

SECRET

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Advance Headquarters,  
Control Commission for Germany (BE),  
BERLIN, B.A.O.R.

19th December, 1945.

To: The Permanent Secretary,  
Control Office for Germany and Austria,  
Norfolk House, St. James' Square,  
LONDON, S.W.1.

1. We have now reached a very important phase in the management and conduct of affairs in the British Zone in Germany. The Control Commission is well established and is working; in each Division of the Commission the main problems have been sorted out and are being tackled energetically; the whole Control Commission is marching forward.

The "Battle of the Winter" is proceeding; it is my opinion that we shall win that battle.

2. I consider, however, that this is no time for complacency. We have made a good beginning towards the achievement of our task; but there is still much to be done and there is stormy weather ahead. Some clouds are beginning to appear; at present they are no bigger than a man's hand; but they may bank up and be followed by heavy rain.

We must be absolutely certain that our military and civil umbrellas are in good repair and are fit to deal with what may lie ahead.

3. Among a host of problems, there are three major points which cause me concern. I outline these points below and give my recommendations.

#### THE ARMED FORCES.

4. While we have been proceeding methodically with our endeavours to rehabilitate Germany, the British Zone has remained quiet. So far scarcely a spark has occurred. I do not think we shall have any trouble with the Germans this winter; they are fully occupied with their own immediate troubles; our main problems this winter are more likely to be with the hard facts of economics: how to sustain the Zone with the minimum of starvation and disease.

5. Our conflicts with the Germans lie ahead; but they will come. Next year, 1946, is going to be a difficult time; the Germans will have got through the winter and will be feeling better; they will see their factories and coal being removed; they will realise that they themselves are not to be allowed to benefit from the recovery of their country.

We have removed from positions of responsibility a large number of Nazi Germans, all immensely capable people and first-class organisers; these people are now idle.

Our industrial and economic policy is such that there is bound to be widespread unemployment in Germany as time goes on.

We have demobilised in to the Zone about two million fighting men, and are now in process of adding about another half million to the figure.

It will be clear from this brief outline that there is much fertile ground in which to sow the seeds of discontent and trouble.

6. Therefore, I am convinced that our conflicts with the Germans lie ahead, and may well begin next year.

It is essential that we should not let the strength of our armed forces in Germany run down too quickly. It is the Army that will have to bear the brunt of any trouble; we must retain sufficient troops in Germany to back up the police in maintaining law and order, and to aid the civil power should things show signs of getting out of hand.

7. I have taken this matter up with the War Office. My minimum recommendations are known; it is important that they should not be cut down.

#### THE CONTROL COMMISSION

8. The Control Commission has achieved much. But I consider we have now reached a stage when some reorganisation is necessary; the loose nuts must be tightened; we must ensure that we have such integration and co-ordination that the machine develops fully the immense power of which it is capable.

9. At present I have directly under me, through the Deputy Military Governor, twelve Divisions, and two Groups:-

<u>Divisions.</u>	<u>Groups.</u>
Economic	P.R. and I.S.C.
Transport	Intelligence.
R.D. and R.	
I.A. and C.	
Manpower.	
P.W. and D.P.	
Political	
Legal	
Finance	
Navy	
Army	
Air Force	

10. My Deputy Military Governor, who conducts the executive work of the Commission, has therefore to deal with fourteen subordinates; this is far too many. Added complications arise every day and it is becoming increasingly difficult, with so many subordinates, to ensure that close co-ordination between certain Divisions which is absolutely vital.

The volume of day-to-day work is such that everyone is far too busy to do any constructive thinking or to tour

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frequently to keep in touch with what is actually happening in the zone.

We cannot continue in this way.

11. I consider that we should now group certain Divisions of the Control Commission with a view to:-

- (a) reducing the number of subordinates with whom I, and the Deputy Military Governor, have to deal.
- (b) ensuring more effective coordination between those Divisions where it is most necessary.
- (c) ensuring that above the hurly-burly of the day-to-day work, there is a body of senior officers who have time to think; a sort of inner cabinet.

12. The grouping of Divisions which I recommend is as follows:-

Government Group

Political  
I.A. and C.  
Manpower  
P.W. and D.P.  
P.R. and I.S.C. Group

Economic Group

Economic  
Transport  
R.D. and R.

Service Group

Naval  
Army  
Air

An alternative would be to have one Service Division, of three branches.

Independent Divisions and Groups

Finance Division  
Legal Division  
Intelligence Group

13. A suggested name for a Group of Divisions is:-

"Sub-Commission".

The Control Commission would then be divided into:-

Government Sub-Commission  
Economic Sub-Commission  
Service Sub-Commission  
Finance Division  
Legal Division  
Intelligence Group.

/A table .....

A table showing this layout is attached at Appendix "A".

14. I would recommend that Sir Percy Mills should be head of the Economic Sub-Commission.

A suitable head for the Governmental Sub-Commission would have to be found.

The precise organisation of the Service Sub-Commission (or Division) will require careful consideration.

15. The responsibilities of a head of a Sub-Commission would include:-

- (a) Constructive fore-thought and planning in the whole field of activity covered by his Divisions.
- (b) Coordination of planning, and supervision of its execution.
- (c) Coordination of action taken by the Chief of a Division in the Directorate, to ensure that it is both coordinated with the action of Chiefs of other Divisions in the Sub-Commission and also that it conforms to overall British policy.

Obviously the head of a Sub-Commission must be frequently on tour to find out what is going on in the Zone.

#### SPEED OF IMPLEMENTING POLICY

16. There are so many signs of trouble ahead, and so many things that could go wrong, that we must be sure of our ground as we go along. To go too quickly may well involve us in unpleasant repercussions.

17. For instance, I am myself perfectly clear that political and trades union activities should be allowed to grow from below, steadily and progressively. We have planted the seeds; if they are "watered" unduly they may grow too quickly and become obnoxious weeds.

If they maintain a sturdy growth from below, throwing off the right type of leader, then all will be well.

If we try to hasten the final object by imposing a top dressing from above, we may land ourselves in trouble.

These organisations could be a very great and steadying influence if we have trouble next year; alternatively, they could be of great help to the enemy.

18. I would recommend that this matter be considered carefully in the light of para 5 above, and that the policy given to me should be one which will allow me latitude to hold the balance between the two extremes: the over-riding yardstick being military security, and law and order, in the Zone.

/CONCLUSION .....

CONCLUSION

19. I request that general approval may be given to my scheme for grouping within the Control Commission, as outlined in paras 8 to 15 above.

(Sgd) B.L. MONTGOMERY

Field-Marshal,  
Military Governor and C-in-C.