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SUBJECT

STATE ARMY

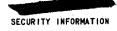
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INFORMATION REPORT

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26 March 1952

COUNTRY Germany (Russian Zone)

SED Evaluation of Soviet Note

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At a meeting of the SED Politburo on 15 and 16 March 1952, there was a discussion l. of steps to be taken immediately in consequence of the Soviet proposal for a peace treaty. It was pointed out that Moscow now expects a change, favorable to the Soviet position, in German public opinion among the following groups: the member-ship of the SPD, the trade unions, the older ex-officers of the German army, ex- Nazis, the adherents of the Evangelical Church, the majority of German youth, and neutralists and pacifists.

In large part the Soviet note embodies suggestions made by Walter Ulbricht and Otto Grotewohl. An exception is the point regarding a German national army and armaments production; the inclusion of this clause surprised the SED leaders, since it had been agreed that these proposals should be held back for a later special Russian offer, separate from the treaty proposal. The SED leaders were also surprised that the Oder-Neisse question was mentioned in the note; here too the note was in conflict with a prior understanding, as Ulbricht and Grotewohl wanted to leave the territorial question open for the present.

In the opinion of the Politburo, the Soviet note is mainly aimed at forcing the 3, western powers to participate in a lengthy conference. However, if the West should immediately refuse to negotiate with the U.S.S.R., the note would serve as the basis of a separate East German-Soviet peace treaty. A four-power conference would be expected to suspend the European army proposal, at least for months, and perhaps to kill it entirely, in view of the approaching American The delay is expected to destroy German confidence in American-European and to foster an attitude more favorable to the U.S.S.R.

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