With reference to the boycott against Jewish business establishments and with further reference to the manifold aspects of the anti-Jewish movement in Germany.

I have the honor to refer to the strictly confidential despatches which I have sent to the Department with reference to the manifold aspects of the anti-Jewish movement in Germany, and particularly to my strictly confidential despatch No. 1214 of March 31, 1933, in which the situation was brought up to late Friday afternoon, March 31. I shall in this despatch endeavor to cover some of the developments since that time.

As the Department is aware through its communications with the Embassy on March 31 and since that time of the developments in connection with the boycott, it is unnecessary to go into them here in detail, but it is evident that the events of that afternoon and evening were of extreme importance not only as related to the progress of events in Germany but in determining her
her relationship with other countries.

It will probably never be clear whether the Chancellor, Mr. Hitler, himself was in favor of the boycott from the beginning or whether he consented to it on the urgent solicitation of the more radical elements in the National-Socialist party. Whatever his feelings may have been with respect to it, he gave it his open approval from the beginning. In view of the restraints which the party has been placing on its members recently it is not improbable that it is correct that some of the leaders of the party, principally Mr. Goering and Dr. Goebbels, felt that if the boycott was not declared it would be undertaken as a spontaneous movement by the S.A. organization of the party.

The declaration on Friday, March 31, the day immediately preceding the boycott, of the boycott committee that all Jewish firms must pay non-Jewish employees two months' wages in advance accompanied by a direct threat of serious action if not complied with, and that all Jewish employees must be discharged at once, caused consternation even in certain elements of the party that were strongest for the boycott. It was an unexpected development. This may have been the straw that broke the camel's back for irrespective of the information which the party leaders were receiving of the possible effects of the boycott abroad they felt that this requirement of paying two months' wages
in advance by establishments which according to the boycott were to remain closed, was a measure which would outrage public opinion. This provision therefore was recalled that evening.

The Government was placed in a precarious position by the threatened resignation of the Foreign Minister, Freiherr von Neurath, on Friday afternoon, March 31, as it was appreciated that this resignation could give only one impression abroad - stamping not only disapproval on the boycott but on other measures which the party has been taking. On the other hand there is much reason to believe that the party leaders were correct in their assumption that it was too late to call off the boycott entirely. It was a question of loss of prestige either way the decision was made. That the decision was made in favor of limiting the boycott to the day of April 1 only was the most decisive victory for moderation since the orders were issued by the Chancellor and Mr. Goering that attacks on individuals must stop.

The officers of the Consulate General for the most part were kept on duty Saturday, April 1 in order to meet with any situation which might arise in connection with the protection of American establishments in Berlin and other parts of Germany. As the order for the boycott was a party and not a Government measure and as it was obviously impossible for the officers of our Government to
to deal with the party it was decided in the days before the boycott after conference with the Embassy, that we would advise American firms to take up the matter of their respective establishments with the Gauleiter of the National-Socialist party in the district in which the establishment was located, informing him of the American character of the institution or firm and stating that if the activities of the business were interfered with the officers of our Government in Berlin would be notified. A number of American firms who were given this advice followed it, and the moderation displayed by the boycott committee was evident from the fact that in only several minor instances in Berlin were American establishments closed or picketed.

The newspapers report that the boycott passed comparatively quietly in Germany; but that it was accompanied by a certain amount of violence in various places is shown by reports which have come to newspaper correspondents in Berlin. The principal incident was in Kiel, where a lawyer, the son of the owner of a Jewish establishment, got into an altercation with the S.A. men who were picketing the store. During the altercation the Jewish lawyer is said to have shot an S.A. man. He was taken to the prison where according to the reports published in the Berlin press, the crowd broke into the prison and shot and killed the lawyer. The incident even as it appears in the carefully censored press here is quite clear.
The streets of Berlin were comparatively quiet except that in the main shopping streets there were large crowds. Beginning at 10 o'clock on the morning of April 1 and in some parts of the city earlier, S.A. men painted in white or red paint the words "Jude" on the shop windows of Jewish establishments and pasted over the door-plates of Jewish lawyers and doctors a paper warning the public not to visit them. The majority of Jewish shops were closed and from these the pickets were removed comparatively early in the day. Other shops remained open and the people who entered were photographed. If a person attempted to enter a Jewish shop the S.A. pickets either warned them not to enter or kept in their way so that they could not enter, and in most cases directed them to a near-by "German" shop. It was evident from what happened in Berlin and throughout Germany as a whole that the heart of the S.A. men was no longer in the boycott as it had been so emasculated by the restraining measures which had been issued the night before. It seems as though they felt that if the boycott was to last only a day and to be conducted in so orderly and restrained a manner that it was not really worth-while at all.

The press is making as graceful a retreat as possible, leaving the impression to the German readers that as the propaganda in the exterior has stopped the boycott has attained
attained its object and may not have to be resumed on Wednesday, April 5. The temper of the National-Socialist press, however, is seen in the following translation of a paragraph on the first page of the "Veilhischer Beobachter" for Sunday, April 2:

"The boycott of Saturday was merely a rehearsal of a series of measures which will have to be taken if the opinion of the world, which is at the moment against us, does not completely change."

In the "Berliner Tageblatt" of April 2 is reported the speech of Dr. Goebbels, the Propaganda Minister, of the evening before in which he emphasized the significance of the boycott and declared that "today the German worker has shown his might. The boycott committee, even if the boycott has been lifted, will remain in action and if in the next two days the boycott propaganda in foreign countries does not stop we shall begin again here on Wednesday with special energy".

The boycott was not generally popular with the German people according to the best information which the Consulate General can secure up to this time, and the information which we have received from the consular officers in Germany up to this time indicates that even with the crowds on the streets in many of the cities the boycott measure was not popular. This is no indication that the feeling against the Jews has in any sense died down, but merely that popular opinion does not approve of a measure which even the man in the street realizes
may be destructive of the internal economic life and seriously affect Germany's foreign trade.

It is impossible to predict what action will be taken on Wednesday with regard to the boycott, but it seems almost certain that those who originally put it into effect now feel that if at all possible it must be forgotten as rapidly as possible. The stirring up of feeling, however, is going on at the same pace. It has just been called to my attention that there appears the following paragraph in the issue of April 2 of the "Gross-Deutsche Presse Dienst":

"The Gross-Deutsche Presse Dienst is informed that not only the Polish Consulate General is concerning itself with the gathering of the accusations of Eastern Jews against National-Socialists, but that a similar horror factory has been set up in the Consulate General of the United States and of Spain. The storming of these Consulates by the Eastern Jews has nothing to do with their nationality; they are interested on the one hand in getting the permission to emigrate to these countries and on the other hand to make money out of showing their injuries. In the Spanish Consulate there hangs a greeting of welcome to the Jews and the voyage of Jews to Spain is facilitated in every way. Dear Spain!"

It is needless to say that this press notice is without foundation as the officers of the Consulate General have without exception maintained all proper decorum and have refrained from commenting upon the local political and economic situation, even to friends with whom they were formerly able to discuss matters of this kind. The Consulate General is receiving a large number of applications for visas and is handling these
cases sympathetically and with all consideration possible in view of the deplorable state in which so many of these applicants find themselves, but in practically every case it is unable to grant a visa under the existing laws and regulations. It is not possible, however, for us to close our doors to these persons or to dismiss them summarily. We examine into each case as we would in ordinary times and inform the applicant of our decision which, as has already been stated, is in the great majority of cases a refusal.

As an indication of the care which the Consulate General has to exercise in its relations with the public now as well as of the in many cases heartrending problems which it has to deal with, it may be stated that the dictation of this despatch was interrupted by my receiving a German Jew who is the head of an important company here and married to an American woman. He stated that he wished to see me in private and urgent business. He told me that his firm had received orders on Saturday to dismiss three Jewish employees and that he was not at the office, but informed his manager by telephone that he was to give them leave of absence and not discharge them. The manager was arrested. My visitor told me that the S.A. men were now looking for him to arrest him and he wished me to help him, probably on the ground that his wife was an American. I explained that he was a German citizen and that I could in no sense interfere.
He asked for permission to sit in the ante-room of the Consulate General and I informed him that although I had the deepest sympathy with his situation I could not authorize this and must ask him to leave as otherwise the S.A. men would come into the Consulate and take him there, and that an incident of this kind would give rise to the impression that this office was protecting other than American citizens and therefore lessen the power of this office to perform its proper duties. I felt that I was sending this man out into the street and placing him at the mercy of S.A. men, but there was nothing else that I could do.

The notice of the Gross-Deutsche Presse Dienst has been brought to the attention of the Embassy and will be brought before the Foreign Office to-morrow in connection with other matters of the same character which the Embassy I understand will take up at the same time.

It has been impossible with the despatches up to this time to send translations of some of the articles appearing in the local press and throughout Germany on the boycott, which would undoubtedly be of interest as showing the peculiar complex which has been implanted in the German people by the censored and controlled newspapers. The German people have been taught and in a large measure believe, even though they do not approve of the boycott itself, that the boycott was a necessary measure.
measure to "compel" foreign countries to stop their propaganda against Germany. The German public generally believes that the foreign press is filled with stories of violated cemeteries and of Jews with hands cut off. They fail to understand that the stories which do appear in the foreign press are well substantiated and for the most part objective pictures of what is passing here in Germany. Just as almost in a day the German people were taught and accepted the idea that Communism was about to overwhelm them, so in practically no time the idea became current that the whole foreign press was hostile. In this respect the National-Socialist papers have, however, been the major offenders and in these the most grandiloquent language is used to tell the readers how the party will compel the foreign press and foreign countries to stop their propaganda and the supposed boycott against Germany. This mass control of opinion is a tribute to the skill of Dr. Goebbels as a propagandist.
That the National Socialist Party is on the eve of what will probably be very wide-reaching experiments in the business and economic field, seems to be certain. In my despatch No. 1205 of March 25, (page 3) I brought to the attention of the Department a conversation I had with Dr. Buecher, the head of the German General Electric Company, and stated that Dr. Buecher was to have a conversation with Chancellor Hitler in the near future with reference to various problems and would at that time discuss with him the general anti-Jewish movement with particular reference to Jews holding important positions in companies like the General Electric. It was hoped in various circles that the conversation of Dr. Buecher with the Chancellor might have a useful and moderating effect. For various reasons this conversation had to be postponed on account of the Chancellor's absence from the city, but it took place last Friday, March 31. I have not seen Dr. Buecher since, and as he had informed me that he would get in touch with me immediately after the interview, his failure to do so is already significant. He is occupied with matters of first importance as the administrator of this great company at this time, but I am confident that if the interview had been satisfactory he would have already been in touch with me. I learned, however, through a friend in constant contact with Dr. Buecher and in the strictest confidence, that the interview was not entirely satisfactory and that the moderate views presented by Dr. Buecher did not make the
the impression that was hoped for. I am also informed in the strictest confidence that there is now sitting in his office as the general direction of this company, a committee composed of several National Socialists who are consulting with him concerning the personnel of the company. It would seem that he has not been able to get authorization to keep certain key men who are Jews, which he had hoped for and that these National Socialists who are sitting with him constantly in his office will make the determination as to who will stay and who will leave. It will be appreciated if this will be kept in the strictest confidence, but it is practically equivalent to the placing of a Government committee in a great organization to have veto power over the actions of the directors and of the board elected by the stockholders.

Mr. Alfred Tietz who is one of the heads of the Tietz Department stores, called to see me to determine what could be done about protecting the American interests in the Tietz stores in Germany. He informed me that in order to interfere as little as possible with the business of the stores which are found in every large city of Germany, he and his brother had withdrawn from the management which is now entirely non-Jewish. What effect this will have on the stores is, however, uncertain, and their withdrawal is by no means an indication that further action will not be taken by the party against their and other Department stores.
stores. Mr. Tietz informed me that his company has 5 million dollars in long-term and 5 million dollars in short-term money from the United States and that the company is in good condition and is making money, but that if measures which he understands are proposed will be carried through, it will be impossible for the stores to continue to pay and the American lenders and bondholders will receive nothing. The measures which he refers to are the proposed action of the Government, which had already come to my attention through confidential sources, compelling department stores to give up their foodstuffs departments as well as their restaurants. Mr. Tietz states that these departments are really the best paying in every store and that they earn practically the whole money on the investment. As the Karstadt company has approximately between 15 and 20 millions of dollars from the United States and their position will be the same, the situation is one of serious concern to us. I told Mr. Tietz that there was nothing that we could do at this time but that I should be very glad to have him give me a confidential memorandum of the effect which he believes the contemplated measures will have on the stores and on the American capital invested therein. In this connection it is interesting to note that the newspapers of today carry a statement that the Jewish directors of the Karstadt stores have also retired from the boards of management.

One of the items of the National Socialist
economic program has been the defense of the small merchant and shop-keeper and it has been preached and taught to the masses that these large stores are leeches and bloodsuckers and destroyers of the middle classes. This has been popular doctrine as most of the larger stores are owned or controlled by Jews, but the economic consequences of the elimination of the department stores has entirely escaped both the National Socialist leaders and the Party. This aspect of the economic situation will be followed and reported upon by the Consulate General.

The newspapers of Sunday, April 2, carry a notice to the effect that the active head of the Reichsverband der Deutschen Industrie, Geheimrat Dr. Kastl, has been given leave of absence. The head of the Reichsverband is Krupp von Bohlen but the active head has for years been Dr. Kastl who has played an important part in practically every economic decision in Germany in recent years. He is to the best of my knowledge not a Jew. No reason is given for the elimination of Dr. Kastl in the newspapers, but it is probably due to the fact that before the Hitler Government came into power Dr. Kastl saw the President and informed him of what he believed to be the dangers of the economic program of the National Socialist Party. Two commissioners of the National Socialist Party have been placed in the main offices of the Reichsverband der Deutschen Industrie, which means that in this, the central organization of German
German industry, an organization which has much greater power in industry than any similar organization in the United States, two commissioners of the Government, or rather of the National Socialist Party will hereafter sit and that no action can be taken without their authorization.

Most of the banks in Germany, of which as the Department knows there are only five large ones, are already under Government control and from the information which I get it appears that the private banking firms which are practically all controlled by Jews, fear that not only the control of these will be taken over by the Government but that measures leading to practical confiscation of capital belonging to Jews will be taken. While these may merely be fears, there are indications that they are not altogether unfounded.

In a conversation which I had on Saturday afternoon with one of the higher officials in the Ministry of Mr. Goering, I gathered the distinct impression that the National Socialist Party believes that its appeal must be to the people and that there must be a better distribution of wealth. This laudable object, however, it seems is to be brought about by a breaking down of large industries and large business establishments "so that the small man will have a chance". So little has been publicly said of the economic program of the Party that it is impossible to state definitely what plans it actually has; but in all the conversations which I have had
had I have gathered the distinct impression that far-reaching changes in the business and financial structure of the country are contemplated and that the consequences of the rapid changes which are contemplated have not been fully considered.

The Department may be interested to know that in conversations with many National Socialists, as has already been indicated in previous despatches, one is impressed by the obvious sincerity of most of them; but it is impossible to discuss details or to get down to any consideration of actualities. They have the feeling that all is wrong in the business and financial structure and point to general remedies. They say that Germany has been dictated to by the outside world for years until she has lost all initiative, and that she has been betrayed during these same years by her own leaders. They say Germany must reassert her initiative and resume her former position in the world and emphasize the necessity for cleanliness and high ideals, and when they get into this field are usually lyrical. One cannot but gather the impression that now these men are in power they have so little knowledge of the realities of the situation which they have to face, that they find it necessary to keep on talking. This is one of the main reasons why the boycott was popular in the Party and particularly with its leaders. It gave the impression that something was being done and kept the minds of the people occupied.
Only one real achievement can be claimed by the Party up to this writing and this has already been pointed out in a previous despatch and is emphasized in an article appearing in the "Vossische Zeitung" of April 2. This is the fact that the radical measures taken by the National Socialist Party and the Government have eliminated the old difficulties between the Reich and the states which otherwise could not have been attained, as the "Vossische Zeitung" puts it, without civil war.

In an article in the "Angriff" of March 25, there are set forth the measures being taken to eliminate from the Chambers of Commerce in Germany all Jews. In Germany these Chambers of Commerce are semi-official and have tribunals in which certain commercial cases are handled. All Jewish commercial judges and all Jewish experts are to be eliminated from the Chambers of Commerce. The Jewish members of the governing boards had already been eliminated. There is practically no field whether it be the Government, the professions, or business, from which the Jews have not been eliminated and in which the National Socialist Party has not placed its own men in the central organizations. The Party has not only seized the Government but has placed its own men or its "kommissars" in charge of practically every profession. This process is now just beginning in industry, and merely to indicate to what absurd degrees it is being carried, I mention the fact that all Jews have been compelled to resign from the
the board of the Berlin-Wannsee Golf and Land Club which is the leading golf and country club of Berlin, and in electing the new board indication has been given that National Socialists shall be in control.

One of the gravest dangers in the situation as I see it is that the people in Germany who want to think right and who have endeavored to maintain a reasonable attitude are unable to get information as to what is really passing in Germany or in other countries. This is always the danger when there is such an absolutely controlled press as that which exists in Germany today and where all expression of real opinion is dangerous. The point has been reached where it is really dangerous for the average individual to express an opinion which would not be favorable to the present regime and to its proposed plans as far as they are known. Even with his best friend the average German is unable to have free expression of opinion, for he cannot be sure that his friend may not be some one who is trying to strengthen himself with the Party. One of the leading lawyers of Berlin recently returned from the United States. I know him well and know his views on the present Government and conditions. He gave a speech in the Rotary Club of Berlin on the 29th of March, on the impressions of his American trip. The Rotary Club in Berlin is made up of a group of some eighty of the really most representative men of the city. After a very excellent speech in which he abstained from all mention of politics and spoke most appreciatively and understandingly of the United
United States, he showed the complex from which practically all Germans now suffer, by, at the end of the speech, making the statement: "One speaks much in America of the necessity of a strong Government. I heard Americans often say 'We wish our Roosevelt were also a Hitler' ". This statement was met with a dead and awed silence and all the really representative persons there felt sorry for themselves that one of their own members would feel that he would have to make such a statement. As a lawyer this man felt that he was not safe and that his firm was not safe if he made a speech in which he did not say something flattering to the present Government and its controlling Party. This psychology one must understand to appreciate what is passing in Germany today, and why it can happen.

In Berlin banking and business circles it is well known that the brother of Jacob Goldschmidt, one of the leading bankers of Germany and who is the owner of a factory in one of the smaller German cities, was recently taken out of his office and given a severe beating and was subjected to a torture on his hands which their condition clearly shows. He is at present in a Berlin hospital recovering and it was, I understand, through the good offices of a National Socialist pastor that he was rescued from his assailants and allowed to be transported to Berlin. The only offense that this man had committed was that some six years ago he discharged a man from his factory because he was a Communist. This man later became a member of the National Socialist Party
Party and after March 5 took the first opportunity with his associates to wreak personal vengeance in the name of a party, or at least through a party uniform, upon his former employer. This is the sort of story which has not been published abroad as its publication would only result in prejudicing the Goldschmidt brothers, although there seems to be no doubt of the correctness of the story. Such incidents of course in no case appear in the German press and even those who know the story to be correct are afraid to discuss it for fear of consequences falling on them.

In connection with incidents such as the foregoing, it may be stated that the foreign press correspondents, particularly the American, have shown great restraint in the stories which they have sent out.

Although the boycott may not be renewed on Wednesday and it is probable that it will not, this is no indication that the persecution of Jews, physical and moral, has ceased, and unquestionably the discrimination against them in every form of profession and employment will be definitely and rigorously carried through unless there is a complete and decided change of attitude on the part of the leaders of the National Socialist Government. The period of experimentation in the financial and the business field is just about to begin and the Consulate General will endeavor to keep the Department informed as fully as is possible.

I realize that this despatch is somewhat disconnected but the Department will understand that the staff
staff of the Consulate General is occupied fully every day with the many problems arising through the existing situation. The number of people we have to see daily has quadrupled and there are so many matters requiring my own attention during the course of the day that I have practically no time to dictate and when I do so it is under pressure. I realize also that some of the information transmitted in these despatches is no longer of immediate interest when it reaches the Department, but it seems essential that it should be transmitted in order that it may complement the telegrams and despatches of the Embassy so that the Department may have as complete a picture of the situation here as possible.

Respectfully yours,

George S. Messersmith
American Consul General.

Enclosures:
Memorandum of April 3, 1933;
With original of despatch only:
Clippings from:
"Vossische Zeitung" April 2, 1933;
"8 Uhr Abendblatt" Mar. 31, 1933;
"Voelkischer Beobachter" April 2/3, 1933;
"Berliner Tageblatt" April 2, 1933.