannot share.

But we must retain our perspective.

We must guard against the belief that deep-rooted suspicions can be dispelled and far-reaching differences can be reconciled by any single act of faith.

The temple of peace must be built solidly, stone upon stone. If the stones are loosely laid, they may topple down-upon us.

We must equally guard against the belief that delays or set-backs in achieving our objective make armed conflict inevitable. It is entirely possible that the failure or inability of the Soviet leaders to rid themselves of that belief lies at the very root of our difficulties. We will never be able to rid the world of that belief if we ourselves become victims to it.

For centuries devout men and women thought it was necessary to fight with one another to preserve different religious beliefs. -But through long and bitter experience they learned that the only way to protect their own religious beliefs is to respect and recognize the rights of others to their religious beliefs.

War is inevitable only if states fail to tolerate and respect the rights of other states to ways of life they cannot and do not share. That is a truth we must all recognize.

Because in the immediate aftermath of war our efforts to induce nations to think in terms of peace and tolerance seem to meet with rebuff, we must not lose faith. What may be unrealizable now may be realizable when the wounds of war have had a chance to heal.

We must not lose faith nor cease to struggle to realize our faith, because the temple of peace cannot be completely built in a month or a year.

But if the temple of peace is to be built the idea of the inevitability of conflict must not be allowed to dominate the minds of men and tear asunder a world which God made one.

It is that idea of the inevitability of conflict that is throttling the economic recovery of Europe. It is that idea that is causing artificial tensions between states and within states.

The United States stands for freedom for all nations and for friendship among all nations. We shall continue to reject the idea of exclusive alliances. We shall refuse to gang up against any state.

We stand with all peace-loving, law-abiding states in defense of the principles of the Charter of the United Nations.

Any nation that abides by those principles can count upon the friendship and cooperation of the United States, irrespective of national differences or possible conflict of interests.

No country desires unity among the principal powers more than we or has done more to achieve it. But is must be unity founded on the <u>Charter</u> and not unity purchased at its expense.

We deplore the tendency upon the part of the Soviet Union to regard states which are friendly to us as unfriendly to the Soviet Union and to consider as unfriendly our efforts to maintain traditionally friendly relations with states bordering on the Soviet Union.

We deplore the talk of the encirclement of the Soviet Union. We have it from no less authority than Generalissimo Stalin himself that the Soviet Union is in no danger of encirclement.

During the war the Baltic states were taken over by the U. S. S. R. The Polish frontier and the Finnish frontier have been substantially modified in Russia's favor. Koenigsberg, Bessarabia, Bukovina, and Ruthenia are to be given to her. In the Pacific, the Kuriles, Port Arthur, and Sakhalm have been assigned to her. Certainly the Soviet Union is not a dispossessed nation.

We know the suffering and devastation which Nazi aggression brought to the Soviet Union. The American people came to the support of the Soviet Union even before the United States was attacked and entered the war. Our people were allies of the Soviet people during the war. And the American people in time of peace desire to live on terms of friendship, mutual helpfulness, and equality with the Soviet people.

Before the Paris Peace Conference the United States spared no effort to reconcile its views on the proposed treaties with the views of the Soviet Union. Indeed it was the Soviet Union which insisted that our views be reconciled on all questions which the Soviet Union regarded as fundamental before they would consent to the holding of the Conference.

If, therefore, in the Conference we differed on some questions, they were not questions that were fundamental from the Soviet viewpoint.

While there were many issues which attracted little public attention on which the Soviet Union and the United States voted together, it was regrettable that on many issues which did command public attention the Soviet Union and the newly established governments in central and southeastern Europe voted consistently together against all the other states

Whatever considerations caused this close alignment of the Soviet Union and her Slav neighbors on these issues, other states were not constrained to vote as they did by any caucus or bloc action.

It requires a very imaginative geographic sense to put China or Ethiopia into a Western bloc. And it was quite evident to discerning observers at Paris that not only China and Ethiopia, but Norway and France were particularly solicitous to avoid not only the fact, but the suspicion, of alliance with any Western bloc.

If the voting cleavage at Paris was significant, its significance lies in the fact that the cleavage is not between the United States and the Soviet Union, or between a Western bloc and the Soviet Union. The cleavage is based upon conviction and not upon strategy or hidden design.

I should be less than frank if I did not confess my bewilderment at the motives which the Soviet Delegation attributed to the United States at Paris. Not once, but many times, they charged that the United States had enriched itself during the war, and, under the guise of freedom for commerce and equality of opportunity for the trade of all nations, was now seeking to enslave Europe economically.

Coming from any state these charges would be regrettable to us. They are particularly regrettable when they are made by the Soviet Government to whom we advanced more than 10 billion dollars of lend-lease during the war and with whom we want to be friendly in time of peace.

The United States has never claimed the right to dictate to other countries how they should manage their own trade and commerce. We have simply urged in the interest of all peoples that no country should make trade discriminations in its relations with other countries.

On that principle the United States stands. It does not question the right of any country to debate the economic advantages or disadvantages of that principle. It does object to any government charging that the United States enriched itself during the war and desires to make "hand-outs" to European governments in order to enslave their peoples.

Long before we entered the war President Roosevelt took the dollar sign out of the war. He established lend-lease as the arsenal of democracy and opened that arsenal to all who fought for freedom. Europe did not pay and was not asked to pay to build or to replenish that arsenal. That was done with American labor and American resources.

The <u>lend-lease</u> settlements inaugurated by President Roosevelt have been faithfully and meticulously carried out by President Truman.

We want to assist in European reconstruction because we believe that European prosperity will contribute to world prosperity and world peace. That is not dollar democracy. That is not imperialism. That is justice and fair play.

We in America have learned that prosperity like freedom must be shared, not on the basis of "hand-outs," but on the basis of the fair and honest exchange of the products of the labor of free men and free women.

America stands for social and economic democracy at home and abroad. The principles embodied in the social and economic reforms of recent years are now a part of the American heritage.

It would be strange indeed if in this imperfect world our social and economic democracy were perfect, but it might help our Soviet friends to understand us better if they realize that today our social and economic democracy is further away from the devil-take-the-hindmost philosophy of by-gone days than Soviet Russia is from Tsarist Russia.

Whatever political differences there may be among us, we are firmly and irrevocably committed to the principle that it is our right and the right of every people to organize their economic and political destiny through the freest possible expression of their collective will. We oppose privilege at home and abroad. We defend freedom everywhere. And in our view human freedom and human progress are inseparable.

The American people extend the hand of friendship to the people of the Soviet Union and to all other people in this war-weary world. May God grant to all of us the wisdom to seek the paths of peace.

THIRD MEETING OF THE COUNCIL OF FOREIGN MINISTERS, NEW YORK CITY, NOVEMBER 4 TO DECEMBER 12, 1946

Report by the Department of State

I. COMPLETION OF TEXTS OF TREATIES OF PEACE WITH ITALY, RUMANIA, BULGARIA, HUNGARY, AND FINLAND

The third session of the Council of Foreign Ministers which was held in New York City at the Waldorf-Astoria Hotel from November 4 to December 12, 1946, finally completed the texts of the treaties of peace with Italy, Rumania, Bulgaria, Hungary, and Finalnd. These texts have now been published and will be presented on February 10, 1947, for signature by the representatives of the states which participated in the Paris Peace Conference and which were at war with the enemy states in question. The United States was not at war with Finland and consequently will not be a party to the peace treaty with Finland. They will enter into force immediately upon ratification by the Allied states signatories to the respective armistices and by France in the case of Italy.

Although it had been hoped that time would permit the Council of Foreign Ministers to draw up final texts of these treaties in Paris following the close of the Paris Peace Conference, this task proved to be impossible in view of the forthcoming meeting of the General Assembly of the United Nations in New York, which certain of the Foreign Ministers desired to attend in person. Secretary of State Byrnes therefore invited the (council of Foreign Ministers to meet in New York concurrently with the General Assembly in order to avoid any further delay in the completion of these five peace treaties. The purpose of this session of the Council of Foreign Ministers, which was the third devoted to the drafting of these peace treaties, was to consider the recommendations of the Paris Peace Conference and to endeavor to agree upon the final texts.

Secretary Byrnes had since the April-May meeting of the Council of Foreign Ministers urged the calling of the Paris Peace Conference, which met from July 29 until October 15, believing that all members of the United Nations who had participated actively in military operations against the European members of the Axis were entitled to be given a full opportunity to make known their views and to have those views taken into consideration. Furthermore, the members of the Council of Foreign Ministers had solemnly agreed to "give the fullest consideration" to and "not reject arbitrarily" the recommendations from this Conference. Secretary Byrnes had also pointed out on a number of occasions that the recommendations of this Conference should be of great assistance to the (council of Foreign Ministers in finding solutions to the issues on which they had been unable to agree.

The <u>Paris Peace Conference</u>, through long discussion both in the commissions and in plenary sessions, had given the fullest possible consideration to every aspect of the peace treaties and had adopted 59 recommendations by two-thirds majority and 48 recommendations by a simple majority. For the most part, these recommendations related to questions which the Council of Foreign Ministers, despite protracted negotiation and discussion, had left in disagreement or had not considered. Thus the third session of the Council of Foreign Ministers in considering those issues which had previously divided the Council and Conference had the advantage of formal recommendations on these and other issues by the 21 nations at the Paris Conference. These recommendations and especially those backed by two thirds of the members of the Conference were a new factor in the work of the Council of

Foreign Ministers and played a large if not determinant part in settling the still unsolved issues in these treaties.

In effect the final texts of these treaties reveal that on the majority of issues final agreement was based upon the recommendations returned to the Council of Foreign Ministers by the Paris Conference.

This agreement was particularly evident in regard to the draft statute of the Free Territory of Trieste. Although the Council of Foreign Ministers last July had reached an agreement on the internationalization under the United Nations of this territory and on its proposed boundaries, no agreement had been reached by the special Commission on Trieste appointed by the Council of Foreign Ministers on the principles which were to govern the temporary regime and on the permanent statute for the area. Secretary Byrnes had made it clear that the United States, having agreed-contrary to its original position-to the internationalization of this area, was determined that the proposed Free Territory should be genuinely international in character and not a hotbed of friction and dispute between Italy and Yugoslavia. In view of the tension existing in the area and the rivalry between these two countries, the United States believed it to be essential that the representatives of the Security Council and the United Nations who were to assume responsibility for the integrity and security of this area must have adequate powers to discharge these responsibilities. As a neutral figure-representative of the United Nations as a whole-the proposed Governor for the Free Territory of Trieste would have no interest except to safeguard the security of the area and to promote the well-being and preserve the rights and freedoms of the inhabitants. The representatives of Great Britain and France had held similar views. The Soviet representative, however, had supported the claims of Yugoslavia to a special and privileged position in this territory and had opposed the granting to the Governor and to the United Nations what the United States regarded as absolutely essential powers for the maintenance of the international character and stability of the area. By a two-thirds vote the Paris Conference recommended the adoption of a French compromise proposal setting forth the principles for the organization of the Free Territory of Trieste, which were in basic accord with the views of the British and American Governments.

At the New York session of the Council of Foreign Ministers the principles for the permanent statute and provisional regime of the Free Territory of Trieste as recommended by the Conference were incorporated in a final draft after protracted negotiation. The statute as finally agreed upon has been incorporated as an annex to the peace treaty for Italy. If backed by an honest intention on the part of the states directly concerned to implement this statute as written, it provides the framework for the creation and maintenance of a genuine international regime for this troublesome and disputed area.

After agreement on the statute for the Free Territory of Trieste had been reached, the only other questions of importance still in dispute related to reparations, other economic clauses, and the question of freedom of navigation on the Danube River.

The reparation problem proved to be one of the most difficult. Marked difference in attitude existed between countries which had been devastated by one or another of these ex-enemy states and which therefore felt entitled to the maximum amounts possible, and between countries like the United States which felt that the most important thing was to build for a future in which the ex-enemy states would have some prospect of economic recovery. In the cases of Rumania, Hungary, and Finland, the reparation terms as set forth in their armistices provided for \$300,000,000 of commodities at 1938 prices. Although the United States argued at great length that these three countries were not identical in the degree of their aggression nor equal in their capacity to pay, this Government was unable to obtain any change in the established arrangements which had already been implemented by bilateral

agreements. In the case of Bulgaria, where the reparation terms were not fixed in the armistice the situation was reversed, the Soviet Union arguing for an extremely low reparation obligation. Actually, the figure of \$70,000,000 which was agreed on is not far out of line when compared with the obligation of Rumania, but it does throw into sharp contrast the burden of reparations placed on Hungary and Finland.

The problem of reparation is; much simpler in the case of those four countries which were all net exporters than in the case of Italy. In order to find a practical means for-payment by Italy, the formula previously agreed upon for Italian reparation to the Union of Soviet Socialist Republics-namely, that the reparation-receiving country must supply the required raw material-was utilized in connection with the other recipients. There were two particularly difficult problems: that of the relative treatment of Greece and Yugoslavia and that of whether Albania should be included at all. The first problem was resolved by giving Greece and Yugoslavia each the same total amount of \$150,000,000 from Bulgaria and Italy. The second problem was resolved by giving a smaller payment of \$5,000,000 to Albania.

It is also important to note that the commercial-policy provisions which this Government has urged from the very start are now incorporated in the treaties. These provisions establish, for a period of 18 months, an obligation on the part of the ex-enemy state not to discriminate among nations in matters pertaining to commerce and industry. This requirement is limited to 18 months in order to permit the concluding of commercial treaties. Furthermore, that period of time should determine whether international trade throughout the world will follow the liberal principles outlined in the American proposals for the expansion of world trade or whether various countries themselves will revert to discriminatory and restrictive-trade regulation. A similar provision with respect to aviation rights, including the first two freedoms of the air, is included in each treaty.

The question of including a clause expressing acceptance of the principle of free navigation on that great European waterway in the peace treaties with the ex-enemy states bordering on the Danube had been the subject of long dispute and acrimonious debate at previous sessions of the Council of Foreign Ministers, particularly at the Paris Peace Conference. In this case again the Conference had voted by a two-thirds majority for the inclusion in the appropriate treaties of some statement of the important principle of free navigation. It is gratifying to report that at the New York meeting the Soviet objections on this score were overcome, and the three Balkan treaties include the following statement of principle: "Navigation on the Danube shall be free and open for the nationals, vessels of commerce and goods of all States on the footing of equality with regard to port and navigation charges and conditions for merchant shipping." In order to reduce this general principle to specific operation, the Council of Foreign Ministers has agreed to call a conference within six months in which the United States, Great Britain, the Soviet Union, and France would participate, as well as-the countries in the Danubian basin, for the purpose of establishing an international regime with respect to the Danube. The United States has very little direct interest in the Danube as such. The great concern of the United States has been to do all that it could to remove artificial barriers and discriminatory practices from national trade regulations and specifically from this vital waterway in southeastern Europe.

Other economic articles which dealt with such problems as restitution, compensation for damages, ex-enemy property in the United Nations, and the reinstatement of debt obligations posed certain difficulties of one kind or another; however, it is believed that the interests of the United States have been safeguarded so far as possible under the circumstances.

After more than 15 months since the opening session of the Council of Foreign Ministers set up by the Potsdam Conference to draft in the first instance treaties of peace with Italy and the former satellite

states, the final texts of these treaties have now been completed. It cannot be said that the treaties themselves are entirely satisfactory, and, as Secretary Byrnes said in discussing the drafts presented to the Peace Conference, they are "not the best which human wit could devise", but they do represent the best which could be reached by unanimous agreement among the members of the Council of Foreign Ministers. When they enter into effect, despite their imperfections, they will be the first real step forward toward the return to normal peacetime conditions for these countries. They will bring to an end armistice regimes giving to the occupying power almost unlimited control over the national life of these countries, and they will, in some cases, mean the complete withdrawal of and, in others, major reduction in the occupying forces which, since the end of the war, have imposed such heavy burdens on their national economies. Finally, the treaties will permit Italy, Rumania, Bulgaria, Hungary, and Finland to reassume their responsibilities as sovereign states in international affairs and will afford them an opportunity to qualify for membership in the organization of the United Nations.

II. PRELIMINARY PLANS FOR PEACE SETTLEMENTS WITH GERMANY AND AUSTRIA

In addition to completing final texts of the five peace treaties the Council of Foreign Ministers, as had been agreed in Paris, devoted several meetings of its New York session to the German and Austrian questions. As early as May 1946 Secretary Byrnes had endeavored without success to obtain agreement for the setting up of special deputies to start the preliminary work for the eventual peace settlement with Germany and to prepare a draft settlement with Austria so that without undue delay the Council of Foreign Ministers could take up these two questions vital to the entire future of Europe. The Soviet Government in May and again in July had been unwilling to agree to these proposals and had maintained that further study was required before deputies could be appointed to begin actual work concerning either a future German settlement or an Austrian treaty. At the New York session, however, these objections were overcome, and the following are the main points in the agenda adopted for the next meeting of the Council of Foreign Ministers to be held in Moscow on March 10, 1947:

- 1. Consideration of the report from the Allied Control Council;
- 2. Consideration of the form and scope of the provisional political organization of Germany;
- 3. Preparation of a peace treaty with Germany, taking into account the report to be received from the deputies and also including consideration of boundary questions, questions of the Ruhr and Rhineland, and others;
- 4. United States draft disarmament and demilitarization treaty and other measures for political, economic, and military control of Germany;
 - 5. Consideration of the report already submitted by the Committee of Coal Experts; and
 - 6. Consideration of the report of the deputies on the Austrian treaty.

The deputies appointed for discussion of German questions, who are now meeting in London, were instructed to: (a) hear the views of governments of neighboring Allied states and of other Allied states who participated with their armed forces in the common struggle against Germany and who wish to present their views on the German problem; (b) consider questions of procedure with regard to the preparation of a peace treaty for Germany; and (c) submit a report on the above matters to the Council of Foreign Ministers by February 25, 1947.

The deputies appointed for Austria were instructed to: (a) proceed with the preparation of a treaty recognizing the independence of Austria, taking into consideration the proposals already submitted by the Governments of the United States and the United Kingdom, as well as any further proposals which may be submitted by any member; of the Council of Foreign Ministers; (b) hear the views of the governments of neighboring Allied states and of other Allied states who participated with their armed forces in the common struggle against Germany and who wish to present their views on the Austrian problem; and (c) submit proposals on the above matters to the (council of Foreign Ministers by February 25, 1947.

Thus, in addition to the completion of the five peace treaties which was its primary charge, the Council of Foreign Ministers at its third session in New York made the first real progress in the direction of the consideration of the even more important problems regarding the future of Germany and Austria.