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Vienna, July 5, 1934.

Charles Colored of

Dear Mr. Phillips:

In my despatch No. 41, of July 3, I am giving the Department a brief statement of the reaction in Austria so far to the recent events in Germany. Perhaps because of my intimate knowledge of certain of the individuals figuring in these events, it will not be out of the way and be of interest to you to have some of the sidelights which I can throw on the happenings, as well as my own reactions and interpretation, for what they may be worth. I do not wish in any sense to transgress on the field of Ambassador Dodd, for I am sure that he and Jack White and Geist are giving you a complete picture. I knew so many of these men so well and over so long a period that perhaps what I may say may be of some help.

In spite of the official communiqués and statements of the German Government to the effect that Hitler's action was caused by the existence of a plot on the part of Roehm and Schleicher, the weight of the facts available is on the side that it was a coup by Hitler, Göring and Goebbels to save the Party and their own situation. That the army has been considering the advisability of its taking a hand eventually to put in a conservative and reasonable régime is, I think, unquestionable. In my last letter I mentioned a meeting of important Reichswehr officers to consider ways and means. They did not, however, contemplate any action for the present and felt that the crisis would come in the early fall or perhaps a bit later, when the prestige of Hitler would have been so undermined by the economic stress and other factors that the time would be ripe for a new régime. Then, too, it is quite clear and has been for some time, as I have pointed out in my letters, that the power had

The Honorable
William Phillips,
Under Secretary of State,
Washington, D. C.

passed from Hitler and the primary leaders, if they ever had it, to the secondary leaders, who for the most part are in or with the S. A. It has been clear for several months that the dissensions in the Party were serious and approaching a point where they might be disastrous.

In spite of his own convictions on the political. social and economic aspects of the party program remaining unchanged. Hitler has for the last four months been definitely convinced that if they continued along the line they were going, they were lost. He has been trying to find a way out and endeavoring to bring the secondary leaders who were in control into line, but found this was hopeless. He knew that Goebbels and Roehm and the majority of the S. A. Führer were against him in a change in policy, even for the time being. For this reason, he considered the steps tending towards the gradual dissolution of the S. A. which were to begin with the holiday for one month starting July 1. Rochm realized that this holiday was the beginning of the end of the S. A. and himself, and I have it on good authority that on the 28th or 29th he saw Hitler and they had a stormy scene, as the result of Roehm's endeavor to have him modify the order for the S. A. holiday, which Hitler refused to do. While Roehm showed certain opposition for the first time to Hitler's orders or wishes, it is questionable whether he actually planned a revolt. I am informed that he and Ernst and Heines did agree that they would endeavor to bring pressure to bear on Hitler to change the order. Hitler learned of this agreement and knew that he could not withstand that pressure if actually brought to bear. He realized that if it came to an actual show of strength between him and Roehm and his associates, it would give the best excuse in the world for the Reichswehr and the conservative elements to take hold of the situation and to eliminate the whole National Socialist movement at once.

Hitler chose the lesser evil of striking before anyone had a chance, and did it in a dramatic way. Once his decision was made, which was undoubtedly arrived at with the agreement of Göring, Blomberg and Goebbels, he struck in a brutal way. As I have always indicated, Hitler is in reality a believer in terror as the means of controlling the masses, and there is

no brutality which he himself will not sanction to gain There is too much of a tendency recently to endow him with qualities which he does not possess. and he is capable of committing the same cruelties and barbarities as Heines, as has been shown by the way in which he carried through this coup. When he acted, he must be granted from his point of view the wisdom of having struck towards the right as well as towards the left. When I say the left, I do not mean that Roehm and his associates were really in a plot to take over the government, but it is unquestionably true that with Goebbels they formed the left wing of the Party. The execution of Heines and Ernst and Roehm and the rest deprived the S. A. of its leaders, and the occupying of the S. A. headquarters paralyzed resistance by the S. A., if they were inclined towards it.

At the same time the murder of Schleicher, for it seems it was nothing else than murder, appears to have been deliberately planned to stop action by the Reichswehr. I think I told you in my last letter that Brüning had left Germany for England the day after my own departure from Germany, as his friends felt that his life was no longer safe. He and Schleicher were popularly considered as the persons around whom the conservative reaction would gather. Events have shown that the fears of Bruning's friends were not unfounded, as it is not unlikely he would have met the fate of General and Mrs. Schleicher. That Papen was to be arrested and probably executied is pretty clear, and all that has saved him, I am told, is the intervention of Hindenburg, who, as you know, considers him as a son. Von Bose and another of Papen's secretaries are said to have committed suicide, but it seems quite clear that they were shot when Papen's desk and office were rifled. Von Bose's body is said to have been riddled with bullets. I knew him well, and he was one of the finest Germans I had contact with. The murder of Schleicher was apparently intended to intimidate the officers of the Reichswehr. The arrest of Papen and the murder of his associates was a warning to Hugenberg and to the industrialists. The murder of Klausner, whose important position in Catholic circles you know, was the warning to the Church. The execution of Gregor Strasser was apparently intended to intimidate the intellectuals and middle classes.

The attempts in the official communiqués to link Schleicher and Roehm are given no credence in well informed circles, and the newspapermen in Berlin and elsewhere who were familiar with the details of the whole situation preceding the coup and with the personalities of the men, realized that there could be no communion of interest between them. Schleicher was never popular in the Reichswehr, for he was a political general and had made his way through his cleverness and through intrigue rather than by real worth as a soldier. He was, however, a man of certain qualities, and I cannot conceive of him having anything to do with Roehm. Similarly the bringing in of a "foreign power" with which Roehm and Schleicher are supposed to have been in contact and which, of course, was intended to imply France, was most probably one of the clever ideas of Goebbels, who is one of the most fiendishly resourceful persons history has known. It is just the sort of thing that he would invent to try to bring the barbarous coup in as favorable a light as possible before the German people.

It is rather strange to find Göring and Goebbels together in support of Hitler, for, as you know, they cordially dislike each other, and Göring has to me spoken of Goebbels as a "worm". Goebbels is a thoroughly unreliable person in every way, and he undoubtedly was with Roehm and his associates so far as agreement with them is concerned about the S. A. holiday and in their insistence on the radical side of the party program, but Goebbels is intelligent and he knew that they were rapidly going on the rocks, so that the only way to save his position was to side with Hitler. Goring is a soldier, and in spite of his capacity for brutalities is the most reasonable of the primary leaders of the Party. He loves his position and is beset with the fear that even if he would help to bring in the conservative government which he would probably rather see, he might be eliminated soon afterwards. I believe, therefore, that Goring, while he is with Hitler for the present, will eventually be with a Reichswehr movement to the right, if such a movement has chance of success.

The part which Blomberg has played so far is a sorry one. As Minister of War he is not commander-inchief of the Reichswehr. As I have indicated in my letters, Blomberg has no sympathy with most of the

political or with any of the social and economic aims of Hitler, but has a certain attachment for him. Blomberg is, I understand, the only outstanding person in the Reichswehr who has this attachment for Hitler. had been told on very good authority that Blomberg was in sympathy with the use of the Reichswehr to bring in a conservative government eventually, but that he was insisting that Hitler should remain in such a government as chancellor. The other Reichswehr generals have not been in agreement with this, for they have felt that the reaction should be delayed until the prestige of Hitler was sufficiently reduced to carry through without him. They have this attitude, I am told, because they feel that Hitler would be too heavy a burden for any government to carry which could really bring Germany out of its difficulties.

That the whole action was a coup on the part of Hitler to maintain his position is quite apparent if one studies the events of the two days in their chronological order and if one reads the communiqués and statements of the Government and of the various leaders in the order in which they were made. I cannot go into this in detail, in order not to unduly prolong this letter, but I think future developments will show that there was no real plot, but that Hitler decided to strike to right and left to maintain his position. This is particularly clear if one reads carefully the statement which Göring made to the foreign correspondents.

What is now going to happen in Germany is the serious question, rather than what has happened, for too much significance cannot be placed on what has happened. The real significance of these memorable two days is to show the world what barbarities National Socialism is capable of. If anyone doubted how the S. A. had handled Germans and foreigners and if anyone doubted the atrocity accounts which did get into the foreign press, then certainly the official statements of the German Government and the actions of Hitler himself during these two days should show that these accounts were correct. I who have seen innocent persons with their backs raw from the whip and have seen an American almost certainly disabled permanently because of the S. A. men trampling on him, am not surprised at

the summary executions which took place in the last days. After all, one cannot call them executions, for they were plain murders. When I remember the cruelties of Ernst and my conversations with him, I can feel no regret at his passing, for he was literally bathed in blood, but on the other hand, if this Government has any pretence of being a civilized one, there was time for courts martial or some legal form. The point I am trying to make is that Hitler and Goring and Goebbels. who remain in control of the Government, are guilty of the same cruelties and barbarities with which they charge the ones whom they have murdered. I find those who speak of the courage which Hitler showed, of his decision, etc., but these people who acclaim him for his courage and decision forget that these very men have been Hitler's associates for years, that they brought him into power, that he approved of their acts and that he has been fully cognizant of their sexual and other perversions. What the two days of the new terror, therefore, have shown us is what National Socialism and its leaders really are, those who have gone and those who remain. When one speaks of the cleansing of the Party, it can be considered only a very partial one, for the really dangerous elements, such as Goebbels and Frick and Ley and Darré and Rosenberg still remain. One cannot think of Neurath, Schmidt. Schacht and those others of that type in the Government as Mational Socialists, for they are completely out of sympathy in reality with all it stands for.

The important consideration, therefore, is not so much what has happened, but what is to come. We are faced by the same men, by the same policies, by a situation which has in no sense undergone any fundamental change. There is the same irresponsible leadership, which has merely shown us to what lengths it can go to maintain its hold on a decent and, on the whole, still right-thinking people. I do not see how our policy or that of the rest of the world towards Germany can change. What has happened can only strengthen us in our attitude of refraining from giving any moral or material support whatever. The so-called cleansed government will no more be able to solve Germany's problems than the form it presented a few days ago. The situation within the country is bound to continue to go from bad to worse unless help from the outside is given. The German people

will have to find their salvation through great misery. and the probabilities are now stronger than ever that the next phase will be a conservative government put in by the Reichswehr, with complete elimination of the National Socialist elements. I am informed that the S. A. uniform which one saw everywhere has now completely disappeared from the streets. What was yesterday the salvation of the world is today so bad that it has to be hidden in a dark cupboard. Hitler without the S. A. has only left the popular support which he still finds in the masses. The trials to which the German people will be subjected through the accumulating economic and financial troubles must bring the situation to a head, and Blomberg's personal support of Hitler is not strong enough to withstand the practically united front of the rest of the generals in the Reichswehr. When the second phase comes, the chances are still that Goring with the police and the S. S. will be with the Reichswehr in the establishment of a conservative government. Communism will not be the alternative in my opinion, unless the new conservative government fails, and this is why I believe that when that new government comes, we must then give it the support which it will need in various ways. Until that new government comes. I hope we will maintain our attitude of complete alcofness, for it is the best way we have to help Germany and the rest of the world and ourselves.

I hope you will not think I have transgressed beyond my field in writing you so frankly about the German situation. I know these people so well and I find that nothing has changed, except that they have shown more clearly to the world what they really are. I told Ernst six months ago that he was a poor patriot and that all he was going to get out of this was to be set up against a wall. I told Göring in March, 1933, that he would bring the country to economic and financial distress as bad as that following a war. I know that no dependence can be placed on these men, for they believe in ways of doing things which are entirely foreign to our way of thinking. They deal in duplicity, brutality and mendacity, and have so little knowledge of the rest of the world that they believe they can get away with it. Better that Germany should be further prostrated before these men and finally get rid of them,

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than that we should help her now and thus simply aid these people to fasten themselves on the country and do infinite harm to Europe and the whole world. There is no way one can deal with them. The only way to health lies in their complete removal. I have felt · that I should say this once more, because my contact with these men was so intimate that I have no illusions. The tendency to endow Hitler and some of his associates with qualities which they do not have is understandable on the part of the people who do not think, but those who are in control of policy will be guided by the facts. It is just like the constant comparisons which people are drawing between National Socialism in Germany and Fascism in Italy, and between Hitler and Mussolini. Real parallels, except of the most superficial kind, do not exist. Between the two men there is no comparison, for after all Mussolini is virile, intelligent, penetrating and open to conviction, while Hitler has all the weaknesses and temper and cruelty of a weak man, and who since the time he was a humble house-painter has practically learned nothing, through his inability to listen to or advise with others.

I am sending you herewith a copy of a letter which I wrote some days ago to Ambassador Dodd, which may have in it several paragraphs of interest, which I have marked. I have inflicted a very long letter on you, but I hope that it may have something in it of interest.

Cordially and faithfully yours,

Enclosure: Copy of letter.