

564

Vienna, September 7, 1935.

No. 540

Subject: WITH FURTHER REFERENCE TO THE PROGRESS
ON THE NEGOTIATION OF THE DANUBIAN PACTS.

STRICTLY CONFIDENTIAL.

The Honorable

The Secretary of State,
Washington.

Sir:

I have the honor to refer to my strictly confidential despatch No. 336, of August 30, 1935, with regard to progress on the negotiation of the Danubian Pacts, and to report that so far as the Austrian position is concerned there has been no substantial change in this respect.

I had a conversation with the Foreign Minister, Baron Berger-Waldenegg, just before his departure for

Geneva

Geneva on September 4th. He expressed satisfaction, on the whole, with the results of the Little Entente Conference held at Blod on August 28th and 30th. He said that he had studied carefully the communiqué issued after the Conference and considered it satisfactory, having only one observation to make, which was with reference to the question of equality. Even in this respect the Austrian Government did not intend to raise any question, but wished it understood that its attitude was that the question of equality should not be raised in connection with the Danubian Pact or made a condition to the signature thereof. One of the implied considerations in connection with the Pact is that equality of the states entering therein is a natural outgrowth thereof. The Foreign Minister undoubtedly had reference to the removal of restrictions on Austria's right to take such measures as she may see fit towards strengthening her armed forces. He indicated that Austria had no intention to proceed with any unusual measures to strengthen her armed forces, but that it was necessary if Austria has the status of an independent state that she enjoy complete equality of rights with her neighbors in this and other respects.

There were again persistent rumors in the last days of continued conversations between Berlin and Vienna on the question of separate agreement. The Minister stated to me in this respect that there was no change in the situation, that no progress had been made in the conversations between him and the German Minister in Vienna, and that he did not expect any in the near future. From what he said and from what I learned from my more

interested

interested colleagues here, I believe that it may be taken that this situation stands as reported in my despatch No. 336.

I am informed on good authority that the Foreign Minister intends during his stay in Geneva to go into the whole Austrian situation at length with the principal representatives of the Italian, French, and British Governments who will be in Geneva. Anticipating possible, and what now seems probable, further delays in the negotiation of the Peace, due to the Abyssinian situation, the Foreign Minister hopes to get from these three governments adequate reassurances which will enable the Austria Government to maintain its present attitude of refraining from direct negotiation with Berlin. It is his intention, I am reliably informed, after he has had these conversations, to return to Vienna for a brief stay in order to inform his colleagues in the Cabinet, and then again to return to Geneva. These plans of the Foreign Minister are sufficient indication, without further comment, to show what value the Austria Government places on this contact in Geneva and the delicacy of the situation in Austria with respect to direct negotiation with Berlin.

It is interesting to note in this general connection that during my conversation with the Foreign Minister on September 4th, he remarked that during a conversation with the Chancellor that morning he had pointed out that it had never been so important for Austria to maintain her position and to await developments as it was now. I may observe further in this connection that the Foreign Minister and the Vice Chancellor, Prince Starhemberg, are

berg, are two of the strongest and most determined members of the Austrian Government. They believe that the Austrian situation is stronger than it has been at any time since the difficulties with Germany arose, and that the Austrian Government can show no weakness and must follow unswervingly a definite policy of dependence on its present support. While this attitude is that of the Austrian Government as a whole, there are some members of the Cabinet who cannot be depended upon for the same firmness and inflexibility.

It is considered here as extremely fortunate that Austria at this time should have a Foreign Minister of such courage and clarity of vision.

The only development within Austria of interest since forwarding my despatch No. 536 is the fact that the newspaper comment with respect to Germany, which had practically disappeared in the first few days following the communiqué to the press already reported upon, is now again greater in volume and, although very objective and correct, is keeping Austrian opinion informed with respect to developments in Germany. The Austrian press undoubtedly, during the first few days, took this understanding with respect to press comment in a much wider sense than the Austrian Government intended. It has now become clear that the understanding which the Foreign Minister reached with the German Minister here was not intended to be interpreted in the sense that the Austrian papers will not report objectively on happenings in Germany. As the absence of practically all German news for a few days in the Austrian press had given rise to misunderstandings and would have definitely weakened

the position

the position of the Government in Austria in time, the reappearance of German news in the press is considered a healthy and encouraging development.

Although in the conversation with the Foreign Minister he did not touch on that part of the communiqué issued after the Little Entente meeting on August 29th and 30th which refers to the question of restoration in Austria, I gathered the impression that the Austrian Government was not pleased with the important part which this question played at the Bled meeting. The Austrian Government feels that its repeated assurances that restoration is not an actual matter should be accepted as sincere, and that the question of restoration in Austria cannot be made one of the conditions of the conclusion of the Danubian Pact. The Austrian Government believes that insistence by the Little Entente states on a provision with respect to the non-restoration of the Hapsburgs may indefinitely postpone the conclusion of these Pacts and finally bring about the very restoration which the Little Entente states are endeavoring to avoid.

I have good reason to believe that the French and British Ministers in Vienna have in the last few days been endeavoring to impress upon their colleagues of the Little Entente states here that the attitude of their governments on the restoration question may have the effect in time of forcing the very restoration which they do not want and which is not really desired in Austria. It seems that they have pointed out that the Little Entente states, by making their adherence to the Danubian Pact in the present proposed form dependent on specific

Reservations

reservations on the restoration question, may make the conclusion of the Pacte impossible, or draw out the negotiations for such a time that a situation may arise which may force restoration. They have pointed out that the assurances of the Austrian Government that restoration is not an actual matter should be accepted as sincere, as they really represent the attitude of the Government. They pointed out that the circumstances therefore are such that if the Pacte are signed without any expressed reservations, they would nevertheless be entered into by the various states with the implicit understanding that the Austrian Government has no intention of proceeding with restoration, and that the Little Entente states are opposed to it. The conclusion of the Pacte would have the effect of stabilizing the situation and removing all excuse for stimulating the question of restoration in Austria, and remove all cause for the Austrian Government to consider this matter. The Pacte, therefore, would have the definite effect of making restoration even less actual than it is now.

I understand that they have further pointed out that if after the conclusion of the Pacte there should be any tendency on the part of the Austrian Government to proceed in the direction of restoration, then, and then only, would the appropriate moment arrive for the French and British Governments to inform the Austrian Government of the implied understandings under which the Pacte were signed and impress upon it the necessity of Austria maintaining the position before and at their signature.

While

While I am not able to state whether the French and British Ministers have conveyed this point of view to their Little Entente colleagues here under instructions of their governments, it is interesting in this connection to note that I am reliably informed that M. Laval spoke in a similar strain to the Yugoslav Minister President during his recent visit to Paris when he reported to M. Laval on the results of the Bled Conference.

There is at least good reason to believe that both the French and British Governments have been willing to go so far in their assurances to the Little Entente in view of their desire to see the Danubian Facts concluded as soon as may be possible.

The progress on the Facts remains as before dependent on the developments in the Abyssinian question. The question as to how far Austria will go in the matter of separate negotiation with Germany depends, as I have already pointed out in my despatch No. 536, on the progress on these facts and on the conversations which the Austrian Foreign Minister is having in Geneva at present.

Respectfully yours,

GSM/lmp.

George S. Messersmith.

File No. 710