



Volume 8. Occupation and the Emergence of Two States, 1945-1961
Soviet-German Communiqué (August 23, 1953)

After the Soviet Union had failed in its attempts to move the Western powers toward negotiations on a peace treaty and on a neutralized, unified Germany, and after the June 17th workers' uprising had laid bare the weakness of the Communist regime in the GDR, the Soviet Union and the GDR engaged in direct negotiations in August 1953. The Soviet Union used the opportunity to repeat its offer of a peace conference with the participation of a newly formed unified German government. At the same time, however, it also upgraded the GDR's value as an independent state through an ambassador exchange. Moreover, it sought to solidify SED rule and to stabilize the regime's economy by ending East German reparation payments, forgiving its debt, and providing it with shipments of goods and new loans.

From August 20 to 22 negotiations took place in Moscow between the Soviet Government and the Governmental Delegation of the German Democratic Republic.

On the Soviet side the following took part in the negotiations: The Chairman of the Council of Ministers of the U.S.S.R., G. M. Malenkov; the First Vice-Chairman of the Council of Ministers and Minister of Foreign Affairs of the U.S.S.R., V. M. Molotov; the Secretary of the Central Committee of the Communist Party of the Soviet Union, N. S. Khrushchev; the First Vice-Chairman of the Council of Ministers and Minister of Defense of the U.S.S.R., N. A. Bulganin; the First Vice-Chairman of the Council of Ministers of the U.S.S.R., L. M. Kaganovich; the Vice-Chairman of the Council of Ministers and Minister of Home and Foreign Trade of the U.S.S.R., A. I. Mikoyan; the Chairman of the State Planning Committee of the U.S.S.R., M. S. Saburov; the Minister of Finance of the U.S.S.R., A. G. Zverev; the High Commissioner of the U.S.S.R. in Germany, Ambassador V. S. Semenov.

On the side of the German Democratic Republic the following took part in the negotiations: the Minister President of the German Democratic Republic, Otto Grotewohl; Deputy Minister President Walter Ulbricht; Deputy Minister President Otto Nuschke; Deputy Minister President and Minister of Reconstruction, Dr. Lothar Bolz; Deputy Min. Pres. and Minister of Finance Dr. Hans Loch; the Minister of Agriculture and Forestry, Hans Reichelt; the Minister of Foreign and Internal German Trade, Kurt Gregor; the Minister for the Steel and Ore Mining Industries, Fritz Selbmann; the Chairman of the State Planning Commission, Bruno Leuschner; the Chief of the Diplomatic Mission of the GDR in Moscow, Ambassador Rudolf Appelt; the Chairman of the Free German Trade Union League, Herbert Warnke; the President of the National Council of the

National Front of the Democratic Germany, Prof. Dr. Correns; the Chairman of the Central Council of the Free German Youth, Erich Honecker; the representative of the Democratic Women's League of Germany, Ilse Thiele; the member of the Ministry of Foreign Affairs of the GDR, Peter Florin.

In the course of the negotiations, important questions concerning the development of relations between the Soviet Union and the German Democratic Republic, as well as timely questions relating to the German problem as a whole, were discussed.

The negotiations took place in a cordial atmosphere of friendly mutual understanding.

Complete agreement existed that the anomalous situation that Germany, eight years after the end of the war in Europe, has no peace treaty, is still split into a western and eastern part, and holds no equal rights vis-a-vis other countries, must be done away with. In order to attain this goal, a peace conference must be convened in the near future, and the participation of German representatives must be assured at all stages of the preparation of the peace treaty as well as at the peace conference. With a view to restoring the national unity of Germany on a peaceful and democratic basis, a provisional all-German Government must be formed by means of direct agreement between Eastern and Western Germany. Its main task will be to prepare and carry out free all-German elections, as a result of which the German people themselves, without foreign interference, will solve the question of the social and political reconstruction of a united, democratic, and peace-loving Germany.

The Governmental Delegation of the German Democratic Republic has accepted with satisfaction and gratitude the statement of the Soviet Government regarding relief in respect of Germany's financial and economic obligations connected with the consequences of the war.

In the course of the negotiations, both sides reached agreement regarding the putting into practice of a series of political and economic measures aimed at rendering assistance in the further development of the national economy of the German Democratic Republic as well as in improving the material well-being of her population. It was taken into consideration that the German Democratic Republic has during the past years conscientiously fulfilled her obligations towards the Soviet Union and that, thanks to the efforts of the German democratic forces, the German Democratic Republic is an important factor in the struggle for peace in Europe.

The decision of the Soviet Government envisages:

The termination of reparations removals from the German Democratic Republic from January 1, 1954; the transfer, without compensation, to the ownership of the GDR of the plants of the Soviet joint-stock companies in Germany; the reduction of the obligations of the GDR to make payments in connection with the presence of the Soviet forces on the territory of the German Democratic Republic, so that the annual total does not exceed five percent of the revenue of the state budget of the GDR; the release of the GDR from the payment of such debts in foreign

currencies as have arisen as occupation costs since 1945; the release of Germany from the payment of postwar state debts to the Soviet Union.

About the agreement reached in this connection the two parties have signed a Protocol whose text is published below.

In the course of the negotiations, agreement was also reached on certain other questions relating to the consolidation and development of economic, cultural, and scientific-technical collaboration between the Soviet Union and the German Democratic Republic.

Among other things, it was agreed that the Soviet Union will deliver to the German Democratic Republic during 1953, over and above the value of the current trade agreement, commodities to a value of approximately rubles 590 million, including foodstuffs, hard coal, rolling mill products, copper, lead, aluminum, cotton, and other goods.

The Soviet Union grants the German Democratic Republic a credit to the amount of rubles 485 million, including rubles 135 million in freely convertible currency. The credit is granted at a rate of interest of two percent per annum and is to be repaid over two years from 1955.

At the request of the Governmental Delegation of the GDR, the following was agreed:

In accordance with fixed procedures, measures will be taken in order to free the German prisoners of war from serving the remainder of the punishment to which they have been sentenced for crimes committed during the war, with the exception of those guilty of particularly grave crimes against peace and humanity.

Desirous of strengthening and developing further the friendly relations existing between the Soviet Union and the German Democratic Republic, the bulwark of the struggle of the German people for a united, peace-loving, democratic Germany, the two parties have agreed to raise the status of the Diplomatic Mission of the U.S.S.R. in Berlin and the Diplomatic Mission of the German Democratic Republic in Moscow to the rank of Embassies, and to exchange Ambassadors.

Source: Joint Communiqué of the Soviet Union and the German Democratic Republic (August 23, 1953); reprinted in *Documents on Germany, 1944-1959: Background Documents on Germany, 1944-1959, and a Chronology of Political Developments affecting Berlin, 1945-1956*. Washington, DC: General Printing Office, 1959, pp. 112-14.