

OSD REVIEWED 11 JAN 2012 NO OBJECTION TO DECLASSIFICATION

Deplin, June 17, 1946.

DOS REVIEWED 11-Mar-2013: DECLASSIFIED FOR RELEASE IN FULL

~~ARMY AND PERSONAL~~

Dear Doc:

I would like to mention for your private ear a little development here which may take some adjusting. As you know, the staff relationship on the military side between Frankfurt and Deplin has not always gone smoothly. General McHurney is Military Governor and General Oley is Deputy Military Governor. As far as General McHurney personally is concerned I believe there would be no difficulty, but as at all Headquarters he has an active staff of officers who are conscious of the fact that their chief is Military Governor and find it difficult to refrain from participating in Military Government matters. General Oley as the executive in charge of Military Government has suffered a certain amount of irritation and embarrassment over uncoordinated action. There have been several instances recently substantiating in General Oley's decision last Friday to telegraph General McHurney that he had decided to retire from the Army. This far there has been no reaction from General McHurney but we are going down to Frankfurt this evening and I presume tomorrow he and General Oley will discuss the matter. Technically under the law General McHurney has nothing to say about it as Oley has the right to retire. I might say that General Oley has frequently thought of retiring and I believe that he is in earnest.

From the strict standpoint of the work here, even though it is true that nobody is indispensable, it would seem regrettable to me, General Oley having acquired an intimate grasp of a vast number of problems connected with the German undertaking plus unusual ability and devotion to duty. On the personal side I would be very sorry indeed to see him go because I have developed a real affection for him.

It should

The Honorable
H. Freeman Matthews,
Care of the American Embassy,
Paris.

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It should also be said in this connection that starting off with the proposal General Eisenhower made last October Glay has consistently supported the idea that the form of organization existing here within the Army was faulty and that the proper solution would be the appointment of a civilian high commissioner who would be independent of Army Command. That would be true whether the War Department continued as the responsible agency for the operations here or not. Glay feels that the Army's job here is really a garrison duty plus a supply responsibility whereas matters relating to United States participation in quadripartite machinery and other functions of Military Government by nature should be handled independently of the garrison feature. We have had many discussions about this and I believe that there is a great deal to it. It does seem to me that so much would depend on the personality and affiliations of the civilian high commissioner. If by misfortune a carpet bagger were selected anything could and probably would happen. It would be awfully difficult to keep that sort of an assignment out of domestic politics.

Therefore I hope that Glay's decision to retire, which he says is final, will not become effective and that he may be prevailed upon to change his mind. I don't know whether you want to mention this to the Secretary or not. Knowledge of this decision is limited to three or four people here and in Frankfurt. Personally I think it is a matter that the Secretary should know about.

The only other item of interest I want to mention is Soviet troop changes and increases in this area. G-3 is somewhat concerned over a very important increase of Soviet effectives in the Berlin area. According to our information the Soviet forces in this area has been radically increased to a point where they now have 165,000 crack troops in the immediate vicinity, including two first-class armored divisions and three excellent infantry divisions -- as we understand it some of their very best troops. This is of course a large force in any language. One minor effect of it has been a pronounced increase in looting and rape which in the past week has resulted in the shooting of four Soviet officers. It is having a depressing effect on German morale. Our people have not hit upon any satisfactory explanation of the change of formation and our Soviet friends have not seen fit thus far to take us into their confidence.

Marshal

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Marshal Sokolovsky came around to dinner at my house Saturday evening. He was communicative only on economic subjects and that is the last item I want to mention to you. Sokolovsky's position on reparations out of current production and the German export-import program is if anything hardened. As far as we can make out, it seems to boil down to a proposition that the Soviets intend to squeeze the last drop from the orange in a program to get as much out of their zone in current production as they can together with as large a quantity of removals of industrial equipment as they can organize. They have recently again told the Germans that dismantling operations have now ceased. They have said this more than once but have repeated it again last week. Sokolovsky continues to say that they fully respect Potsdam and are going to treat Germany as an economic unit but his actions definitely belie his words.

So there you are.

Yours ever,

Robert Murphy.

RM:JP