These are selected portions. For full text, see: http://www.read-all-about-it.org/archive english/german losses/JCS 1067 0208.html

This communiqué, spelling out occupation policy for Gen. Eisenhower, was made public on August 2, 1945. The directive, therefore, should be read in the light of the policies later enumerated at Potsdam. In particular, its provisions regarding disarmament, economic and financial matters, and reparations should be read together with the similar provisions set out in the Potsdam agreement on the treatment of Germany in the initial control period and in the agreement on reparations contained in the Potsdam communiqué.

This document was later replaced by JCS 1779 (text unavailable) stating a new policy of rebuilding Germany.

4. Basic Objectives of Military Government in Germany:

c. The principal Allied objective is to prevent Germany from ever again becoming a threat to the peace of the world. Essential steps in the accomplishment of this objective are the elimination of Nazism and militarism in all their forms, the immediate apprehension of war criminals for punishment, the industrial disarmament and demilitarization of Germany, with continuing control over Germany's capacity to make war, and the preparation for an eventual reconstruction of German political life on a democratic basis.

7. Demilitarization:

- a. In your zone you will assure that all units of the German armed forces, including paramilitary organizations, are dissolved as such, and that their personnel are promptly disarmed and controlled. Prior to their final disposition, you will arrest and hold all military personnel who are included under the provisions of paragraph 8.
- b. The Control Council should proclaim, and in your zone you will effectuate, the total dissolution of all military and pare-military organizations, including the General Staff, the German Officers Corps, the Reserve Corps and military academies, together with all associations which might serve to keep alive the military tradition in Germany.
- c. You will seize or destroy all arms, ammunition and implements of war and stop the production thereof.
- d. You will take proper steps to destroy the German war potential, as set forth elsewhere in this directive.
- 8. Suspected War Criminals and Security Arrests:
- a. You will search out, arrest, and hold, pending receipt by you of further instructions as to their disposition, Adolf Hitler, his chief Nazi associates, other war criminals and all persons who have participated in planning or carrying out Nazi enterprises involving or resulting in atrocities or war crimes.
- b. All persons who, if permitted to remain at large would endanger the accomplishment of your objectives will also be arrested and held in custody until trial by an appropriate semi-judicial body to be established by you. The following is a partial list of the categories of persons to be arrested in order to carry out this policy:

Economic General Objectives and Methods of Control

- 16. You will assure that the German economy is administered and controlled in such a way as to accomplish the basic objectives set forth in paragraphs 4 and 5 of this Directive. Economic controls will be imposed only to the extent necessary to accomplish these objectives, provided that you will impose controls to the full extent necessary to achieve the industrial disarmament of Germany. Except as may be necessary to carry out these objectives, you will take no steps (a) looking toward the economic rehabilitation of Germany, or (b) designed to maintain or strengthen the German economy.
- 30. In order to disarm Germany, the Control Council should
- a. prevent the production, acquisition by importation or otherwise, and development of all arms, ammunition and implements of war, as well as all types of aircraft, and all parts, components and ingredients specially designed or produced for incorporation therein:
- b. prevent the production of merchant ships, synthetic rubber and oil, aluminum and magnesium and any other products and equipment on which you will subsequently receive instructions;
- c. seize and safeguard all facilities used in the production of any of the items mentioned in this paragraph and dispose of them as follows:
- (1) remove all those required for reparation; (2) destroy all those not transferred for reparation if they are especially adapted to the production of the items specified in this paragraph and are not of a type generally used in industries permitted to the Germans (cases of doubt to be resolved in favor of destruction); (3) hold the balance for disposal in accordance with instructions which will be sent to you. Pending agreement in the Control Council you will take these measures in your own zone. You will not postpone enforcement of the prohibitions contained in subparagraphs a and b and the instructions in subparagraph c without specific approval of your government through the Joint Chiefs of Staff except that, in your discretion, you may permit the production of synthetic rubber and oil, aluminum and magnesium, to the minimum extent necessary to meet the purposes stated in paragraphs 4 and 5 of the directive pending action by the Joint Chiefs of Staff upon such recommendation for postponement as you may make.
- 31. As an additional measure of disarmament, the Control Council should
- a. prohibit initially all research activities and close all laboratories, research institutions and similar technical organizations except those considered necessary to the protection of public health:
- b. abolish all those laboratories and related institutions whose-work has been connected with the building of the German war machine, safeguard initially such laboratories and detain such personnel as are of interest to your technological investigations, and thereafter remove or destroy their equipment;
- c. permit the resumption of scientific research in specific cases, only after careful investigation has established that the contemplated research will in no way contribute to Germany's future war potential and only under appropriate regulations which (1) define the specific types of research permitted, (2) exclude from further research activity any persons who previously held key positions in German war research, (3) provide for frequent inspection, (4) require free disclosure of the results of the research and (5) impose severe penalties, including permanent closing of the offending institution, whenever the regulations are violated. Pending agreement in the Control Council you will adopt such measures in your own zone.
- 32. Pending final Allied agreements on reparation and on control or elimination of German industries that can be utilized for war production, the Control Council should
- a. prohibit and prevent production of iron and steel, chemicals, non-ferrous metals (excluding

aluminum and magnesium), machine tools, radio and electrical equipment, automotive vehicles, heavy machinery and important parts thereof, except for the purposes stated in paragraphs 4 and 5 of this directive

- b. prohibit and prevent rehabilitation of plant and equipment in such industries except for the purposes stated in paragraphs 4 and 5 of this directive; and
- c. safeguard plant and equipment in such industries for transfer on reparation account. Pending agreement in the Control Council, you will put such measures into effect in your own zone as soon as you have had an opportunity to review and determine production necessary for the purposes stated in paragraphs 4 and 5 of this directive.
- 33. The Control Council should adopt a policy permitting the conversion of facilities other than those mentioned in paragraphs 30 and 32 to the production of light consumer goods, provided that such conversion does not prejudice the subsequent removal of plant and equipment on reparation account and does not require any imports beyond those necessary for the purposes specified in paragraphs 4 and 5 of this directive. Pending agreement in the Control Council, you may permit such conversion in your zone.
- 34. Subject to the provisions of paragraphs 30 and 32, the Control Council should assure that all feasible measures are taken to facilitate, to the minimum extent necessary for the purposes outlined in paragraphs 4 and 5 of this directive.
- a. repairs to and restoration of essential transportation services and public utilities;
- b. emergency repair and construction of the minimum shelter required for the civilian population; c. production of coal and any other goods and services (excluding goods specified in paragraphs 30 and 32 unless measures to facilitate production are specifically approved by this Government through the Joint Chiefs of Staff) required for the purposes outlined in paragraphs 4 and 5 of this directive. You will assure that such measures are taken in your own zone pending agreement in the Control Council.
- b. Germans are prohibited and prevented from producing, maintaining or operating all types of aircraft. You will determine the degree to which centralized control and administration of power, transportation and communications is clearly necessary for the objectives stated in paragraphs 4 and 5 and urge the establishment of this degree of centralized control and administration by the Control Council.