

583.

Vienna, September 27, 1936.

No. 582

SUBJECT: DEVELOPMENTS IN THE AUSTRIAN INTERNAL AND EXTERNAL POSITION.

CONFIDENTIAL

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to refer to my strictly confidential despatch No. 584, of September 20, 1936, and to my telegram No. 68, of September 24, 12 noon, outlining the developments in the Austrian external and internal position, and to transmit the following further information and comment.

I was able to have an informal conversation with the Foreign Minister, Baron Berger-Haldenegg, on September 23,

immediately

immediately before his departure for Geneva that evening.
A memorandum covering this conversation is transmitted herewith. It was quite clear from this conversation that the Minister was in a more optimistic mood with regard to developments in the general situation, but he was quite clear in expressing his belief that hostilities in Abyssinia could not be altogether avoided. No matter what arrangement might be arrived at, the Minister was of the opinion that at least some preliminary successes by Italy were necessary in Abyssinia and in this respect he seems to share the stand point which he says Mr. Laval has on several occasions expressed to him.

As is brought out in the memorandum, the Minister showed the definite concern of the Austrian Government with respect to the possibility of its being faced with a situation requiring some decisions on its part. He seemed to view with satisfaction the increasing evidences of French-English accord, particularly with respect to the maintenance of the status quo in Southeastern Europe. He made, however, the significant remark that he hoped very much that whatever England and France did or said would be done in accord with and in consultation with Austria. He was not clear about this point and did not go into detail, but was quite emphatic and indirectly expressed the concern of the Austrian Government over its Italian commitments.

One of the most interesting developments in the situation this week which is viewed with considerable concern in various quarters in Austria is the announcement that Goebbels

has gone

has gone to Germany to participate in a shooting party being given by Goering in which several Polish officials of importance are also participating. When I talked with the Foreign Minister on September 23, he remarked that he had heard that Goenboes was going on this shooting party at Goering's invitation and he was sufficiently interested to telephone that afternoon to the Hungarian Foreign Minister in order to learn if Goenboes was going. The Austrian press two days later carried the announcement that Goenboes was going, accompanied by Baron Bessegyi, of the Hungarian Foreign Office. At the same time the press carried what seemed to be authentic reports of Polish participation in the hunt. The Austrian press of today comments quite fully on this visit and points out that it is of significance that a representative of the Foreign Office should accompany Goenboes on this visit. The Vienna press also carries comment today from Berlin indicating that the visit is given more than ordinary significance there.

I know that in Heimwehr quarters in Vienna the visit of Goenboes to Berlin is causing considerable interest and concern. This is probably due to the knowledge here that the German Minister in Vienna has for months been propagating the idea of the division of Czechoslovakia through which Hungary would be given Slovakia. Poland has been keeping the Teschen situation alive and the Henlein party in Czechoslovakia has been particularly active recently. As there is undoubtedly close contact between the Austrian and Hungarian Governments, the Austrian Government at least is

fairly

Fairly well informed with regard to the various influences which are at work in Budapest, and the prominent position given to the German observers during the recent Hungarian maneuvers, together with the visit of Goebbels to Berlin at this time, have given it cause for concern.

The press comments in Vienna, Budapest, and Berlin on the Goebbels visit bring out that a trip of Goebbels to Berlin has been contemplated for some time. It is not unlikely, however, that the visit has a real significance at this time, particularly as the bulletins now all indicate that Goebbels is to talk with Chancellor Hitler during his stay in Berlin.

There has been no material change in the Austrian internal situation since the forwarding of my despatch No. 654, under reference. There is undoubtedly, however, increased Socialist and National Socialist activity which has shown itself so far mainly through the re-appearance of prohibited pamphlets and leaflets. It would be difficult to express an opinion yet as to whether this has any significance. In the weekly notes which are being transmitted to the Department is reported the first case since July of last year, of the sending of bombs through the mails to the Austrian officials, and it seems definitely established that it was the work of National Socialists who have fled to Germany.

I have endeavored in my recent despatches to bring out the difficulty and the delicacy of the position in which the Austrian Government finds itself. As I have already reported, no decisions have been made by it as yet and it is definitely

following

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following a policy of watchful waiting. The Italian pressure on the Austrian Government has undoubtedly been strong and, as I reported in my telegram of September 24, 12 noon, the Italian Minister here endeavored to get assurances from the Foreign Minister that if Italy left the League Austria would follow. Immediately after this demarche the French Minister, who learned of this Italian action, took occasion to point out to the Foreign Minister the importance of Austria's not taking such action. The Austrian Government has reached no decision on this point, and is hoping that it will not be faced by this question. The difficulty of the Austrian position in this respect is realized in both Paris and London. As stated before, the only definite thing which can be said at this time in this respect is that the decision of the Austrian Government, if it comes to a decision, will be determined entirely by the assurances which it has from England and France and the developments in the general situation.

Due to pressure from Italian quarters the press comment in all of the Austrian press had strongly favored the Italian position on Abyssinia and with respect to the League. There has been a marked change in this respect during the past ten days and the comment of the press has, on the whole, been very much more restrained and showing a decidedly greater appreciation of the English-French position.

On the return of the Foreign Minister from Geneva I shall transmit to the Department such official impressions which he may be able to get which may be of interest.

Respectfully yours,

George S. Messerliith.

Enclosure:

1. Memorandum of September 24, 1936.