AMBRICAN CONSULATE GENERAL.

Berlin, Germany, September 13, 1933.

MEMORANDAM OF CONVERSATION WITH STAATSSECRETAER DR. FUNK OF THE PROPAGANDA MINISTRY.

I tried for some days to get an appointment with Dr. Gobbels, the Minister of Propaganda, in order to endeavor to settle once and for all the difficulties of the American picture firms in Berlin, the Associated Press G.m.b.M., the New York Times G.m.b.M., and the Keystone Wew Company. In spite of the official assurances of the Ministry of Propaganda, verbally and in writing, that the discrimination against the American picture firms would be stopped, they are constantly made further difficulties. As I could not get an appointment with Dr. Goebbels I saw Staatssecretaer Dr. Funk today. He said that the Minister was sorry he could not see me but was very occupied these days.

I told Stastssocretaer Funk that the situation with regard to the American picture firms was becoming intolerable and that I felt that the Ministry of Propaganda must take mergetic steps to definitely settle the metter as the responsibility after all was that of the Ministry which had turned over to the Verein deutscher Bildberichterstatter the authority to determine what picture firms were to be given permission to take pictures at practically all official ceremonies throughout Germany, and I pointed out that all the departments and municipalities, etc., were guided by the action of the Ministry. The Ministry has turned over its authority in this respect to the Verein, the head of which is the owner of the largest German firm in this business, the "atlantic". I said I did not wish to engage in personalities but that I was, I believed, authoritatively informed that although the American firms were rationed as to permits, not more than one being admitted to one coremony, and while this same retioning was supposed to be applied to all, the photographer of the Atlantic was always present. I said that as long as a practice such as this continued, it was clear that fair-dealing was absent and that the responsibility came back on the Ministry of Propaganda.

I further stated that the American firms and their photographers were not permitted to be members of the Verein, which placed them at a disadvantage, and that this was obvious discrimination. I pointed out that if the Verein were a purely unofficial organization this would not be a serious matter; but that as the powers given to it by the Propaganda Ministry made it practically an official organization, its discriminatory action in practice became official and I must therefore protest

against this action of the Verein. I called attention to the fact that the action of this Verein was not isolated as it had been necessary for the President of the Retail Trade Association to make a declaration appearing in the papers of today, to the effect that foreign and Jewish firms could not be excluded from these associations. I said that I understood that it had been suggested by one of the officers of the Propagenda Ministry that the American firms form their own association but that this we could not accept in principle; and that it account abourd and totally unnecessary as well. It would be ridiculous to have an association of American picture firms when there were only three picture firms which could be members. I pointed out that the obvious solution was for the American firms to be admitted into the one German association and I said that I would advise the American firms against forming such an association. He agreed that it seemed useless to have such a separate organisation and could see no reason why the American firms should not be admitted to the Verein deutscher Bildberichterstatter.

Dr. Funk expressed surprise that the whole question had not been settled. He called attention to the critten assurances which he had given me and to the verbal assurances he had given me later. He said that just recently he had had his referent in about the metter, and that he had been told that the question was settled. I told him the question would never be settled until he or the Minister himself apoke to the President of the Verein and made it clear to him that the American firms must be treated entirely on the same basis as the German firms and that their activities not be disturbed in any way and that they be admitted to the Verein. I said that the patience of the American firms had been remarkable end he could not expect it to be inexhaustible, to which he I called attention to the fact that it was agreed. after all in the interests of the Government that these American firms worked here, as they had branches all over the world and had opportunities to distribute pictures from Germany in a way in which German firms could not possibly do. I said that if he permitted this disloyal competition, etc., to drive the American firms out, there would be a void which the German firms could not fill. He agreed to all this and spoke of the difficulties which they had in putting certain things over, but promised to take final and definite action.

I told him that I was sorry that I had not had an opportunity to talk with the Einister, and one of the reasons I wished to talk with him was to make it clear that as long as certain things were not done here, there would be no possibility of getting good publicity at home. I said that the Einister and the Einistry of Propagenda were always complaining about the unfavorable news in the American and other foreign press. I said that on the

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whole they could congratulate themselves that there was not more unfavorable news. I pointed out, for example, that the German press did not carry any news at all with regard to attacks on foreigners and the desire of the authorities that these should not take place. I pointed out that the call of Gruppenfuehrer Ernst on the Ambassador in the case of the attack on Dr. Mulvihill to express regrets of the Government, had not appeared in the papers here, when on the contrary it would be a very good thing to have such things appear as it would help to stop further trouble. I pointed out what had happened at the Joost trial and asked him what he thought would have been the effect in the United States had the story of that trial appeared, and yet the facts as I gave them to him were in no sense exaggerated. I pointed out that in the case of the two policemen, who witnessed the attack on Bossard and took no action, we had no information that anything had yet been done by the authorities to identify and discipline the policemen. I pointed out that if these policemen were disciplined and severely enough, and the fact published in the papers in Germany, it would do more to stop such things than any orders which were circulated privately among the police or the S.A. I said that if the Minister and his linistry wanted favorable news from Germany, they would have to provide something which would make a favorable impression and that this so far they had not done.

Dr. Funk then said that he thought the sentiment in America was getting better for Germany. I told him I thought he had been very much misinformed because the sentiment so far as I could tell, still seemed most unfavorable and if anything, was getting worse instead of better. He said that he would take up with the Minister and with Hr. Hess, the representative of the Chancellor, the possibility of having certain types of news appear in the German press. He seemed anxious to talk and was umusually friendly and expressed appreciation of the frankness with which I had discussed these matters with him.

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