Berlin, Germany, November 23, 1933.

Dear Mr. Phillips:

I appreciate more than I can say your thoughtful notes in acknowledgment of my recent letters in which I tried to give you a picture of the situation here as I see it. I have just received your note of October 31 acknowledging my letter of October 19, and by this time you have also received my last letter of October 28. I shall try to give you a picture of recent developments since my last letter.

The election of November 12 must be viewed as a huge spectacle for the exterior and for the interior. If the large vote cast and the practical unanimity of the vote were a surprise to observers outside of Germany, they were known to those in the country. The first question put to the voters was so vague and was so clever that there was no question of anything but unanimity.

When the people voted "yes" on the first question they were giving expression to sentiments which had been suppressed for years, and no German could be expected to vote otherwise. If he is in favor of peace, he would cast a positive vote. If he felt that Germany had been improperly treated under the Treaty of Versailles, he would vote yes. If he was voting for German honor and equality, he would vote yes. The issue in the first question was confused and clear to few, but it was so presented in the campaign that practically no German would wish to cast a negative vote, even though completely out of sympathy with the National-Socialist party.

The vote of course was intended to be used abroad and at home as a complete endorsement of the policy of the
the National-Socialist party and of all its works, past and future, although only a very small percentage of the voters had such an endorsement in mind when they cast their vote.

When it came to the Reichstag election, the unanimity was not so apparent. There was no list of candidates except those of the National-Socialist party, and that there were as many as three and a third million invalid votes is the only surprise which this part of the election registered for observers in Germany, for it was not believed that there were that many who would dare to take the risk of not marking their ballots. That a Reichstag should be elected when the party has so clearly proclaimed its adherence to the "Fuehrer" principle, and when its leaders in practically every important address have proclaimed the uselessness of parliaments and the destruction of parliamentary Government in Germany, is sufficient indication of the hollowness and the insincerity of the election itself and of the campaign which preceded it.

It will be proclaimed in the German press and because of the quietness of the election be assumed in a part of the foreign press, that no coercion was used and that the enormous vote which was cast is an expression of the unanimous support of the German people of the present Government. This I believe is an entirely erroneous impression, for to appreciate the election itself and the vote which was cast, it is necessary to have been in Germany since the accession of the National-Socialist party to power, and to understand how completely cowed even the most sturdy spirits in the country are. The German people have learned during the past eight months what lack of conformity to the party wishes and discipline involves. An election was to be held, and the party mandate went out to vote "yes". This was sufficient in the present day Germany. If there had been a free election on the question as to whether the German people were behind the present Government, well informed observers believe that the Government would not have had support of more than thirty per cent of the electorate.
As to the election itself, I am not going to give you details showing that coercion existed and that in many places there was open fraud and manipulation. All this we know, but this does not affect the fact that they had plenty of votes to carry the election. The real coercion was not exercised on election day, but it is the control which every German has felt definitely for months that has made him conform in every outward way. This concealed pressure which can become everywhere immediately and definitely effective, was enough to make even the most hardy spirits conform. I think it is essential that we keep in mind that this election was in no sense the expression of the will of a free electorate. I do not wish to make light in any sense of anything that concerns a country of 65 million people, for I am far too much alive to the importance of these millions in the heart of Europe. I think, however, that it is fundamental that we at home keep in mind that the election of November 12 was in no sense an election as we think of it, but that it was a huge spectacle. The claim that will be made to us and to other countries and that has already been made by the Government that the overwhelming positive vote for it is a clean bill of health and a complete endorsement, is one which is absolutely unjustified by the circumstances and is a misrepresentation of what is still the will of the majority of the German population.

When the German people voted yes on the first question, they did express what is their deep-seated resentment against the unequal treatment which they feel Germany has had under the Treaty of Versailles. Just what they mean by this inequality, the average German is not able to say, but we shall have to reckon that these resentments are here, and resentment is never reasonable. That it exists is something which must be reckoned with in European politics and in the arrangements which will be made in the next few years.

What I think is most fundamental about it all is that it would be a grave mistake to believe that the positive vote on the first question was such an unanimous expression of a will for peace. In spite of the way in which the feelings of the German people have been whipped up by this new Government I do not believe that the
majority of the German people yet desire war, but there is certainly no great desire for peace. Everything that is being done in the country today has for its object to make the people believe that Germany is threatened vitally in every aspect of its life by outside influences and by other countries. Everything is being done to use this feeling to stimulate military training and exercises, and innumerable measures are being taken to develop the German people into a hardy, sturdy race which will be able to meet all comers. The military spirit is constantly growing. It cannot be otherwise. The leaders of Germany today have no desire for peace unless it is a peace which the world makes at the expense of complete compliance with German desires and ambitions. Hitler and his associates really and sincerely want peace for the moment, but only to have a chance to get ready to use force when it is found finally essential. They are preparing their way so carefully that there is not in my mind any question but that the German people will be with them when they want to use force and when they feel that they have the necessary means to carry through their objects.

This clarification of the real nature of the election is I believe necessary as the German Government will appear before us all with this vote as a tremendous expression of a will for peace and as an endorsement of the present Government and its leaders, when as a matter of fact it cannot be considered as such.

So far as the Reichstag election is concerned, it had no real significance whatever. If the present Government desires a Reichstag it merely wants a legislative body which it can use from time to time to ratify the deeds of the leader and of the party for the outside world in times of crisis. It will in no sense be a deliberative body and its action for the present at least would have no significance as a democratic body chosen by a free electorate. Of course, one of the secondary reasons for holding an election was to satisfy the hungry leaders of the party as it made it possible to give 661 members a title and a job. To understand present day Germany one must realize that the new Germany is identical with the old in the love of titles and of positions.
One thing is interesting in connection with the election, and that is that Hackelsberger, who arranged the Concordat with the Vatican and the dissolution of the Center Party, was asked to submit a list of thirty Catholics whom the National-Socialist party could use in their Reichstag list. Von Papen was asked for a similar list of thirty. You can gather what place von Papen has in the scheme of things when I tell you that not a single one of his list appears on the Reichstag list, and of the thirty names submitted by Hackelsberger his name was the only one which appeared on the final list. Von Papen is really nothing more than a messenger boy and a man of all work for the party, who is willing to do anything in order to remain in the foreground.

Goebbels made the situation entirely clear in a statement which he made immediately after the election. He said that the election "is an important ausussenpolitische decision of the whole German people in which they show to foreign countries that the Germans class as their representatives the men who carry on the policy of Adolf Hitler". The sophistry, insincerity and hollowness of this statement are characteristic of him and of the other great national spectacles which he has staged previous to this election and since the 5th of March. He is one of the greatest showmen that the world has ever produced. It is only by going behind the scenes and seeing the characters close by that the real significance and nature of this election spectacle can be judged either by those within Germany or by those without the country, who are so eagerly witnessing and interested in what is passing on the German stage.

The radical steps in certain directions which are planned to take place immediately after the election by radical sections of the party, and which many of us fear, have not yet taken place. It is as yet too early to see how the party will use what it will claim to be its new mandate both at home and abroad. The most dangerous step which could be taken and which I think a good many of us fear with reason, would be the elimination of Dr. Schmitt and of Dr. Schacht. I believe it is now clear that both of them will stay, and this has more significance within Germany than we might be apt to attribute to it outside. If they do stay, it means that Hitler for the second time has turned his back on his radical economic advisers. I think, however, that we should not be too optimistic...
optimistic in this respect, for I believe that Hitler himself is still more in sympathy with the radical elements and that, after the country and the party are through the winter, there will be a resumption of radical pressure.

We cannot yet tell what the new economic trend here will be. It is still too early. The party must get through the winter. That is much more important than the country getting through the winter; for the really radical experimentation is for the time being stopped. The real struggle in the economic field will come in the spring. If the radical elements then do not get control, the more conservative elements may remain definitely in the saddle. But I should not like to try to predict now what the course of events will be then.

The economic situation is behind the scenes the greatest concern of the present Government, and the picture which I get from various industrialists and business men is not encouraging, and the optimistic public statements which they make, are strikingly in contrast with the private opinions which they give to me. The general consensus of opinion which I get is that although the situation to-day in industry and business is unusually satisfactory considering all the circumstances, the prospect for the future is not encouraging. Well informed persons here view this situation with the greatest concern, especially as they see a constantly decreasing buying and consumptive power of the German population.

Quite a number of the Americans and other foreigners who have recently been in Germany, have I believe completely misjudged the situation. They see only the surface and it is extremely difficult here to get to the bottom of things. They go away with a much more optimistic view than I believe the circumstances warrant. Then, too, they believe too much what they are told, and unfortunately those of us who are here, realize that one can believe practically nothing one is told here.

Briefly I may summarize the situation by saying that Hitler could follow out in the economic field what he and his associates would like to do, both Schmitt and Schacht would go. For the present he must hold on.
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to them. Their remaining on the scene or their eclipse may therefore be interpreted by us as a matter of first importance, for the economic decisions will to a certain extent also influence the political.

Just what Germany will do on the disarmament question I think it is too early to definitely predict, but that she has a definite aim which she will go after unwaveringly, we can take for granted. She will fight shy of all conferences, but will make constant overtures all around and constant protestations of a desire to cooperate and of a will for peace. Germany will particularly embarrass France by protestations of her willingness to do all sorts of things, with the hope of making trouble between France and England and the United States. It will I believe be exceedingly difficult to pin her down to anything. In the meantime she will go on rearming. This is what she wants to do and will do. Germany may make all sorts of protestations with regard to the reduction of armaments by other countries, but what she is interested in is not so much the other countries cutting down their armaments, as having a free hand or rather time to go ahead and rearm herself.

The pressure for rearmament comes not only from the party, but also from many industrial elements. There is a good deal of indication that Hitler’s decision to leave the Disarmament Conference was thoroughly supported by the industrialists who see in the stimulus to their trade the saving of their businesses which are now seriously threatened by decreasing consumption in Germany. I think that the most we can hope for is that they will go slowly, and this is already an advance on what some of them want to do, for they were prepared to disregard entirely public opinion and the Treaty.

In the field of aircraft particularly I think we can be quite sure that they go ahead, of course under the pretense that it is for the development of civilian aircraft. I think you know that the United Aircraft has recently sold them some planes. There is an interesting story in connection with this, which I will go into when I see you, as I do not care to put it on paper, and I will see you in the near future. The manufacture of these small arms has undoubtedly been going on, and I think so far as chemical warfare is concerned Germany is in an excellent position already. In the manufacture of heavy
arms I think they will be slower.

One of my friends who is at the head of one of the leading American companies, which also has a branch in Berlin, was here recently, and he has had some conversations with Krupp von Bohlen-Halbach. These conversations showed clearly that the Krupps are thinking very actively of increased capacity in armament production. This is also a story which I will give you when I see you.

I think the basic thing is that we can have no illusions with regard to German intentions. They intend to rearm and will unless they are stopped, and the only way to stop them is by a preventive war which I think there is no prospect of taking place. You may be interested to know that a close friend of mine who is also an intimate of Pertinax, just came from Paris and told me that Pertinax says that there is no possibility of the French undertaking a preventive war even if they wanted to, because the French military are already afraid of the German defensive action through chemical warfare. Pertinax says that the French military are convinced that chemical warfare is so developed and that there is such definite preparation, that any move by the French would be accompanied by such horrible destruction of life that the war would be a fiasco from the outset. How much there is to this I do not know, but it is the information which Pertinax gave to my friend.

The situation in general remains exceedingly difficult. In the Jewish situation there is no change whatever for the better. I am reliably informed that in Hessen about three weeks ago a considerable number of Jews were attacked and maltreated so that several hospitals had many serious cases. Mr. Flinsch, a close friend of mine, who is the head of the Association of Berlin Merchants and Industrialists, informed me that three days ago he received instructions he was to throw out immediately the 900 Jewish members of the organization. Although a National-Socialist himself, he flatly refused to do it and said that if it was done, someone else would have to do it. He went to Dr. Schmitt and Schmitt told him to refuse. The only encouraging feature is that Flinsch had the courage to say no and that Schmitt is willing to
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back him up, but what will actually happen is yet in
the balance.

Individual action in business still continues, if
for the time being on a moderate scale, and is making
endless trouble. I feel pretty sure that our entire
investments, between 35 and 40 million dollars, in German
department stores is going to be a complete loss before
the question is settled. The department stores are not
to be eliminated entirely from the German retail structure,
but a series of reorganizations will be gone through from
time to time, from which they will emerge free from foreign
obligations and Jewish ownership. A new advertising law
is to be promulgated in the near future and if it will
appear in the form contemplated, it is going to be one
of the measures which will force us in the end to
retaliatory measures at home. We have had no satis-faction recently in any of our protests on the basis
of discrimination. The time will come when we will have
to take action.

The lives and property of individuals are not yet
safe. The newspapers carried an account of the definite
confiscation of the property of Einstein in Germany.
The First Secretary of the British Embassy told me last
night that he has been reliably informed that a Jewish
doctor in a concentration camp in Bavaria had applied for
and received permission to emigrate to Palestine. The
morning of the day that he was to leave the concentration
camp he was found hanged and was reported to have committed
suicide. As a physician he had been looking after those
in the concentration camp who had been from time to time
beaten up and maltreated, and those who ran the concentra-
tion camp were not going to take any chance of his leaving
the camp alive, particularly as he was to be permitted
to leave the country. He had to be silenced. The sig-
nificant part of this is that perhaps those who decided
to let out the Jewish doctor to go to Palestine, did not
know what their agents had been doing to the poor people
in the concentration camp, so that the action of the
people in charge of the camp in staging the suicide
of this doctor, may have been to protect themselves
against their superiors.

One of my close friends, a Dr. Meyer, who was perhaps

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with Sauerbruch the leading surgeon of Germany, was
told the other morning that he would no longer be able
to remain as the head of the Westend hospital. Some one
had found out that he had a Jewish grandfather. When he
wrote he shot his wife and then himself. It is an
indication of the mental desperation in which so many
people find themselves. One must not forget that this is
not confined to the Jews. I was told through a friend
yesterday that Mr. Severing, one of the formerly great
figures of Prussia, has been told definitely that his
children will never be permitted to hold a public office
or any position of any importance in Germany. It is these
things which place a definite mark on this Government
and those who are running it, which we cannot ignore.

I think we must be unrelenting in the action which we
take against the German propaganda in the United States.
I cannot assert that the articles which appeared in the
Petit Parisien are correct, but I do know that the denials
which have appeared in the German press mean nothing.
I have read the so-called secret instructions to German
diplomats and I know that they do not differ in the
slightest degree from what I know to be the ideas of the
people in the Propaganda Ministry. Goebbels denied that
his Ministry is in a position to pass instructions to the
diplomatic representatives of Germany abroad, but that is
sheer sophistry.

Goebbels has decided that he can bamboozle the rest
of the world just as definitely as he is doing it in
Germany. Indications reach us every day of intensive
propaganda movements centering in practically every city
in Germany. These are to keep in touch with Germans abroad
and to use Germans abroad in every conceivable fashion.
These people are so fanatical, so energetic and so persistent
that their propaganda efforts cannot be lightly regarded.
They will not stop at anything. Dr. Kiep has returned to
Berlin from New York and he tells me and the Ambassador
his version of the Spanknoebel affair. He frankly admitted
that he had used Spanknoebel, but the reasons which he
gave are very plausible. It is too long a story to give
in this letter, but I will tell the Department what I
know about this when I get home, and it is a nasty tale.
We are just at the beginning of this propaganda movement
which will be particularly directed against the United
States, and I think we should not hesitate at wholesale
departations in order to put a stop to it. It will be
the only way for us to stop it and I feel that we must do it, for the danger is more real than it may seem.

The religious question has been in the foreground very much recently, and there have been developments of first importance. The Deutsche Christen went too far and there was a real revolt in the Protestant ranks. They have been willing to swallow a lot, but when it came to the complete elimination of the old Testament, and the elimination and revision of a good part of the new, a practical repudiation of the historical Christ and the substitution of Wotan, it was too much. Last Sunday 3000 Protestant clergymen made open protest in the pulpits and it was impossible for them to put 3000 clergymen in concentration camps. In Bavaria the lower clergy are showing opposition to the Bishops who they feel have been too conciliatory and have conformed too much to the new regime. I think you know that the Vatican is very much dissatisfied with the Concordat, and I think I told you that one of the leading National-Socialists referred to the Concordat merely as an "Uebergangs" measure, i.e. a sort of transitory arrangement. The Government and the party have met their first setback in this religious question, and I think it may assume a very important aspect. That there is this opposition, however, does not yet mean anything very definite.

It is not improbable that there will be attempts when Congress meets, to change the immigration laws with regard to the admission of Jews, particularly from Germany. I have the greatest sympathy with these suffering people and have given the whole question a great deal of thought and have discussed it when I had the opportunity, which was frequent, with Jewish leaders from home and from other parts of the world. I have told them what we are doing here, and I think these conversations have been very helpful and clarifying the situation to them. I feel that it would be a great mistake from every point of view to endeavor to make any change in our immigration laws. We are carrying out our visa practice in Germany with the greatest sympathy and consideration consistent with the law, and I think this is the best way in which to meet the solution. I will not burden you with such ideas which I may have on this subject, now, but I hope very much to discuss this aspect of the situation with you, and if my views are in accord with those of the Department I think
I may be very useful while I am home, in helping to prevent any action which might be in the interest of none.

I shall be leaving here on the 2nd of December on the S.S. "Washington" and shall spend a few days with my mother, who is now 87, immediately after arrival, and should be in Washington not later than the 14th of December, where I hope to stay until the 18th. I shall try then to get a real rest until after the holidays when I hope to spend several weeks in Washington. I look forward very much to seeing you and Mrs. Phillips, and in the meantime with all good wishes, believe me

Cordially and sincerely yours,

George S. Messersmith.

The Honorable
William Phillips,
Under Secretary of State,
Washington, D.C.