MEMORANDUM OF CONVERSATION

March 13, 1956

SUBJECT: Free Europe Committee Balloon Leaflet Operations

PARTICIPANTS: Deputy Under Secretary Robert Murphy; Director, Office of German Affairs, Jacques J. Reinstein; Director, Office of Eastern European Affairs, Francis B. Stevens; Charles E. Hulick, Jr., U/OP; Ambassador of the German Federal Republic, Heinz Krekeler; Counselor of Embassy, Rolf F. Pauls; Secretary of Embassy, Mr. Turnwald; President of the Free Europe Committee (FEC), Whitney Shepardson; Chairman of the Executive Committee, Board of Directors of FEC, Arthur Page; Member of FEC Board of Directors, John Hughes.

COPIES TO: The Secretary, P - Mr. MacKnight; G - Mr. Murphy; AV - Mr. Snowdon; GER - Mr. Reinstein; L - Mr. Phlegar; EUR - Mr. Beam; UNP - Mr. Bond; BE - Mr. Stevens; American Embassy, Bonn; R - Mr. Farnas; AmGondgen, Munich.

At 4:00 p.m. on March 13, at the request of Ambassador Krekeler, a meeting was held in Mr. Murphy's office, between the ambassador and the above-listed officials of the Free Europe Committee (FEC) to discuss the question of FEC balloon leaflet operations.

Ambassador Krekeler began the exchange of views by stating that few countries are more directly threatened by Communism than the Federal Republic with the Iron Curtain cutting right through the middle of his country. His Government has demonstrated its determination to fight Communism and its desire to push Soviet influence back within its own frontiers. He stated he was a great admirer of the manner in which private individuals in this country can get together and expend the effort to create a private organization such as the FEC to do things Governments cannot do to fight the expansion of Communism. It was within this spirit that he was presenting the case of his Government with respect to the FEC balloon leaflet operations.

As his first point, Ambassador Krekeler noted that in the US Government's reply to the Soviet protest over balloons, it had made a clear distinction between the meteorological and FEC leaflet balloon operations. With respect to the former the US Government assumed responsibility and complied immediately with the Soviet demand to cease launching of meteorological balloons.
balloons over USSR territory. In the case of the latter, the US Government disclaimed all responsibility, direct or indirect. This placed full responsibility upon the Government of the Federal Republic from whose territory FEC was conducting its balloon leaflet activities. Under international law the Federal Republic could not escape direct responsibility, since FEC, while private in nature, was a foreign organization requiring explicit authorization from the Federal Republic to operate from its territory. He pointed out that in the case of indigenous private German organizations the Federal Republic could take the same position as the US, namely, that under its democratic system, the Government was not in a position to interfere with the exercise by its private citizens or organizations of freedoms guaranteed them under the constitution. Unfortunately, Radio Free Europe (RFE) was an American and not a German organization.

The Ambassador then reviewed the nature of the Federal Republic's reply to the Soviet note of protest, noting that his Government denied that any balloons aiming at the distribution of political and other propaganda in the Soviet Union have been launched from territory of the Federal Republic. He reviewed the four major reasons why his Government believed, however, that the best course of action would be for FEC to consent to terminate its balloon operations within a month. He stressed the position of Berlin and the Soviet and East German threats of retaliation in the air corridors and the danger that continuation of balloon operations would lead to public discussion and parliamentary debate over the issue which would be critical of the Government and force it to retreat under pressure.

With respect to Berlin the Ambassador stressed that Berlin was a valuable outpost behind the enemy's lines; that the fate of Berlin and importance of maintaining this outpost in tact is the preponderant consideration of his Government. In his opinion the effectiveness of balloon leaflets could not be compared with the influence Berlin, as an outpost behind the lines, could over time bring to bear on the Soviets. The Ambassador stated it was his personal conviction that if Berlin could be kept in tact as it is today, the Soviets would eventually be forced to reconsider their position and agree to reunification of Germany, in order to remove the harmful influence of a Western democratic bastion in the midst of its present area of control. He expressed his belief that any action such as the balloon leaflets that risked forms of Soviet retaliation harmful to the welfare of Berlin inhabitants and capable of causing heated public debate in Germany could not be justified.

The Ambassador concluded his opening remarks by stating that one must weigh all the factors, including those put forward by Mr. Murphy in previous discussions, but that whatever our final decision, it was of paramount importance that the decision must be one we would be able to stick to and from which there would be no danger of being forced to retreat, due to outside and/or domestic pressures.

With respect to the importance of Berlin, Mr. Murphy emphasized once more to Ambassador Krekeler that no one could be more aware of this factor than the United States.
United States, which had saved it once with the airlift and since that time had been making substantial financial investments in Berlin to insure that it prospered and remained an influential bastion of democracy.

Mr. Murphy questioned whether relevancy to the concern of the Soviets over FEC leaflet balloons and the question of German reunification. He stated that we were all familiar enough now with Soviet tactics to realize that it would be completely illusory to think that a concession by the Federal Republic to the Soviets on the question of balloons would have any beneficial effect whatsoever, under present circumstances, on the Soviet position with respect to reunification. Ambassador Krekel agreed that this was probably so.

Mr. Murphy pressed Ambassador Krekel for more specific illustration of the danger of German public opinion demanding cessation of balloon operations. He indicated our unawareness of any growing expression of public opinion against the operations. He pointed out that surely the Federal Government was in a position to inform and influence public opinion, if as a matter of policy, it believed in the usefulness of the balloon leaflets and perceived disadvantages to acquiescing to Soviet pressure over an operation which did not directly affect it.

Ambassador Krekel responded by saying that in the case of RFE's radio station the Government had done this and had defended RFE. He thought, however, there were limits as to the extent to which one could be successful. He commented that unfortunately there had been vigorous attacks against RFE, not the station itself, but its policies and charges of impropriety on part of the Government granting a license to RFE without insuring that the policies of the station were in perfect harmony with those of the Federal Republic. He referred to the past interpellations in the Bavarian Landtag and in the Federal Bundestag where RFE policies had come under attack and criticism was leveled at the Government to illustrate that the Government couldn't prevent the issue from being aired publicly.

Mr. Murphy responded by explaining that in the case of the balloon leaflets he thought public discussion would be beneficial; that it need not be harmful for it was a good cause and a good case, not a bad one, which the Government would be explaining and defending.

The Ambassador replied that the center of debate would be on whether it was technically legal and tactically the right thing to do, especially when the other side charges illegality, dangers to air traffic and threatens retaliation in the air corridors, as did President Dieckmann of the Soviet Zone Volkskammer.

Mr. Murphy stated that we had lived through many similar threats and that he doubted whether the Soviets were prepared to resort to serious interference in the air corridors over operations which did not directly affect the territory of the USSR.
Mr. Page of FEC then outlined for Ambassador Kreckeler a major concern of the FEC Board. He explained that the Crusade for Freedom, which solicited funds for FEC from private Americans, had made the FEC balloon operations this year a major part of its advertising campaign throughout the United States. He mentioned that 50,000 newboys, Rotary Clubs, etc., throughout the U.S.A., and the National Advertising Council, through radio, TV and newspapers, were distributing literature and pictures of the balloon operations as a major breach of the communist barriers to free communications achieved by the Free Europe Committee. He stated that, if these operations were suddenly stopped under Soviet pressure, it would be very difficult to explain to the American public. He thought it would be embarrassing not only for the Crusade and FEC, but also for both Governments. An explanation would have to be forthcoming and in the end it would inevitably be bailed down by the press to the conclusion that it was stopped at the request of the Federal Government. He thought this would lead to criticism of the Federal Republic of going soft on Communism and public questioning of whether all our help to Germany, including gifts such as the people's gift of the Freedom Bell to Berlin, was justified. Mr. Page emphasized that he was not justifying such a reaction, but simply stating his conviction that it was bound to occur; and that he did not know what one could do to counteract it. He stated that, if this did happen, which he hoped would not be the case, FEC would surely wish to consult not only the US Government, but also the Federal Republic, through the Ambassador, for advice as to what it might do to elevate the situation.

Ambassador Kreckeler said that while he appreciated this problem, he could not agree with all the conclusions of Mr. Page. He said that we are in a cold war with tactical moves and shifts being made by both sides. He felt the opinion of the uncommitted countries was also an important factor. He thought the fact would be appreciated that the Federal Republic had, after all, given RFE a license to operate a radio station; that this license did not cover balloon leaflet operations; and that in granting RFE a license the Federal Republic had done something no other Government would do. The Congress of the United States, under similar circumstances, would never be prepared to sanction such action.

Mr. Murphy challenged the Ambassador as to the position of the US Congress. He believed the Ambassador's position was not necessarily true; and that it was quite conceivable, under similar circumstances, Congress might well be prepared to do the same thing.

Mr. Murphy asked whether the Ambassador had evidence that the so-called uncommitted countries were critical of the Federal Republic's sanction of FEC balloon leaflet operations and, if so, what countries. Ambassador Kreckeler replied that his own Government feared this would be the case in Asia; India, for example, due to the hazard to air safety factor. He thought we must reckon with the possibility of the Soviets deliberately staging an accident by releasing balloons in the air corridors.

Ambassador
Ambassador Krekeler stated his belief that our public opinion was too
fair to interpret termination of the balloons as a sign the Federal Republic
was going soft on Communism. He stated that, after all, FEC activities
centered on radio broadcasting, which the Federal Republic was permitting,
and not balloons, which was a side line.

Mr. Page replied that if balloons were stopped the question would be
raised as to whether this signified the beginning of a general retreat.

Ambassador Krekeler, with considerable feeling, replied that it was a
fact, after all, that the United States agreed immediately to suspend its
meteorological balloon operations as soon as the Soviets protested. He asked
how could one expect the Federal Republic to be stronger than the United
States in face of a Soviet protest. He then asked if he could be permitted
to make a most serious plea. His plea was to bear in mind that his Govern-
ment, too, had a public opinion to worry about; and that to keep this opinion
on its side and that of the West was equally important. He reminded his
audience that in the Federal Republic there were millions of refugees from
Poland and Czecho-Slovakia; that the views of these millions are an important
factor; and that his Government's policy is one of fostering reconciliation
and not to encourage the harboring or fostering of a spirit of vengeance and
retaliation. He mentioned, however, that it was a simple fact that these
peoples maintained a lively interest in the areas from which they were
expelled.

In approaching the problem of maintaining the support of public opinion,
the Government cannot overlook the fact that doubts have been publicly aired
as to whether the Federal Republic and RFE were pursuing a common, joint
policy with respect to the satellite countries.

Mr. Hughes inquired whether the Government and German public would not
make a clear distinction between weather balloons and where they went and
FEC leaflet balloons, which were entirely different and were directed to
different targets.

The Ambassador said it was difficult for him to say how the public and
members of the Bundestag would react. He asked if Mr. Turnwald, who had
just come from Bonn and who had been in contact with parliamentarians, might
comment. Mr. Turnwald said he was convinced that public opinion and sentiment
in the Bundestag would be sensitive to renewed pressures from the East on
the balloon question. He believed the reaction would be as the Ambassador
predicted. In response to a question he stated opposition in the past to
RFE policies had crossed Party lines; and that the initiative for the Bavarian
Landtag interpellation had actually come from the CSU Deputy, that is, a
member of the Chancellor's party.

Mr. Shepardson assured the Ambassador that the Free Europe Committee
was not interested in stirring up American public opinion over the balloon
issue. He pointed out, however, that the massive communist campaign of the
past few
past few months against the balloons was clearly being orchestrated from Moscow; that, in addition to this testifying to the effectiveness of the leaflets, it was also clear that if the Soviets succeeded in the campaign to have the operations terminated, this would be exploited just as heavily as a victory for them and defeat for the West with which the uncommitted areas would also be impressed.

Ambassador Kroekel then stated that there was a difference between convincing a Government as opposed to a Parliament on the pros and cons of a specific action. If permitted to do some thinking out loud in an informal way he wondered if it would not be profitable for the Free Europe officials to go directly to Bonn, in order to explore the various aspects of the problem on the spot. In addition to discussing the matter on the spot arrangements might be made to permit them to hear in confidence the views of key Bundestag members. The Ambassador stated that he was obviously not in a position to expound as effective arguments for his Government's position as were those who were on the spot and living with the problem day to day. The important thing was to arrive at a common position which could be solidly defended. If the case was a good one, it would be important to convince key Bundestag members not to make a public issue over it. While the issue was one which could become active on its merits, naturally during an election year the atmosphere becomes more charged and arguments over issues such as that involved with the balloons could become more emotionally heated.

The Ambassador said he had taken note of Mr. Murphy's previous suggestion of suspending the operations for a period and then resuming them from time to time. He also wondered if thought could be given to launching the balloons from a boat or a plane.

The Ambassador's suggestion was immediately agreed to by all present. He said he would communicate with his Government, would notify the Department first of its reaction and then send Counselor Pulaski and Mr. Turnwold to New York to discuss the matter further with the FB officials.

Mr. Turnwold made a final comment to the effect that it would be helpful, if, in the future, the Federal Government had closer contact with REE on policy matters such as timing and the general line of REE operations, so that in effect a common anti-communist effort might be developed.