

Paris should be instructed to make parallel representations to the French Government urging postponement of their plan on the ground that to proceed with it can only add unnecessary and very unwelcome complications to the task of the Foreign Ministers at the forthcoming Conference.

3. If notwithstanding such representations the French Government decide to proceed with their plan we should make a formal protest and point out to the French that their action raises the question of putting trade between the combined zones and the French zone on a dollar basis. We and the Americans should invite the French immediately to discuss this question with the Bi-zonal authorities in Berlin which in all the circumstances is the most convenient centre. We should also make it clear that we have always insisted that a settlement of the reparations point must precede our agreement to the economic integration of the Saar with France.

4. Our own view is that it would be unreasonable and inadvisable to interrupt trade between the combined zone and the French zone pending the outcome of these discussions provided the French agreed to enter upon them at the earliest possible date.

5. Please do your best to get American agreement on the policy outlined above and to ensure that United States authorities in Germany take no hasty action in regard to the interruption of trade.