Memorandum. (932)

Vienna, January 30, 1938.

The discovery of a putsch plan in the offices of the illegal Nazis in the Teinfalt-strasse 4.in Vienna came as a surprise even to careful students of Austro-German relations. Yet it must be said that the plan was apparently much more an endeavour of the Nazis to make a "Fleissaufgabe" (special effort) than a plan supported by German official quarters. Nevertheless, certain quarters in Germany, especially the Austrian Brown House in Munich (under the leadership of Ed.Al.Frauenfeld), some persons near Goebbels and Herr Minister Himmler had apparently cognisance of the plans.

First I have to explain that the Teinfalt strasse office of the Nazis was an indirect result of the July 11,1936 treaty between Germany and Austria. In the negotiations about this treaty it has been decided that a committee of seven shall be established with the purpose of trying to build a bridge between the Austrian Government camp and the National elements in Austria who were hitherto staying aloof. This committee then,indeed, was called into life about a year ago, its chairman being Capt.Josef Leopold, who during recent years became an intimate friend of Hitler, further the Councillor of State Dr. Arthur Seyss-Inquart, who about a half-a-year ago has been appointed reconciliation commissar for Nazis, Herr Guilbert in der Mauer, a journalist, the former rector of the University, Dr.Oswald Menghin, the Linz industrial captain Berghammer, the former judge Dr.Mannlicher and the former Mayor of Klagenfurt,Wolfsegger. Dr.Leopold Tavs was the secretary of this committee.

Now obviously this committee has not been used to promote reconciliation, but became the secret headquarters of the Austrian Nazis. It not only recruited members for an illegal National Socialist party in Austria, but also it collected the membership dues and tried to organise an illegal S.A.(storm troops). The Vienna police had ~~enough~~ cognisance of the manipulation of these excellent patriots, but with typical Metternich methods it made as if it would close its eyes. In the meantime it collected material against the society. And indeed when the activities of the company became treasonous and started to constitute a danger to the safety of the State, they stepped in and arrested the secretary Dr.Leopold Tavs. Not Leopold! In true Metternichian spirit why to arrest the top and make him a martyr? Rather to pinch the man who was really active.

The plan, fantastic as it may sounds, is confirmed now: Tavs wished to arrange first all kind of demonstrations, such as countrywide demonstrations to-day, the fifth anniversary of Hitler's coming to power etc. Then in March a demonstration of alleged legitimists was to be held, who were to smash the windows of the German Legation, and if possible, shoot General Muff, the German Military Attaché. It was known that in early March there were to be manoeuvres held of the Reichswehr in Bavaria, and the Reichswehr then naturally would have become indignant about the shooting of one of their members. Thus Tavs hoped that the Reichswehr will make a demonstration on the Austrian frontier. Using this demonstration Tavs then wanted to make a revolt in Vienna and force Schuschnigg to resign.

I learn from an absolutely reliable source, coming from the entourage of Papen, that when Himmler, the head of the Gestapo, heard this plan, he said: Why to shoot such a good man like General Muff? Let's shoot von Papen, and with this we reach a double purpose: One can allege that the legitimists shot the German Ambassador which is a first class incident and requires intervention, and second this dangerous Catholic Papen is also at last eliminated!

But I am assured that the highest quarters in Germany did not wish to have such an incident because of Italy. It is true that Tavs made his plans by counting on Italy's sensibilities. ~~Immediately~~ Tavs wished to emphasise immediately after the formation of a new Government which was to replace the present Schuschnigg regime that it was only a change of personel and that the independence of Austria was guaranteed under all circumstances. They planned a move a la Danzig. Nevertheless, the revelation of the putsch plans made Italy very nervous and Italy already answered by mobilising the Avennire d'Italia which wrote to-day that Czechoslovakia should be included into the Rome Protocol group! Which shows how firm the axis is at present! Goering of course is infuriated by the stupidity of the Austrian Nazis; he needs Italy for his further plans. But nobody else, it seems, really pays great attention to the Rome-Berlin axis, though nothing untoward must happen until after the visit of Herr Hitler in Rome...

It is now believed in Austria that the discovery of the putsch plan of Herr Tavs and of his accomplices has certainly prevented or postponed any serious German action for some time to come. Nevertheless, a close watch will be necessary. It is true that during the last months that group has won the upper-hand in Germany which at present wishes no conflict and conflagration in Central Europe (this is due to the influence of the Reichswehr which considers that Germany must become much more formidable a power before she could risk another action), but certain circumstances in the world, especially the growing entanglements of the Powers in the Far East, further the repeated crises in France induce another group in Germany, headed by Rosenberg and Ribbentrop, and occasionally supported by Dr.Josef Goebbels, to recommend new putsch plans. If thus another serious crisis would occur in France, I would not be surprised that there will be another strong wave in Germany which will demand intervention in Central Europe, whereby Rosenberg would recommend divulsion in Czechoslovakia and Goebbels and Himmler in Austria.

The chief moments in Hungary's recent history were the introduction of the Franchise Law in Parliament; the meeting of the States of the Rome Protocols in Budapest, the visit of Daranyi in Berlin, and the coming visit of Horthy to Warsaw.

The new electoral law in Hungary is a very unhappy creation. It is true that it abolishes the old open voting system and introduces the secret ballot, but instead of extending the vote, it narrows it very considerably that accordingly to the calculations the number of electors will be reduced by 30 per cent. A very curious system of plurality has been introduced at the same time. Plurality, after all, could be argued about; right or wrong, it is a system which certain Conservative quarters may defend, but this Magyar electoral law creates double votes in a strange fashion. The new bill divides the voters on two basis: first the country is divided into constituencies which elect one deputy each and in addition also a substitute-- the number of these individually elected deputies is 135. But in addition the country is divided into districts which also elect deputies on the district lists.But these district elections are submitted to great scrutinies. The number of these district-elected members will be 125. Now some electors will be able elect on basis of the nation-wide constituencies; others can elect individually and also on district lists, thus gaining a double vote. While almost one million peasants and landless proletariat will be disfranchised, many thousand intelligentsia and richer people will have double votes. These "district-voters" with specific qualifications have certain privileges, Only people with such district vote care eligible, and only such district voters will be entitled to vote at municipal elections. Thus various categories of voters are being created.

Many of the voting qualifications have been made worse. On basis of the old franchise people who passed their twentyfourth years' of age, completed four class of elementary school and could prove residence for two years at the same place were regarded as fit to vote.The new bill raised the age limit to 26, and demands six class of elementary education which the peasant children just cannot have. The residence in one place must now be proved at six years!This is terrible for workers and agricultural labourers. The voting age limit for women is thirty, and both men and women to be voters must prove at least ten years of citizenship.

It is hardly possible that this very retrograde bill shall pass Parliament. Naturally the Government party does not want to commit suicide and many of these qualifications serve to assure the return of the present regime at the elections.But such speculations are always dangerous.The measures which are to-day favourable to one regime may turn out to be damaging a decade later. It is interesting that the former Rumanian Premier,George Tatarescu, who was the first Premier to lose an election, was the maker, then as Under Secretary in the Ministry of Interior, of the franchise law which provided that a party gaining 40 per cent of the votes shall gain the majority of seats. Ten years after the creation of this retrograde law it turned against the maker!

The opposition started a campaign against the new bill in Hungary, but I am afraid that only the democratic leader,Karl von Rassay, is really from his heart against the bill. Eckhardt is driven more and more into the Government camp by his precarious financial position. He has no money of his own, and needs a Government job.He cannot any longer be counted as a serious opposition to the Daranyi regime. The Socialists are also conducting only a pro-forma opposition against the new bill, because their fourteen seats in Parliament are assured, and most of them argue that in most of the neighbouring

countries the Socialist parties were abolished, thus they must be content to exist...

The Rome conference in Budapest was certainly no success for Ciano, Schuschnigg and Kanya being able to avert all Italian plans for bringing nearer Austria and Hungary to the axis.They refused the demand of quitting the League; they vetoed the joining of the anti-Communist front, and they refused to enter the Rome-Berlin axis.The only result attained in Budapest by Italy was the recognition of Franco, which,however, was just the open acknowledgement of a fact existing since September last year.

It must also be said that Daranyi and Kanya showed great steadiness in Berlin and were not willing to be drawn into any German plan.They regard with distrust the German-Italian wooings to Rumania.

The great trouble in Hungary is still the Nazi movement which in itself would not be dangerous, but it is supported by the highest quarters, namely by the Regent...

ia. King Zog I.'s engagement to Countess Geraldine Apponyi is now announced. With a few words I want to mention the circumstances of this match. There was much pressure on Zog at home to decide at last to marry. A Balkan king without a wife rarely enjoys a long life— he is as a rule murdered, for it wont do to be a bachelor in the Balkans if one is a ruling head. Until 1936 King Zog however had a pretty Austrian dancing girl living in the palace in Tirana. He made the acquaintance of this girl, who calls herself "Baroness" Janko, in 1926 when he was an exile in Vienna. Then he was so poor, that he was kept by this dancer. After his famous coup in 1924 Christmas he returned to Tirana and brought the Baroness to his capital. A special jazz band figured in the budget which Zog had to bring to Tirana to provide entertainment for the lonely girl. In 1936 Mlle. Janko was discarded— she came back to Vienna where Zog bought two huge houses for her as a final settlement. This was already an indication that the king decided to marry. But whom to marry?

First he wanted to marry one of the sisters of King Farouk of Egypt. As it is known the ruling dynasty in Egypt is of Albanian origin, and such a match would certainly have been very popular in Tirana. But none of the sisters of Farouk were willing to live in such a miserable capital as Tirana is...

Thereupon Zog tried other methods. He sent emissaries abored and promised $ 10,000 fee for the man ~~or~~ woman who would help him to a suitable match. How he made his conditions: preferably an Austrian or Hungarian aristocratic woman, good looking, must not be rich, but from a famous and old family. The impoverished aristocrats in Vienna became active at once. Leo, the barber of the high class people in Vienna in the Hotel Bristol, was entrusted to convey the news that so much money could be earned if a suitable bride is found for Zog.

Last Easter it looked that everything was O.K. Countess Hanna Mikes, a niece of Count Stephen Bethlen, ex-Premier of Hungary, visited Tirana and the king liked this tall and good-looking woman. But there were difficulties about the conditions...

Then the sisters of Zog came to Vienna and Budapest and helped in the search. They found Countess Geraldine Apponyi who was selling postcards and photos in the Art Gallery in Budapest. She comes from a good family, her grand-father was the Court Chamberlain of Francis Joseph, her uncle was the famous Hungarian statesman Count Albert Apponyi who signed the Trianon treaty for Hungary, and her mother was Miss Gladys Virginia Stuart, from a leading New England family, so I am told. The bride has the permission to spend three months in Vienna or Budapest each year— I dont envy her even with this condition! Tirana, of course, is the most miserable capital in the world and even for a modest Hungarian aristocrat who was used to privation lately it will be difficult to get accustomed to this strange Turkish village...

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