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INFO:
ACTION: Ambassador Bonn 172
INFO: USHER BERLIN 68
Ambassador LONDON 381
" PARIS 474
" MOSCOW 227
USUN 127
REF: Bonn's 76

115

1. Department appreciates Bonn's views implications for US policy of unrest East Germany and refugee flow. Also Berlin's reporting these subjects.
2. After reviewing information available, Department has impression either of two contingencies could arise. First, and more likely, if refugee flood continues, East German regime might take measures designed to control it. They could do this either by tightening controls over travel from Soviet Zone to East Berlin or by severely restricting travel from East to West Berlin. Second, situation in zone could deteriorate sufficiently to lead to serious disorders.
3. We believe Soviets watching situation even more closely than we, since they are sitting on top volcano. For moment at least, Soviet policy is to tolerate loss of refugees, while pressing toward decision on Berlin. Continued refugee flood could, however, tip balance toward restrictive measures. If Khrushchev became seriously concerned situation East Germany, he could either call for

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Clearances:
GER - Mr. Hillenbrand **SOV - Mr. Anderson (In draft)** **UNP - Mr. Sisco (In draft)**

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