Vienna, July 25, 1935.

No. 505.

Subject: With further reference to the conversations between the Austrian Foreign Minister and the German Minister, von Papen, on the possibility of improving relations between Austria and Germany.

The Honorable
The Secretary of State,
Washington.

Sirs:

I have the honor to refer to my confidential despatches No. 475 of July 3, 484 of July 10, and 493 of July 13, 1935, reporting on the conversations which have been taking place between the Austrian Foreign Minister, Baron Berger-Waldenegg, and the German Minister, von Papen, with the aim of improving Austro-German relations, and to transmit the following further
further information.

The Foreign Minister is on leave on his estate in Styria, and although I have seen him in the meantime, I have not had the opportunity to get direct information from him concerning the present status of these conversations. I have, however, learned from a responsible source that on his return from the visit to Berlin mentioned in previous despatches, the German Minister called on the Foreign Minister and left with him the promised memorandum covering proposals for the improvement of relations. This memorandum, I understand, is, however, unsigned and without initials, and the Foreign Minister determined at the time that the memorandum was handed to him that it merely represented the views of Mr. von Papen, which he had discussed in the Foreign Office during his stay in Berlin. He could not, however, state to the Foreign Minister that these views had the approval of the Foreign Office, and there was no indication that they had been submitted to the German Chancellor.

I am informed that the Foreign Minister simply received this memorandum, which he said he would be interested in reading during his holiday in Styria and that on his return to Vienna he would be glad to discuss the matter further with Mr. von Papen.

While I do not know the full contents of this memorandum, I am reliably informed that it covers suggestions for restraining press comment in the German...
German and Austrian press and for the freer exchange of newspapers between the two countries. It is supposed to contain suggestions on the basis of which arrangements could be worked out permitting German tourists to be given authorization more freely to go to Austria. There are said to be provisions with respect to making it possible for certain Austrian refugees in Germany to return to Austria. I am informed that there is also a vague proposal in the memorandum covering a ten-year non-aggression pact, such as that concluded by Germany with Poland. There are, I understand, further considerations mentioned in the memorandum, concerning which I have not yet been able to get adequate information.

I am reliably informed that the Foreign Minister considers this memorandum more as a written statement of Mr. von Papen's own views rather than as a communication of official views of the German Foreign Office or of the German Government. In view of the experience which the Foreign Office here has had with Mr. von Papen, it is apparently impossible for it to determine to what extent the views expressed in this memorandum have actually been discussed by him with the Foreign Office in Berlin. The most that can be said at this time is that it is probable that this memorandum will lead to further discussions with Mr. von Papen when the Foreign Minister returns from his holiday about ten days hence, but it is not likely, as I have already forecasted.
forecasted in previous despatches on this subject, that any concrete results will grow out of these conversations in the immediate future.

The Austrian Foreign Minister and the Chancellor and Vice Chancellor have all in public declarations made it clear that there can be no real improvement in Austro-German relations until there is a clear and unequivocal statement from the present head of the German Government that it intends to respect the integrity and independence of Austria. As the prospects for such a statement being made by the German Government are increasingly uncertain, and as there is no reason to believe for the present that the Austrian Government has any intention of receding from this position, there is little prospect for any improvement in Austro-German relations in the near future.

As indicated in a previous despatch on this subject, the Austrian Government is hopeful that the developments in the European situation will be such as to permit early consideration of the Danubian pacts. It is more interested in arrangements by which the independence of Austria may be guaranteed by these pacts than in direct conversations with Germany. The probabilities are, therefore, that while the conversations being reported on will be continued, the main hope and interest of the Austrian Government will remain in the Danubian pacts. Should the developments in the general European situation be . .
be such as to make the conclusion of these pacts impossible, or postpone their consideration too indefinitely, there is a probability that these conversations will be pursued more actively.

I shall not fail to keep the Department informed of any developments in this connection which may be of interest.

Respectfully yours,

George S. Messrs. Smith.