Western powers to split Germany politically but to create a basis upon which German unity would be possible. The different states were to be enabled to establish common federal political organizations and institutions which would enable them to assume those governmental responsibilities which were compatible with the minimum requirements of occupation and control and which would ultimately enable them to assume full governmental responsibility.

To achieve these ends it was agreed that the Military Governors should hold a joint meeting with the Ministers-President of the Western German states. The Ministers-President would then receive the details of the Western powers' proposals and would be authorized to call a constituent assembly to prepare a constitution for the approval of the affected German states. The delegates were to be chosen in a manner to be decided by each state's legislature.

NO CENTRALIZED REICH

The limitations imposed upon the constituent assembly were to be the minimum necessary to ensure that the constitution should enable future German unity, although not a reconstituted centralized Reich, "by means of a federal form of government which adequately protects the rights of the respective states and which at the same time provides for adequate central control and which guarantees the rights and freedoms of the individual". If the constitution created did not conflict with these general principles the Military Governors were instructed to authorize the submission of the constitution for ratification by popular referendum in the respective states.

At the meeting with the Ministers-President the military Governors were to authorize the Ministers-President to make some desirable changes in the state boundaries which were to be effected before the

constituent assembly met.

It was envisaged that the creation of a constitution by the Germans would proceed handin-hand with the creation of an occupation statute by which certain fields of government would be retained by the occupying powers to enable them to carry out the purposes of the occupation for as long as foreign troops remained on German soil. The constitution, together with the occupation statute, would determine the nature of the government of Western Germany while the occupation lasted.

Although the Western powers agreed that the German portion of government should be exercised by a federal political organization where appropriate, there were difficulties which made it immediately impossible for a comparable merger of the military government of the three occupation zones. However, joint conduct of external trade was agreed to and it was decided that complete economic unity would have to await the setting up of German institutions common to the entire area.

GERMAN COUNTER PROPOSALS

By June 17 all the powers which had participated in the London talks had approved the final report and the Military Governors were instructed to implement its provisions. On July 1, the Military Covernors met at Frankfurt with the Ministers-President of the eleven German states in the three Western zones. At the first meeting the details of the political proposals of the London meeting were communicated to the Ministers-President who requested some time to study them. The Ministers-President then met at Coblenz on July 8 and considered the Military Governors' submission and on July 19 the German counter proposals were presented to the Military Covernors at Frankfurt. Their first suggestion was that the affected territory should not be given the character of a state and that the political proposals should be provisional. They objected to the use of terms such as "constitution" which might imply the creation of a state and the partition of Germany. For this reason, too, the Ministers-President opposed submitting the "basic law" to popular referendum as such treatment should be reserved for a final constitution. The German representatives also considered that major state boundary revisions should await further study and the establishment of the political institutions which the Western powers' proposals had envisaged.

The Ministers-President were at some pains to make their hope clear that the occupying powers would agree to have the political proposals represented as the will of the occupying powers themselves and not of the people of Western Germany. In spite of this they requested that the occupation statute should entrust to German institutions all functions which were not strictly essential to the fulfilling of the purposes of the occupation. Foreign trade, for example, should not be an exclusive field for military government. German agencies, they thought, should be able to negotiate abroad subject to ratification. As acceptance of the occupation statute might imply the approval of its contents, the Ministers-President asked that reference to the international control of the Ruhr should be omitted from that document. They also asked that the state of war with Germany be ended.

OBJECTION TO REFERENDUM

These counterproposals were examined at a joint meeting in Frankfurt on July 21 and 22 when the German request for a change of nomenclature was accepted. At this meeting the Germans backed their earlier objections to a popular referendum as a means of ratifying the "basic law" with the argument that a possible rejection by the voters would provide the Communists with powerful