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Parliamentary selection both countries

Vienna, January 28, 1935.

The NEUE FREIE PRESSE in the edition of January 25 stated that rumors were current, particularly outside of Austria, that Dr. von Rintelen and former Police Chief Steinhäusl had been released and the proceedings dropped. According to the TAGBLATT it was rumored that Rintelen had gone abroad or was in a sanatorium in Austria. Both newspapers now state that they are informed by competent source that they remain under detention on the charge of high treason. Due to the developments in the trials of the July putschists in which reference was made again and again to both of them, new investigations were made necessary which must be conducted, so that the criminal investigation against both will not be concluded in the near future.

These rumors undoubtedly came from National Socialist sources with the intention of giving better background for the increased efforts which are being made to build up the Nazi organization.

The REICHSPPOST of January 26 carries the following item under a Berlin date line of January 25:

"The official Deutsche Nachrichten Buro states: 'Foreign papers published the report that former Landesinspektor Habicht has again become provincial leader for Austria. We learn from a competent source that this report is incorrect. It is probably due to the fact that in the Führerkalender for 1935 Habicht is still listed as Provincial Leader for Austria because such calendars are printed several months before they are published and this page of the previous calendar was printed without previous examination'".

The editorial office of the REICHSPPOST comments that this handbook for which definite high officers of the Reich Ministry of the Interior are responsible, and which lists all important Party departments and functionaries, has always been up to date. For instance, Bruckner who was deposed only some weeks ago is no longer to be found in the list of Prussian State Councillors.

The publication of Habicht's name in this book is significant as it is an indication that from the Party point of view in Germany he has never been officially deposed from his position.

According to important publications in the TELEGRAPH of January 23, the correspondence from Austrian legionnaires in Germany shows that since the Saar vote new agglomerations are being brought together in the former barracks of the Legion in Bavaria which for some months remained practically empty. According to the information coming in, this movement has gathered some proportions.

The TELEGRAPH of January 26 carries a report from Paris that French opinion is much disturbed over the new wave of propaganda in Germany directed against Austria. Calling attention to Prince Starhemberg's speech of January 24, it says that the deciding factor in the struggle for Austria's independence is the increased

determination in Austria to resist the coordination movement from Germany. It emphasized the rapid conclusion of the agreements foreseen in Rome as an absolute necessity in view of this new agitation.

The TELEGRAPH of January 28 calls attention to the increased English pressure on Berlin and to Wickham Steed's statement a few days ago in Paris that not since the end of the war had England and France been so close together. "The English point of view has again come closer to the French security thesis. London has agreed with the conversations which Laval had in Geneva with the representatives of the Soviet Union, the Little Entente, and the Balkan Union in which he promised that there would be no recognition of the German rearmament as long as the Eastern and Danubian Pacts are not completed. The newspapers state that England has made a new proposal according to which France and England would enter the armament conversations with the following declaration - the two States are determined to follow a policy of peace in Europe, with Germany if she agrees, but also without Germany if she tries to slip out of clear and righteous offers."

The time has come when there must be a resumé of the situation which Europe has to face in case Germany refuses to come into the pacts considered in Rome.

Who will be her allies?

If Goering's visit to Warsaw in response to an official invitation for a hunting trip and the attack of Pertinax against Beck on the same day that the invitation was announced, and the TEMPS article of about the same date that it was useless to hide the fact that the relations between the Poles and the French are not what they were at the end of the war, are considered in connection with less obvious, but just as important developments, then there is reason to believe that Poland has practically made her decision to stand by Germany. Pertinax has well pointed out that Poland has left only one point out of consideration and that is that that the German promises of increased territory will probably not be kept. The recent attitude of Titulescu has made the Rumanian position more doubtful. The probabilities are, however, that if the London-Paris front is maintained, Rumania will remain at least openly neutral or make it appear that she is outside of the German camp. The recent German efforts in Scandinavia have apparently failed. Germany remains therefore isolated except for one ally, Poland, behind whom a very big question mark must still be placed.

What strength must be counted for in the new Germany?

This has to be considered under the point of view of political, military, financial, industrial, and social strength.

A. Political. Isolated and with only Poland as a possible ally and with the whole of Europe and the rest of the world, except Japan, distrustful, and with a complete lack of confidence in Nazi political doctrine and ideology, Germany's political strength is at a low ebb, particularly if one considers that at the same time the rest of Europe looks on the Hitler regime as weakening. Internally, however, great progress has been made in destroying the

former provincial organizations and the way is practically ready for dividing Germany into 20 departments numbering from 3 to 4 million inhabitants each and this will greatly strengthen internal German organization. It will decrease the cost of Government, strengthen the hold of Berlin, and in many respects this is the principal work which history will probably say National Socialism has done. I can remember hearing impassioned speeches by men like Luther who felt that nothing but a miracle could ever rid Germany of its internal organizations inherited from pre-Empire days and it required a cataclysm of Naziism which has made this possible. Germany will hereafter have to be reckoned with as a much more closely organized country and her position internally is in this sense immeasurably greater than before.

b. Militarily, Germany is almost as strong as before the war so far as trained men are concerned. The Reichswehr's treaty limitation of 100,000 has long been passed. The reorganization plans of the S.S. will mean bringing considerable men from those ranks into the Reichswehr. The S.A. will rapidly develop into an organization similar to our National Guard at home, and will comprise about 3,000,000 men easily. From the point of view of armament, I will not go into this as the Department has better information than I can give.

c. Financially the position is weak internally and externally and I will elaborate on this.

d. Industrially there is much disorganization which will rapidly disappear under a new regime, but the individual organization and equipment is superior to that anywhere else in Europe outside of Germany.

e. Socially, very great disorganization on the one hand, but certainly a new spirit. Naziism has lifted the Germans out of a moral depression. Among the youth it has cultivated a spirit which is tremendously dangerous unless the instructions in the schools is changed. Even though the Catholic and Protestant churches are resisting definitely coordination processes, the Nazis have sown the seed of a new faith in Germany which will have much appeal and which may eventually become a grave danger. The labor organizations have been shattered and it will be difficult to rebuild them so that the German worker will ~~xxxx~~ for years be much more at the mercy of the employer.

If the regime remains in power and Germany becomes an isolated sore spot in Europe, on one can reckon on the consequences finally for this would mean that the control over public opinion forming means would continue and no people can resist this definitely. Even though the population will not increase, due to a probable lower standard of living under such isolation, the already 65 millions will become a tremendous danger. Europe will have to remain an armed camp constantly threatened by this dangerous island in the center and the front will be difficult to maintain, due to what will be the undoubted effect of German efforts here and there, particularly in Southeastern Europe.

Whatever happens therefore, Germany is a danger to Europe unless she joins the concert of powers and a reasonable regime comes into power. Unless these two things come about, there will be no question as to the ultimate result, which is war, more devastating than the last one.