

Secret Reich Matter.

Minutes of Cabinet Meeting (Ministerrat) of

4 September 1936, 12 Noon.

Chairman: Ministerpresident Generaloberst Goering
Reichskriegsminister Generalfeldmarschall von Blomberg
Reichsbankpraesident und kommissarischer Reichs- und
Preussischer Wirtschaftsminister Dr. Schacht
Reichsfinanzminister Graf Schwering von Krosigk
Preussischer Finanzminister Prof. Dr. Popitz
Staatssekretaer Koerner
Wirtschaftsbeauftragter des Fuehrers Keppler
Ministerialdirektor Staatsrat Neumann
Stabsamtsfuehrer des Reichsbauernfuehrers Dr. Reischle
Keeper of the minutes: Lt. Col. Loeb of the General Staff.

Min.Pres. Goering:

Today's meeting is of greater importance than all previous meetings.

At the last cabinet meeting of 11 August 1936 it was agreed that supplementary material was needed in order to make it possible to reach a decision.

Meanwhile new trouble has arisen, especially in connection with non-precious metals and rubber; even the Fuehrer has been drawn into this affair.

In the discussion of 1 September 1936 it was established that any trouble must be avoided before the Parteitag (Party Meeting); Geh. kat Allmers had no authority for the letter in which he speaks of a 2-3 working week for the automobile industry. On 1 September 1936 temporary measures for the period lasting until the middle of October, when a decision will be reached, were ordered and are to be carried through.

In the same meeting special attention was called to our unpaid claims upon foreign countries which are presumably higher yet than the reported claims. Thus it is stupid to rack one's brain because of a few million marks. But an examination must be made in order to find out whether the claims reported as bad cannot really be collected.

Existing reserves will have to be touched for the purpose of carrying us over this difficulty until the goal ordered by the Fuehrer has been reached; in case of war they are not a reliable backing in any case.

Certain persons have been asked for memoranda on the basis conduct of economy. So far only one was presented by Dr. Goerdeler and it is absolutely useless. In addition to many other erroneous thoughts it contains the proposal of considerable limitation of armaments.

In this connection it should be stated that the authority of the Col. General refers to the "insuring of armaments" which must rather be sped-up than slowed down.

The Fuehrer and Reichskanzler has given a memorandum to the Col. General and the Reich War Minister which represents a general instruction for the execution thereof.

It starts from the basic thought that the showdown with Russia is inevitable. What Russia has done in the field of reconstruction, we, too, can do.

Just what sort of risk it is, that our industry is afraid of, compared to the risk in the field of foreign affairs which the Fuehrer runs so continuously?

The Fuehrer is going to have a memorandum issued concerning the financial angle of this problem.

Research on the problem of increasing exports, e. g., has shown that fundamentally new ways can hardly be found. It will not be possible to create a balance of foreign exchange merely by means of export. The "New Plan" of the Reichswirtschaftminister is acceptable in its basic features - but it can be improved in details.

The Colonel General reads the memorandum of the Fuehrer.

The Colonel General is responsible for the execution of the tasks outlined in the memorandum.

If war should break out tomorrow we would be forced to take measures from which we might possibly still shy away at the present moment. They are, therefore, to be taken.

Two basic principles:

1) We must strive with greatest energy for autonomy in all those fields in which it is technically possible; the yearly amount of foreign exchange savings must still surpass that of the first proposal of the raw materials and foreign exchange staff anticipating a savings of 600 million Reichsmarks.

2) We have to tie over with foreign exchange in all cases where it seems necessary for armament and food.

In order to provide for foreign exchange, its flow abroad must be avoided by all means; on the other hand, whatever is abroad must be brought in.

The Fuehrer is going to speak very soon to the industrial leaders and expose to them his fundamental thoughts.

In view of the power of the State the necessary measures can definitely be carried through. Frederic the Great, to whom reference is being made from the most diverse sides, was in his financial behaviour a strong inflationist.

Through the genius of the Fuehrer things which were seemingly impossible have become a reality in the shortest time; last example: introduction of the two-year service law and recognition on the part of France that we need a stronger Wehrmacht than France herself. The tasks now ahead of us are considerably smaller than those which we have already accomplished.

All those measures which can be carried through with internal German money are possible and should be carried out. Through them the requirements of industry and food supply needing foreign exchange must be pushed into the second line.

All measures have to be taken just as if we were actually in the stage of imminent danger of war.

The execution of the order of the Fuehrer is an absolute command.

End of meeting: 1300.

CERTIFICATE OF TRANSLATION
OF DOCUMENT NO EC-416

21 November 1945

I, Marie-Louise Acton, civilian, hereby certify that I am thoroughly conversant with the English and German languages; and that the above is a true and correct translation of the Document No. EC-416.

Marie-Louise Acton