RECORD OF CONVERSATION BETWEEN CHANCELLOR HITLER, Baron von NEURATH, MR. HENDERSON and MR. AGHNIDES, at MUNICH, on Thursday July 20th, at 3 p.m.

Referring to the conversations he had had in Berlin with Baron Von Neurath, and afterwards with Mr. Nadolny, the President passed again in review the 15 points of the list of questions on disarmament he had read out to the General Commission. He dwelled at length on the following questions:

1) The period of the duration of the Convention,
2) The position taken by France as regards a transitional period of 4 years to be followed by another period of 4 years during which more effective reductions would be carried.

As regards the first point Mr. Henderson said that France was ready to accept a Convention of 8 years duration divided into two periods of 4 years. During the first period France would reduce her effective to the level of Table I of the U.K. Draft. She would moreover reduce her number of aeroplanes.

She would in the third place stop all construction of the forbidden material. Lastly, she would though keeping in the home territory, place certain material under the control of the League of Nations. On the other hand she would at the second period, if the Permanent Disarmament Commission by a majority vote considered that control and supervision proved satisfactory, continue to abstain from constructions of material of the forbidden description, and she would place at the disposal of the League certain heavy material for the benefit of States victims of aggression or for destruction.

Chancellor Hitler said he did not understand why
France should need a period of 8 years. Germany had been disarmed completely within 3 years, during which term all the destructions of material had been terminated. In spite of that Germany was offering not 3 but 5 years as a transitional period during which to effect the necessary reductions and destructions, 8 years was too long.

As regards the trial period, control and supervision have to be applied to a real process of disarmament. Otherwise, it would mean a new control on Germany's disarmament as there would be no object in applying control and supervision to non-disarming countries. This was contrary to the principle of equality. The application of that principle to Germany was decided upon by the Protocol of December 11th 1932. Mr. Hitler said that at the end of the 5 year transitional period, Germany must recover entire equality of rights. Germany during the transitional period was not claiming total equality, she would only wish to possess those weapons which the Conference would finally consider as weapons of defence. The German nation needed to be defended as well as any other nations. In fact, more than certain powerfully armed nations, in view of her state of disarmedness, therefore she might reasonably ask that account should be taken of her own need for security, and yet Germany only asked to be permitted to have defensive weapons.

Mr. Henderson referring to the question of duration said the difference between the two figures of 5 and 8 years was 3 years. In the life of a country that was not a long period. Germany should understand that France having abandoned all hope of
obtaining a system of mutual guarantee was anxious to recover at least partially, though control and supervision, the security she was missing though the refusal on the part of certain countries of the system of mutual guarantee.

Mr. Henderson then referred to the reports made to him by several Delegations in Geneva as regards the preparations of Germany, preparations amounting to a rearmament. For instance, parts of aeroplanes were being prepared which it would be easy to assemble at short notice. In consequence anxiety was being felt in various countries.

Mr. Hitler said he did not understand how a country, which had built the most formidable belt of fortifications and endowed with the most recent improvements and possessing the most modern weapons of offence, could consider her security menaced by Germany which did not possess any offensive arms. It should be remembered that France though powerfully armed had only 300 kilom. of frontier to defend, i.e. a third of the length of the German frontiers.

Upon a reference of the President to certain formations, Mr. Hitler said that they did not have a military character, but were due to certain reasons of internal politics caused by the growing number of unemployed who had better be occupied with something rather than be an easy prey to revolutionary ideas fostered by unemployment and hunger.

The President said that he himself, nearly a year ago, had written an article urging that Germany should be given equality of status and that at the time almost the whole of England would have backed that article. He feared that if he wrote that article
now, even in England he would not be followed. He was bound to remind the Chancellor of the profound change of opinion which certain recent events had caused in England, and he again referred to the rumours of rearmament.

Mr. Hitler said that if the feeling of England for the German nation was not theoretical and platonic, but real, a change of Government in Germany should not provoke in England a change of appreciation as regards the just and fundamental rights of the German nation. There were two tendencies in Germany as Mr. Henderson knew, one of them being friendship with England, his Party favoured that policy of friendship. Was England's attitude fair to Germany? As regards the accusation of rearmament, Germany does not even possess the plants for building certain parts of aeroplanes which she is obliged to import from England.

Mr. Hitler then made an appeal to the President and the World's comprehension of the real nature of what was going on in Germany. The Chancellor had taken part in the War and knew what a terrible calamity war was. Everyone professed their abhorrence of war. Every effort should be done to avert Europe a fresh calamity. Would it not be possible for the interested parties to come together with a sincere desire for understanding one another's point of view?

To a hint made by the President, Mr. Hitler said he had no objection whatever to meet Mr. Daladier, but the latter had his Parliament and had to be careful. He, Mr. Hitler, was a free agent in that respect, nevertheless he believed such a meeting
should previously be most carefully prepared both politically and psychologically. Otherwise the peoples would entertain such hopes for a meeting of this kind that if the latter proved unsuccessful, it would be followed by a profound disappointment.

Mr. Henderson said that fear and suspicions were having the worst effect on international understanding. Something ought to be done to allay those fears. Only thus could a Convention be secured. Would not therefore the German Government take some sacrifice for the sake of restoring confidence and dispelling fears.

Mr. Hitler said that the points already conceded by his Government during Mr. Henderson's negotiations in Berlin ought to disperse those fears, as great account had been taken of the points of view of the other countries concerning security.

At the close of the interview, the President reminded Mr. von Neurath that on two occasions, mention had been made of Germany's wishes being limited only to having not offensive but defensive weapons. The President suggested that a statement should be forwarded to him as to the precise meaning of the defensive weapons which Germany desired to possess. Baron von Neurath undertook to send the President a Memorandum to that effect.
July 31st, 1933.

My dear de Wolf,

I hope you have already seen the draft report which I have prepared for the President, and of which Mr. Boisseau was requested to give you a copy on her arrival. I have made some eleventh hour changes on page 4, which is now replaced by three pages, 4, 5, and 6, enclosed herewith. You will therefore, simply have to tear up page 4 of the original draft and insert these new pages, which I number as pages 4, 4a, and 4b.

This morning I had a long discussion with the President. He very much wishes me to prepare draft articles. You know my reluctance to this procedure for reasons I explained to you many times. I will, however, repeat the chief reason:

The United Kingdom draft has been adopted as basis of the future Convention. We, the officers, have every reason to back that draft as that procedure will secure us, more than any other procedure, an early Convention. Presenting a new series of articles is certainly playing into the hands of those who would be so happy to get some release from the pressure of the United Kingdom draft, with behind it the driving force of the British Empire. It is on these grounds that I thought it was a mistake to prepare a new set of articles, but the President is a man of far greater experience than myself and he insists on having his articles. I shall, therefore, be grateful to you if you would tentatively, with the help of the Legal Section, transfer into articles the substance of my report.

You will have to keep the result of the work as highly confidential.

Take the list of questions on page 1 of my draft.

It will be relatively easy for you to get the material prepared on Point 1 (non-recourse to force) on the universal basis.

On Point 2 (definition of aggression) the Litvinoff text is already there, the only thing to do is to take from the Litvinoff text that part of it which corresponds to the idea embodied in the Roosevelt message.

On Point 3 (supervision and control) you will have to introduce a new Article to the text already contained on the matter in the United Kingdom draft, to the effect that the supervision and control will be periodic and automatic.
As regards Point 4, the Article would simply say that a system of sanctions will be drawn up by the Permanent Disarmament Commission, and submitted to the signatories of the Convention in sufficient time to enable them to ratify at the same time as the Convention.

You will have to make another Article to the effect that the Permanent Disarmament Commission will be created as the last act of the Conference before it winds up its work, and that the Commission will be entrusted with the working out of its own rules and regulations, with the setting up of a system of sanctions to be used against any State violating the Disarmament Convention, and with such other points as perhaps certain air questions, arms traffic and manufacture, etc.

On Point 5 (air bombardment) your Article will be very easy as it ought to stipulate the total and absolute abolition of all bombardment from the air.

On Points 6, 7, 8, and 12, I think we shall have to await further developments.

On Points 9 and 10, one or two basic Articles might be drafted tentatively on the basis of the visit to the capitals as standardisation has been accepted by Germany.

On Point 13 (budgetary limitation) the Articles have been provided by Pfliss, and we shall simply have to attach those Articles to the ones I am asking you to draft with the help of the Legal Section.

On Point 14 (manufacture of and trade in arms) you might try your hand at the drafting of some basic compromise Articles on the basis of my draft report.

I may generally point out that as far as possible in the making of the Articles you should take as basis the texts of the United Kingdom draft.

I trust that aided by the Legal Section, and your own common sense, you will be able to produce some provisional text and keep it confidential until, say, the first week of September.

These Articles, if the President agrees to them, will help us to produce the second reading text in sufficient time to be submitted to the Bureau on October 9th. After such modifications as the Bureau might deem necessary, the Articles will go to the printer with the rest of the Convention, where no changes are contemplated, and the whole thing will be printed for the 16th of October.

Yours sincerely,

P.S. The President decided not to go to Warsaw, Vienna and Budapest for the reasons indicated in the enclosed which please deliver to their respective destinations.

Francis Colt de Wolf, Esq.,
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GENEVA.
The question of disarmament is at present dominated by a factual problem: What is aim is the German Government striving for?

Chancellor Hitler, in his speech of May 17, and the German representatives in Geneva held that the Reich had no desire to increase its armaments. However, at the same time, we find Germany developing a program, which, in fact, constitutes a rearmament program, whether it be effective, or material, especially in so far as Aviation is concerned. Whatever explanations may be offered for these facts, there results that in many countries, Governments and public opinion witness with a legitimate misgiving the events which are occurring beyond the Rhine. At a time where the question arises of making possible the conclusion of a Convention which will result, as far as certain powers are concerned, in an important reduction in their military establishment and an appreciable charge, to their detriment, of the equilibrium of armed forces, it is natural that these Powers feel more than ever the necessity of certain precautions.

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When, in view of facilitating the solution of the problem of equality of rights, the French Government by an initiative which in turn found its place in the United Kingdom project, proposed the standardization of types of armies in Continental Europe on the basis of short
term service and limited effectives, it felt its proposal meant sacrifices for France.

a) France gave up for the future the advantages accruing to it through the strict observance of the peace treaties through the possession of trained reserves, and that at the very time where the application of this system of treaties might have begun to produce its full effect in Germany, through the ageing of the classes having seen service in the War.

b) France would accept with regard to the forces destined for the immediate defense of the metropolitan territories, - parity in effectives - length of service and staffs - with Germany and Italy.

c) The application of this proposal would moreover include an important reduction of the average daily effectives, as well for the whole of the French forces as for the forces of the metropolis, and the length of service of those serving in the Metropolitan forces.

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In the present state of Europe, and in the face of the misgivings to which references has been made above, there is justification for the taking of necessary precautions in order to insure, that the modification, in a sense favorable to Germany, of the present relativity of armaments on the European Continent should not endanger the security of France and of other Countries.

The debates in Geneva seem to prove that it is not possible at present to obtain, in the field of mutual assistance the collective guarantees which would have rendered easier for the different Governments a reduction of their military establishment. This is in no wise a reason for renouncing to realise in the political
domain the progress which the labours of Geneva seem to promise (non resort to force - definition of the aggressor, etc.) and which moreover might - on a universal plan - be applied in less rigid formulas than are desirable and possible to apply in Continental Europe.

But, in any event, it is indispensable to obtain the certainty that the new regime which it is proposed to establish in matter of armaments will be more faithfully observed than that which was created by the peace treaties.

The technical studies, especially those of the Effectives Committee, have shown the real difficulties of the problem and the possibility open to a State acting in bad faith to get round the limitation obligations created by the future Convention. For example, in the matter of effectives, it is necessary to prevent any circumvention of the limitations by a development of pre-military training, of training outside the army, or polices with military characteristics; likewise Germany must not be able to add a conscript army to her professional army, when she should substitute the former to the latter. It is equally important that the increase in German effectives should not be accompanied by a reararmament in material.

At an hour politically critical, France, which accepts an immediate reduction of its effectives, could not, in the very interests of peace, accept also an immediate reduction of its material, before the experience of a strict supervision of armaments limitations gives the certainty that the transformation of armies to a defensive type is being loyally carried out.
In consequence of the preceding observations a chronological order and a progression must be established in the execution of the measures of limitation and reduction.

A.-During a first period of 4 years, called a trial period, the machinery of the Convention shall be put in working order; at the same time the race in armaments will be stopped and the first operations in reduction of armaments will be effected.

Among the measures which should be provided for during this period and the application of which will be the object of regular and permanent control (supervision) the following deserve particular mention:

1°) In accordance with a definite progression effected year by year transformation as regards effectives and duration of service of the present position to the one prescribed by the Convention (it will be necessary to discuss with the U.K. Delegation certain modification of the figures proposed by them); on parallel lines all paramilitary instruction should be suppressed in accordance with the conclusions of the Committee on Effectives. As regards premilitary instruction, it should be submitted to very stringent regulation in circumstances securing for each State equivalent advantages.

It should be recalled that the French Delegation has already defined its stand (views) on several occasions both as regards the question of trained reserves and as regards the duration of the periods of the reserves which should be limited as also as regards a separate regime (treatment) for overseas forces.
2°) As regards war-material, and subject possibly to special provisions in connexion with fixed, coastal or fortress artillery:

a) for States whose land armaments are not at present subject to any limitation, (1) stoppage of the manufacture of artillery above the calibre of 155 and of all manufacture of tanks above a limit of manufacture to be fixed; (2) stocking in the home territory but subject to League of Nations control of the more powerful material;

b) as regards the States which are bound by the military clauses of the peace treaties, they shall continue to observe the qualitative limitations of material to which they are at present subjected.

3°) The annual manufactures of the material authorized by the Convention will be carried only in certain specified factories (private or State) and subject to international control and within the limits of the quantities (quantities) to be fixed for each State.

4°) Controlled publicity of expenditure on armaments with a view to realizing the technical conditions required for the enforcement of a limitation of these expenditures in the second period of the application of the Convention.

5°) Putting into working order of supervision which should in particular provide for inspection on the spot regularly and periodically - (at least once a year)

B.- For the second period of 4 years, subject of course to the continuance of the machineries of control with such improvements as experience might suggest, the Convention should provide for the following measures:
1º) Termination (i.e. following up to a finish), if need be, and maintenance of the fulfilment of the measures provided for the first period.

2º) Enforcement of limitation of expenditure.

3º) As from the beginning of the 2nd period, and provided the Permanent Commission by a majority vote in circumstances to be definitely fixed has ascertained that the progressive fulfilment and control of such limitations and reductions as have been decided upon for the first period have been satisfactorily carried out, the material defined below should be handed over to the League of Nations which may either keep them in order to put them at the disposal of a State within of aggression (and this solution is preferred by the French Delegation) or decide upon its destruction totally or partially, and which (i.e. the League) shall in all circumstances be responsible for it:

a) all artillery above the calibre of 220 m/m which shall not have been converted into fixed, coastal or fortress guns,

b) all tanks exceeding the authorized tonnage.

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The Convention should contain provisions making it possible to draw the consequences of any violation of the obligations entered into.

With a view to securing a new step in the reduction of armaments the Convention should provide the conclusion at a before the termination of the first
Convention of a second Convention to be secured in useful time and in circumstances preventing, in accordance with article 8 of the Covenant, the signatories of the first Convention to resume their freedom of action at the expiry of the first Convention.
The President of the Conference accompanied by Mr. Aghnides was received this morning at 9.30 a.m. at breakfast, by Mr. Paul-Boncour and Mr. Massigli. A little later Mr. Politis, Vice-Chairman of the General Commission, joined them.

Mr. Henderson informed Mr. Boncour of the details of his visits to Rome, Berlin, Prague and Munich, where he had conducted "negotiations" in accordance with the terms of the Resolution of June 26th. He had not visited those cities as a mere informant as "Le Temps" published last Tuesday; Mr. Paul-Boncour agreed with the President that he had been authorised by the General Commission to conduct negotiations.

The President's first impression was that there was a strong desire among the persons he had met in these places to secure a Convention.

His second impression was the surprising amount of common ground revealed in the conversations on the 13 points which he had read to the General Commission.

These points might be divided into two groups. The first group contained the points on which either there was complete agreement or such agreement if not yet secured was in sight. Under this head he mentioned the questions of universal non-recourse to force, definition of aggression, standardisation of Continental armies,
sanctions, control and supervision, budgetary publicity, manufacture of and trade in arms.

The President specified that the acceptance by Germany of both universal non-recourse to force and definition of aggression was only subject to a slight addition of a few words in the text of the non-recourse to force, to the effect that renunciation of force would imply renunciation of aggression.

He also indicated that the Germans while accepting the sanctions for the violation of the provisions of the Convention would like the particulars regarding sanctions to be worked out by the Permanent Disarmament Commission. The latter would thus have to do this work besides the preparation of rules and regulations regarding its general functions, and the rules concerning the application of control and supervision.

To this end the President had suggested, and the Germans and Italians, as also Dr. Benes, had accepted that the Permanent Disarmament Commission be set up by a special act of the Conference at the termination of the latter, in order that the rules and regulations and the provisions concerning sanctions might be prepared in sufficient time by the Governments to be ratified and enter into force at the same time as the Convention.

The President specified that Budgetary Publicity might alone be accepted for the time being. In view of the technical difficulties as, e.g., the fluctuations in the purchasing power of gold - budgetary limitation would have to be considered later.
As regards the manufacture of and trade in arms, the President informed M. Boncour that the Germans were ready to accept:

a) International publicity;

b) National licenses for manufacturing establishments;

c) Control on the lines laid down by the British plan.

The second group of questions dealt with the difficult points and contained the following items:

duration of the Convention, land war material, naval armaments.

As regards duration, Mr. Henderson explained the German attitude based on the speech made by Mr. Hitler at the Reichstag in which he spoke of a 5 years transitional period. The Germans contend that the 5 years period should lead them to the equality of armaments at the end of the 5 years and that therefore the suppression of destruction of material should be effected during that period.

M. Paul-Boncour then asked if that meant that the Germans would not envisage the trial period of 4 years. The President said the Germans, just like the Italians, had wondered what the trial period could help to supervise in the non-disarmed countries. Control and supervision was an acceptable proposition only if applied to a process of disarmament, otherwise it would become a unilateral weapon for controlling those countries which had effected real disarmament, i.e., principally Germany. The President here envisaged the possibility of obviating this by inserting specific clauses of reduction which would do away with the argument put forth by the Italians and the Germans.
M. Paul-Boncour said that the information he got from M. de Jouvenal as regards the Italian attitude on the question of the trial period was slightly different from the statement made in that respect by the President. He had to say that as far as his Government was concerned, it was useless to have any further discussions on other points of the subject matter of disarmament if the principle of the trial period was not accepted. There were things which France could do, but there were also things which she could never do. Accepting reductions without a trial period was one of the things France could not do. He reminded the President of the purport and of the explanations given about the trial period to the President by M. Daladier and by himself nearly a fortnight ago.

The French attitude was justified by the fact that even during the 1st period of 4 years (trial period) there was a movement, an evolution towards equality of rights. As important reductions on effectives would take place and there would be a stoppage in the manufacture of all material which conventionally though arbitrarily would be considered as prohibited material, Germany therefore could not in fairness say that the French proposals aim at prolonging the period of inequality.

According to the Peace treaties some nations were at liberty to do as they liked, to arm as they pleased, some other nations were on the contrary obliged to obey to certain disabilities.
If the former freely consent to bind themselves, to part with their freedom first as regards effectives, and secondly as regards construction of the heavy material, such a move ought to be appreciated. M. Paul-Honcour said he strongly protested against the assertion that the trial period was an empty period entailing no reductions.

He again repeated that France would accept nothing short of the acceptance by the other powers of the trial period. There were certain German political events which forbade French opinion to accept to part with their armaments before a trial period would enable them to be reassured as to what is going on next door. Germany must be made to understand that, as explained above, France was making serious concessions to peace, both during the 1st period and during the 2nd period, and that in spite of the disturbing things which were going on in Germany in violation of Treaty rights.

At this moment there ensued a dialogue during which the President pointed out that this attitude was observed by France since the time of Brüning, and that the same arguments were being put forward. The President maintained that even after the advent of Hitler, having a Convention would be a wiser act than having no Convention.

The President then explained the German attitude on naval questions. Germany was prepared not to use her right to replace over-aged capital ships until the end of 1936, with the exception of one keel to be laid down in replacement.
Moreover the principle of maintaining the present standard of the various navies pending the 1935 Naval Conference should be applied to Germany on the numerical basis as regards surface vessels and not on the basis of total tonnage.

Lastly, the principle concerning defensive weapons to be applied to naval armaments.

The President was aware of the strong divergencies on the questions of the duration of the Convention and the reduction of land war material.

He informed the gathering that he proposed to open the Bureau about September the 15th to report the outcome of the negotiations, and perhaps make certain suggestions. He might also pay a visit early in September to Warsaw, Budapest and Vienna, having been pressed by those countries to visit them.

He had made a suggestion about heart to heart talk between M. Daladier and Mr. Hitler which would greatly improve the situation. The Germans felt that 8 years was too long a period, but if the French could put down on paper that so much reduction will take place, say at the end of 3 years, so much at the end of the 4th year, so much at the end of the 5th year, so much at the end of the 6th year, and so much at the end of the 7th year, he felt confident that the question of the duration of the Convention would become easier to tackle.

He would now proceed to London and would report to the London Government as he had done in Paris.
the results of his pilgrimage, and he would also have to report on the subject to the Bureau.

M. Boncour said he ventured to draw the President's attention in a friendly manner to the fact that when he was faced with the German arguments he might give them to understand that it is already an immense concession on the part of France to accept to part with her present superiority over Germany. In the second place the Germans must understand that it is a service we render to Germany and to international goodwill in using the terms of the 2 periods; this was specially true as regards the first period. If he had to state openly the reasons that have led France to ask for a trial period it would only make things worse for Germany.

It should not be forgotten that France had constantly declared that she would disarm only after a complete organisation of peace. Her present attitude marks a progress in that, even in the present state of affairs, France accepts certain reductions in the first period and more important reductions in the second period.

As the meeting was rising, M. Boncour said that there could not be any question of a meeting between M. Daladier and Mr. Hitler.
The German point of view.

I. Security.

Non-resort to force.

Germany accepts the principle of non-resort to force, as worked out by the Conference, on an universal basis.

Definition of aggressor.

Germany is ready to accept the definition of an aggressor as drafted by the Committee on Security questions. It would be useful to insert into the article concerning non-resort to force two or three words mentioning expressly that renunciation of force includes renunciation of aggression. The definition of aggression which, in the order of the articles would then have to follow this article, would be intended exclusively to determine the scope of this prohibition. In this way the Litwinow formula for the definition of an aggressor which includes also President Roosevelt's suggestion, could be generally accepted.

II. Effectives.

Germany accepts the principle of standardisation of continental armies, that is to say, the transformation of the Reichswehr along the lines of the British proposals within...
within 5 years, and by methods which take into account the special position of Germany.

In fixing the strength of effectives and the methods of standardisation, the existence in other countries of 14 annual levies of trained reserves and 1½ of overseas troops which are stationed in the Metropole or in the proximity thereof, ought to be taken into account. Moreover it should be examined whether the percentage of a so-called military police which shall be allowed to the signatory States without deduction being made from the number of effectives, not should be based on, alternatively, either on the number of effectives fixed in the Convention or on the existing population.

III. Supervision.

Germany is willing to accept a system of control including periodic and automatic supervision, provided it be generally and equally applied beneficial and expedient. She has no objections to the Permanent Disarmament Commission being entrusted, before the ratification of the Convention, with the task to work out in detail the organisation and the procedure of the supervision machinery, so that the rules concerning this subject might come into force simultaneously with and as an integral part of the Convention. The same method could be applied to penalties for infringement of the Convention.

However, the supervision must be strictly limited to
the execution of the obligations freely accepted by the signatory States in the future Convention. It is therefore necessary that disarmament measures provided for in the Convention must be in the stage of actual execution in all signatory States when supervision takes place. Otherwise the supervision would be in its practical application of a fundamentally different character in the various countries.

IV. Land war material.

The Convention shall put into effect the principle of renunciation of all aggressive weapons. Weapons which are regarded as being of an aggressive character must be abolished and destroyed by all the signatory States within 5 years. On the other hand, weapons which are regarded as being non-aggressive and, therefore, necessary for national defence, must be allowed to all signatory States.

As regards defensive weapons hitherto forbidden to Germany, but allowed and fixed by number, in the future Convention, for the other States, Germany will content herself, for a transitional period of 5 years, with a smaller quantity than she would be entitled to claim under an equal application of Art. 8 of the Covenant to all States.
V. Air material.

The same principle applies to air material. The question whether military and naval airplanes are to be regarded as aggressive weapons must be decided in the Convention. Germany is in favour of the total abolition of military and naval aviation in order to secure the vertical defence for all countries.

Germany is also in favour of unrestricted prohibition of air bombardment.

VI. Naval armaments.

On the assumption that the naval clauses of the British draft proposal will be generally accepted, Germany is prepared not to make use, until December 31st, 1936, of her right to replace her overaged capital ships, with the exception of one keel to be laid down in replacement. In addition to that, the principles of maintaining the present standard of the different navies pending the results of the Naval Conference of 1935 should be applied to Germany in such a way that the number of surface vessels not the total tonnage, is taken into account.

Moreover the principle regarding defensive weapons ought to be applied to naval armaments also.

VII. Budgetary limitation.

Germany is in favour of publication of military expenditure; she considers the limitation by a treaty of military expenditure to be impossible at the present time.
time for technical reasons (e.g. owing to fluctuation of
currency which has played such an important role during
the London Conference). Whether and at what moment such
limitation can be put into effect in the future, cannot
be foreseen at the present moment.

VIII. Manufacture of and trade in arms.

In the question of (private and State) manufacture
of and traffic in arms Germany is willing to accept:
a) international publicity,
b) a system of national licences to be granted gene-
really for manufacturing establishments,
c) a control on the lines of the general stipulations
laid down in the British plan.
RECORD OF CONVERSATION AT THE GERMAN FOREIGN OFFICE, on Monday, July 17th, 1933, at 5 p.m.

As arranged Mr. Henderson, President of the Conference, accompanied by Mr. Aghnides and Mr. de Wolf, went to the German Foreign Office where they were received by Baron Von Neurath, German Foreign Secretary; General von Blomberg, War Minister; Mr. Nadolny; Mr. Frohwein and Mr. Milcu, Under Secretary of State, for Aviation.

Referring to the conversations he had had with Baron Von Neurath, the President passed in review the 15 points constituting the essential questions for negotiations, in the same way manner as he had done in Rome when we had met Baron Aloisi, Mr. Buti and Mr. Soragna, on Friday, 14th July.

As regards non-recourse to force, he said he hoped a universal agreement would be accepted.

With reference to definition of aggression, the President expressed the view that a general definition in the sense of Roosevelt's message might be accepted by all without prejudice of a more rigid definition agreed upon by a certain number of countries and opened to the adhesion of all countries.

On control and supervision he layed particular stress and emphasised that it would be equally applicable to all. He gave an outline of his views about the constitution of the supervising
body composed of, say, 20 or 30, or 40 Members which ought to break up into little groups of 4 permanent Members. One of them might be a financial expert, another a legal expert, the 3rd a man versed in military questions, the 4th a person possessing general political knowledge. To these 4 Members a 5th person might be added belonging to the country to be supervised. The group should be presided over by a civilian.

Before dealing with these points, the President spoke of the desire of the French to have an 8 year, or preferably a 10 year, Convention. The 8 years will be divided into 2 periods. The first 4 years constituting the transitional period. During this period the Permanent Disarmament Commission should be set up to prepare rules and regulations for putting into effect the machinery of control. The report of each supervision should be sent by the above-mentioned supervising group to the Secretary of the League Permanent Disarmament Commission. If the report is trivial it would wait until the Commission held its normal meeting, but if the report were of a serious nature the Commission should be convoked at once.

The decisions of the Permanent Commission would be by a majority of those present.

Baron von Neurath said the President's views were ingenious and interesting, but that they have the drawback of not having to be applied to substantial reductions of armaments.

The President replied that there would be fœmpt a reduction in effectives as in the
British plan, and secondly certain reductions in aeroplanes. He added that in accordance to the French views the more powerful material would be collected in the home territory under the control of the League of Nations.

He then spoke successively of
a) sanctions for the violation of the Convention,
b) of air bombardments, referring in that connection to Mr. Eden's last speech and its implication, and
c) of military and naval aviation and of the possible necessity of further studying that question in the Permanent Disarmament Commission.

He then dealt with questions number 7 and 13 of the list, i.e. the abolition of aggressive land war material and the period for destruction of aggressive weapons.

He explained that during the period of transition aggressive weapon according to the French would not be manufactured, but the French would not be prepared to destroying during that period heavy artillery and tanks.

In the second period a system of budgetary limitation, sufficiently prepared through controlled budgetary publicity in the 1st period, should be introduced.

Furthermore the French would be prepared to put at the disposal of the League artillery and tanks above certain calibre and tonnage respectively, in order that the League might keep them for helping a State victim of aggression or decide upon its destruction.
The President did not insist on the question of colonial forces, trained reserves and period of training as Mr. Nadolny was well conversant with those questions.

The President asked Mr. von Neurath if to facilitate matters he could not present him with a little memo showing the minimum demands of the German Government in order to make it possible for the Conference to have a Convention.

The Foreign Minister agreed and it was decided that to-morrow, Tuesday, at 11.30 we should have a new discussion when the German case might be clearly put forward.
12, July, 1933.

During the last months proofs and indications that Germany is executing a program of rearmament have greatly increased.

With regard to effectives, it is hardly necessary to recall that the military activity of the Associations has been intensified, that the contacts between these Associations and military authorities have increased and that in, for some weeks the German press is silent concerning an activity which is confirmed by all travellers returning from Germany, it is in order to conform with strict injunctions, given as a consequence of the discussions in Geneva and of the facts which had been divulged by the French Delegation - making large usage of the German provincial press.

In this connection, the Socialist paper of Sarrebruck, the "Volkstimme", in its edition of June 15, 1933, recently reproduced a characteristic direction of the chief of the national-socialist press of Saxony, direction forbidding all newspapers - on account of the tension existing in External political relations - henceforth to publish, under any pretext, information concerning the activity of Associations which might lead to the belief that they were violating the Treaty of Versailles.

Military instruction, theoretic and practical, has been developed in the Universities. Finally, the systematic organisation of obligatory labour that does not only have a social or economic ends: it permits the organisation of conscription
and the general extension of military training.

With regard to materials, it is naturally difficult to obtain trustworthy information which it is possible to make use of. However there is good ground for stating that in various German units there exist material more powerful than that authorised by the Treaty and that the stocks of material are appreciably in excess of those authorised by the Treaty.

It is known that certain factories in Germany, which are not on the list of establishments authorised to manufacture such material, manufacture such material including non-authorised types.

In the field of aviation, it should be noted that since the appointment of Mr. Goering as head of the Ministry of Air there has been organised a corps of national-socialist aviators which in effect constitutes a corps of military aviators.

There can be no doubt that important orders of planes and aviation motors have been given as may be proved by the rise on the Berlin Stock Exchange of the shares of airplanes and aviation motor factories.

The access of several important factories is now forbidden to strangers.

In general, there is striking to know that while the economic crisis has not diminished, while German exports are on the decline, there is an unusual activity in those branches of industry which are in relation with the military Ministries. This is particularly true with regard to textile and automobile factories.
Finally, it is strange to note that the importations of raw materials used by war industries is increasing in an important proportion.

If one examines, for instance, the Dutch statistics concerning the importations into Germany through Holland, one observes an enormous increase with regard to war materials necessary for war industries - for instance iron ore and manganese, copper ore, cotton waste (used for the manufacture of explosives).
12, July, 1933.

The question of disarmament is at present dominated by a factual problem: What is aim is the German Government striving for?

Chancellor Hitler, in his speech of May 17, and the German representatives in Geneva held that the Reich had no desire to increase its armaments. However, at the same time, we find Germany developing a program which, in fact, constitutes a rearmament program, whether it be effective, or material, especially in so far as Aviation is concerned. Whatever explanations may be offered for these facts, there results that in many countries, Governments and public opinion witness with a legitimate misgiving the events which are occurring beyond the Rhine. At a time where the question arises of making possible the conclusion of a Convention which will result, as far as certain Powers are concerned, in an important reduction in their military establishment and an appreciable change, to their detriment, of the equilibrium of armed forces, it is natural that these Powers feel more than ever, the necessity of certain precautions.

When, in view of facilitating the solution of the problem of equality of rights, the French Government by an initiative which in turn found its place in the United Kingdom project, proposed the standardization of types of armies in Continental Europe on the basis of short
term service and limited effectives, it felt its proposal meant sacrifices for France.

a) France gave up for the future the advantages accruing to it through the strict observance of the peace treaties through the possession of trained reserves, and that at the very time where the application of this system of treaties might have begun to produce its full effect in Germany, through the ageing of the classes having seen service in the War.

b) France would accept with regard to the forces destined for the immediate defense of the metropolitan territories, - parity in effectives - length of service and staffs - with Germany and Italy.

c) The application of this proposal would moreover include an important reduction of the average daily effectives, as well for the whole of the French forces as for the forces of the metropolis, and the length of service of those serving in the Metropolitan forces.

II

In the present state of Europe, and in the face of the misgivings to which references has been made above, there is justification for the taking of necessary precautions in order to insure, that the modification, in a sense favorable to Germany, of the present relativity of armaments on the European Continent should not endanger the security of France and of other Countries.

The debates in Geneva seem to prove that it is not possible at present to obtain, in the field of mutual assistance the collective guarantees which would have rendered easier for the different Governments a reduction of their military establishment. This is in no wise a reason for renouncing to realise in the political
domain the progress which the labours of Geneva seem to promise (non resort to force - definition of the aggressor, etc.) and which moreover might - on a universal plan - be applied in less rigid formulas than are desirable and possible to apply in Continental Europe.

But, in any event, it is indispensable to obtain the certainty that the new regime which it is proposed to establish in matter of armaments will be more faithfully observed than that which was created by the peace treaties.

The technical studies, especially those of the Effectives Committee, have shown the real difficulties of the problem and the possibility open to a State acting in bad faith to get round the limitation obligations created by the future Convention. For example, in the matter of effectives, it is necessary to prevent any circumvention of the limitations by a development of pre-military training, of training outside the army, or polices with military characteristics; likewise Germany must not be able to add a conscript army to his professional army, when she should substitute the former to the latter. It is equally important that the increase in German effectives should not be accompanied by a rearmament in material.

At an hour politically critical, France, which accepts an immediate reduction of its effectives, could not, in the very interests of peace, accept also an immediate reduction of its material, before the experiment of a strict supervision of armaments limitations gives the certainty that the transformation of armies to a defensive type is being loyally carried out.
In consequence of the preceding observations a chronological order and a progression must be established in the execution of the measures of limitation and reduction.

A.-During a first period of 4 years, called a trial period, the machinery of the Convention shall be put in working order; at the same time the race in armaments will be stopped and the first operations in reduction of armaments will be effected.

Among the measures which should be provided for during this period and the application of which will be the object of regular and permanent control (supervision) the following deserve particular mention:

1°) In accordance with a definite progression effected year by year transformation as regards effectives and duration of service of the present position to the one prescribed by the Convention (it will be necessary to discuss with the "U.K. Delegation certain modification of the figures proposed by them)" on parallel lines all paramilitary instruction should be suppressed in accordance with the conclusions of the Committee on Effectives. As regards premilitary instruction, it should be submitted to very stringent regulation in circumstances securing for each State equivalent advantages.

It should be recalled that the French Delegation has already defined its stand (views) on several occasions both as regards the question of trained reserves and as regards the duration of the periods of the reserves which should be limited as also as regards a separate regime (treatment) for overseas forces.
2°) As regards war-material, and subject possibly to special provisions in connexion with fixed, coastal or fortress artillery:

a) for States whose land armaments are not at present subject to any limitation, (1) stoppage of the manufacture of artillery above the calibre of 155 and of all manufacture of tanks above a limit of tonnage to be fixed; (2) stocking in the home territory, but subject to League of Nations control of the more powerful material;

b) as regards the States which are bound by the military clauses of the peace treaties, they shall continue to observe the qualitative limitations of material to which they are at present subjected.

3°) The annual manufactures of the material authorized by the Convention will be carried only in certain specified factories (private or State) and subject to international control and within the limits of the continents (quantities) to be fixed for each State.

4°) Controlled publicity of expenditure on armaments with a view to realizing the technical conditions required for the enforcement of a limitation of these expenditures in the second period of the application of the Convention.

5°) Putting into working order of supervision which should in particular provide for inspection on the spot regularly and periodically - (at least once a year)

B. For the second period of 4 years, subject of course to the continuance of the machineries of control with such improvements as experience might suggest, the Convention should provide for the following measures:
1o) Termination (i.e. following up to a finish), if need be, and maintenance of the fulfilment of the measures provided for the first period.

2o) Enforcement of limitation of expenditure.

3o) As from the beginning of the 2nd period, and provided the Permanent Commission by a majority vote in circumstances to be definitely fixed has ascertained that the progressive fulfilment and control of such limitations and reductions as have been decided upon for the first period have been satisfactorily carried out, the material defined below should be handed over to the League of Nations which may either keep them in order to put them at the disposal of a State within or aggressive (and this solution is preferred by the French Delegation) or decide upon its destruction - totally or partially, and which (i.e., the League) shall in all circumstances be responsible for it:

a) all artillery above the calibre of 220 m/m which shall not have been converted into fixed, coastal or fortress guns,

b) all tanks exceeding the authorized tonnage.

- IV -

The Convention should contain provisions making it possible to draw the consequences of any violation of the obligations entered into.

With a view to securing a new step in the reduction of armaments the Convention should provide the conclusion at a before the termination of the first
Convention of a second Convention to be secured in useful time and in circumstances preventing, in accordance with article 6 of the Covenant, the signatories of the first Convention to resume their freedom of action at the expiry of the first Convention.