1333
copy!

MEMORANDUM

Brussels, April 4, 1940.

Since my last memorandum of March 28th there were slight changes in the situation in these parts of the world. First, there is more evidence that the Brenner meeting proved to be a complete failure for Germany, and there are signs that the leaders of Germany start to feel the desperate nature of their situation. In my last memorandum I maintained that I do not believe that an attack in the West will come from the German side because of the shortage of raw materials, but I must qualify this statement insofar that if the Germans would see that it is all up, they may do a last desperate attack and go down fighting. While some people believe that the failure of the expected American peace move has brought this despair nearer to the German leaders, I don't quite share this view. The threats of Goering that the next move will be on the Western front I still class amongst the well-known German war of nerves threats which they were uttering ever since last October when they in turn threatened the world by a "carnage" on the Western front, or to destroy England's sea power.

Nevertheless, the situation has changed rapidly in the disfavor of Germany, and the new allied pressure on the neutrals may force Germany to some action, and so at least to make a new "alerte" (Threat of attack) against one of the neutral countries or feign an attack on the Maginot line.

The end of the Finnish war seemed to have assured Germany an overwhelming diplomatic success. But greedy Ribbentrop was not satisfied by it, and intended to have a new success. And thus the Brenner meeting was arranged. Whitaker's telegram from March 9th explained cleverly Italy's position (he stated that Mussolini was playing the axis game to counteract the strongly growing anti-Germany and pro-ally sentiment in Italy). Events seem to have confirmed this interpretation. Naturally Mussolini cannot commit himself to the Allied side because with

this

this he limits in advance his "revendications" (claims) which he intends to raise at the future peace conference table. But the Brenner was a complete failure from the German point of view. The Belgian Ambassador in Rome brought the news that the meeting of Hitler and Mussolini lasted exactly fifteen minutes and after that period the Duce walked into another part of the train, leaving Hitler and Ribbentrop with his son-in-law Count Galeazzo Ciano. This was repaying Ribbentrop's rudeness to his son-in-law in Salzburg last year. The German plan of a bluff of a three-cornered Moscow-Berlin-Rome agreement was a complete flop, and caused that both Italy and Russia took a more reserved attitude. Italy's malice against Germany's plan came to the surface in Gayda's famous article in which he stated that Italy was still adhering to the original four-power pact plan - that is, the isolation of Russia. While undoubtedly Germany ultimately aims the same, the blurting out of this fact has caused further difficulties in Russo-German relations. Russia strongly suspects Germany and this we can see from the following: 1. Molotoff's recent speech (end of March), 2. the sudden reinforcement of garrisons in Estonia and Latvia on behalf of Soviet-Russia, 3. the feverish construction of fortifications on the German-Russian frontier.

Yet Germany's, or let's say correctly, the plans of a section of the German leaders, to turn suddenly against Russia could make no further progress. This is due partly to the allied pressure in Norway (I wrote that this turning-round was only possible if the peace is assured on both flanks of Germany) and by the fact that suddenly both France and England showed a little inclination to break their relations with Soviet-Russia.

This leaves Germany high and dry and pretty well isolated. In their despair the Ribbentropites dragged out the Warsaw documents and tried to add one more enemy to their ranks of adversaries by attacking the U.S. diplomats. I believe it was a stupid move on behalf of Ribbentrop, especially because only two weeks ago Hitler was praising Roosevelt and the German

press

1333
copy 1

press suddenly turned round quite in favor of the U.S. Now they have jeopardised even this.

The difficulties of Germany concerning the gasoline and ironore supplies are only increasing, and reports reached me that more and more engineering works had to be closed down because the inability to obtain pig iron, steel or metals.

Concerning oil and gasoline the Danube is the last hope of the Germans, but I would not be surprised if suddenly the British would stop the oil shipments on the Danube. After all, the Danube is extremely vulnerable. A larger barge sunk in the Iron Gates or in one of the wide but shallow reaches of the Danube could close up the navigation channel for weeks. And Balkanite captains are always available for money to do such acts of sabotage.

Supplies from Russia will hardly be reaching Germany this year. Supplies from the Dutch East Indies which the Germans try now to smuggle into their country via Vladivostok will take months and months to reach Germany. And I doubt that the Russians will hasten these supplies through the Transsiberian railroads.

The next weeks, however, will be very critical. If the Allies will put on the pressure on the neutral neighbors of Germany to cut off supplies from the Reich, Germany, by the nature of the regime, is bound to retaliate. Germany probably will then demand from Holland, Belgium, Switzerland and the Scandinavian countries to cut off all trade with Britain and France. And to attain this aim (which I doubt that she can attain) she probably will have to put on some military pressure on these neutrals. For this reason a new "alerte", such as we experienced on November 11th in Holland and on January 13th in Belgium, may be coming once more, though even an alerte means that considerable quantities of gasoline have to be used up. But on the other hand such a move may help to bring to their senses the German troops whose "indiscipline" is causing much headache to German generals. It is no real indiscipline, but this never existed before that German soldiers dared to complain and grumble aloud. And this frightens the German generals.