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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

50X1-HUM

COUNTRY	USSR/Germany	REPORT	
SUBJECT	Reunion of Germany		
		DATE DISTR. /2 Jan 51	50X1-HUM
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Otto Nuschke

declared that the Kremlin has never been inclined to resign the status quo thesis. Malenkov especially is trying to go down in history as the keeper of the world's peace. Above all, Moscow will not depart from the condition that the German question is not to be settled separately. Peace is indivisible. In this connection Nuschke said that in its proposal of a five-power conference Moscow acted less in the interest of Red China than in that of a simultaneous settlement of all international problems.

3. Regarding the European Defense Union (EVG), Nuschke declared again that there is no compromise for the Soviet Union. All Western proposals for a nonaggression pact between Moscow and the EVG, or a neutralization of part of a Germany required but for the rest tied militarily to the West, are beyond discussion by Moscow. Ratification of the EVG will not be a ground for war, but signifies a continuation of the existing tensions, and that is what the Soviet Union, in the interest of its tasks at home, does not want.

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- 4. Nuschke denied that Moscow would make a separate peace with the Soviet Zone as an answer to EVG ratification. Only a peace treaty with all Germany comes into the question. A treaty of alliance with Pankow is not proposed. Treaties of this kind have only been made with countries like Hungary, Bulgaria, etc., with which the Soviet Union lives in a declared state of peace, and it will increased emphasis of the sovereignty of Pankow, such as perhaps the discontinuance of the high commission and its replacement by an ambassador, in which case Semenov as ambassador would retain certain powers of control.
- 5. Nuschke asserted that the demand for a reunited Germany not tied to the West in a military sense was the only condition that Moscow would require for a reunion. The decision on the internal political and economic forms of a reunited Germany are matters for the Germans themselves. In reply to a question he declared further that the "democratization" of Germany, through the expropriation of monopolistic capital, etc., was a party goal of the Socialist Unity-Communist parties, not an unconditional demand of the Kremlin's. Naturally, Moscow understands, geographically, a reunited Germany to mean only the area west of the Oder-Neisse. It is clear in Moscow that this boundary question will present the greatest difficulty of a four power conference.
- 6. About Soviet Zone internal political developments Nuschke upheld his former thesis that Ulbricht's days are numbered; that Ulbricht remains in the government, and is still official prime minister, is due to a "temporary" mission to get in hand again the situation shaken by the popular rising of 17 Jun 53. Ulbricht has received full power from the Soviet authority to suppress or appease the resistance to the regime visible since the 17 June 53, by means of the new, half-hard, half-soft policy. When this task is finished he will be reduced to a party office along with the other members of the SED secretariat belonging to the government (Ziller and Wandel). There is, however, anxiety to avoid any appearance of this being done under pressure of public opinion or any Western demand. As to Else Zaisser, she has already retired on grounds of "health." No decision has been taken yet about filling the two planned technical ministries.
- 7. A trial of Dertinger is unlikely, according to Nuschke, because he is no longer charged with actual espionage. On the other hand, he expects the Hamann trial to take place soon, but thinks it will result in acquittal or in a light punishment.
- 8. Finally, Nuschke said that all remaining prisoners of war in the Soviet Union, with the exception of a few "proven murderers", would be sent home; more than 12,000 in any case. A political amnesty in the Soviet Zone raises difficulties and can only be carried through in stages.

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