OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

29 December 1943

To: Col. L. Mathewson, White House Map Room
From: John Magruder, Brig. Gen.
Subject: Reports Received in Office of Strategic Services, No. 90

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS--Intelligence Service

Enclosures

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By APR 3 1975

Regarded Unclassified
Since Berlin's bombardment, the protection accorded Goering and Goebbels has been greatly reinforced. They do not travel in single autos as previously, but are always preceded and followed by armored cars filled with SS men armed to the teeth. Most recently published photographs which show Goebbels among bombardment victims are either old or faked. Hitler has never dared enter the bombed parts of Berlin. Goering, reportedly severely criticized because of the shortage of night fighters, is said to have replied that tension in the Near East had necessitated the transfer of pursuit squadrons to the Aegean Sea area, but that they will be brought back as soon as the Turkish situation clears up.

The bombardment of Leipzig, however, has impressed military circles as having even more serious military implications than that of Berlin. The latter had been expected since last March, and various measures had been taken against it, but the Leipzig region has so far escaped relatively unscathed. Now they realize in Berlin that the Halle-Leipzig area, which is one of the greatest industrial centers of the country, is now within Allied bombing range. Since 1939 hundreds of factories have been relocated in this area, including the great additions to the Leuna works. The Leipzig bombardment has changed German plans with regard to the evacuation of industry, so that it appears that the last stronghold chosen by Speer and the Ministry of Production is Bohemia. It appears also that certain services of the Speer Ministry will be transferred to Prague, although the head direction, including Speer, will remain in Berlin.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
Hungary: Estimate of Hungarian Intentions.

Unless the Anglo-Americans invade the Balkans in strength, the chances of separating Hungary from the Axis are not good. Hungarian officials fear the Russians much more than the Germans, and believe that Hungary will suffer through Russia's intent to compensate Rumania for the probable loss of Bessarabia and perhaps the Dobrudja. Hungarians believe that Russia's hostility toward their country is even greater than the Soviet's enmity towards Rumania, and they share the general impression in Europe that the Russians will be allowed pretty much of a free hand in Europe by the Anglo-Saxons. Therefore, since fence-sitting is a highly developed Hungarian art, they will not line up with the Anglo-Americans unless the latter give them assurances regarding the Soviet -- or unless they penetrate the Balkans in force.

Although the Hungarians consider that they are in a desperate situation, they hope that their army will be in a tolerable state when Germany collapses. Moreover, even now, they will exhibit independence of the Reich up to a point. However, they will not, it is believed, take such steps as might make a Nazi occupation a probability.

(OSS Official Dispatch, Bern, rated reliable)

The Austrian Communist Party has refused to participate in the formation in London of Novy's and Pollak's Austrian Representative Committee. Austrian opinion of the popularity of certain prominent Austrian refugees is meanwhile transmitted by the OSS representative in Bern. Franz Novy is well known among the workers throughout Austria and is extremely well known in Vienna. Julius Deutsch is also a prominent figure and has prestige, especially among workers. The prestige of Hugo Breitner and of Fritz Adler is good. Count Czernin, on the other hand, is not personally known in Austria, although his family is respected. The most outstanding national figure and anti-Nazi still in Austria is Karl Seitz, a Social Democrat. However, he is 70 years old.

(OSS Official Dispatches, London, rated B-3)
Poland: Russian-Organized Polish Partisan Activity.

A Swedish informant who has been working recently on construction work in Eastern Poland testifies as to the great strength and daring of the partisans there. They are mostly Poles, he says, organized by Russian parachutists who have an astonishing ability to speak Western European languages. He is sure that the German losses to the partisans are very considerable. Informant's Polish chauffeur was killed and he himself was beaten up some 100 kilometers east of Warsaw, only escaping because he proved he was a Swede. On one occasion he arrived in a town that had just been completely looted by 400 partisans who marched in formation, armed to the teeth. The partisans even sometimes announce their raids on towns by putting up posters. This enables the German police to prepare for the raid, but the partisans are nevertheless so strong that the German police are usually wiped out. He says that the partisans' hatred for the Germans is fanatical, and is expressed in unbelievable brutality.

(OSS Official Dispatch, via Radiophone, Bern)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

21 December 1943

TO: Col. L. Mathewson, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports Received in Office of Strategic Services, No. 89

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS--Intelligence Service

Enclosures
Besides the long list of world-known buildings destroyed in Berlin by air-raids, there has also been great damage done in the workers' districts, where entire quarters have been destroyed. The number of killed in the various Berlin raids is estimated at 35,000, and the number of homeless is many hundred thousands. The reaction of the population is difficult to describe; the people are so busy trying to take care of themselves that they have not had time to draw many conclusions. The informant believes that the Nazi propaganda about "British air pirates" and "English cannibals" has had very little effect. In fact, people have even been heard to say that it would have been better not to have started the war.

Reports from Austria indicate that there are still a great many people outside Vienna who have never heard about the Moscow Declaration concerning Austrian independence.

Germany is said to be experiencing a very serious shortage of textiles. Rugs, bedcovers, etc., are being requisitioned for winter equipment for the army.

There are reports about a recent and very substantial improvement in the treatment, housing conditions, food and hospitalization of Russians, both workers and prisoners of war, in the Reich.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
France: **Communist Party Propaganda makes Sweeping and Persuasive Promises.**

According to a good source, the French Communist Party is now spreading the following propaganda in France:

1. Russia desires a close alliance with France -- and with a strong France, because Russia never wants an alliance with the weak. She desires this alliance with a new France which has freed itself from the regime which caused its downfall. Consequently, the Communist Party considers as adversaries all of the following: the Socialists, the Radical Socialists, the Free Masons, the Jews in so far as they were a corrupting influence, the trusts and the capitalists, the royalists, and all German agents and German tools. On the other hand, the Catholics, Protestants, and even the people of the Right and Center, are welcome to the Communist ranks. The Communist regime will fix maximum as well as minimum salaries, will insure social security, and will strive to raise the standard of living.

2. Commerce and industry will be free, in so far as this does not endanger the authority of the state or the general interest. Prices will be maintained at an equitable level. The middle classes, the small bourgeoisie, will be protected as they were never protected in the capitalist regime. The state's financial obligations will be guaranteed, as well as bank accounts, and they will not be in the hands of such brigands as Guericke or Stavisky or their ilk. The Communist state will be clean, honest, virtuous and strong.

3. The people's representatives will be the elite, and not mediocrities. Those eligible to be elected as the people's representatives must have a clean record.

4. The army will be honest and loved by the nation, with the most modern arms and equipment. It will be a popular, democratic and republican army, with discipline removed from politics.

5. With a strong state and a strong army, the French nation will find its greatness and its power. It will be respected and its friendship sought as was never the case of the France of Radical Freemasonry and the Popular Front.

6. A strong France will become the ally of (and possibly later may be united with) a strong Russia and together they will realize by their respective and complementary geniuses the United Europe which is so much desired. This can only be brought about by a people which has reached a consciousness of its destiny.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
Iran: The Shah is Reported Offended.

Because the Shah did not receive a return visit after his call upon the President at Teheran, it is reported that the Iranians may not cooperate with American advisers in Iran. Moreover, since the Shah's visit with the President was not as long as that with Stalin, the observer reports that the prestige of America has been lowered to the level of the British. The prestige of Russia has increased. The Iranian authorities have given no publicity to the incident. OSS analysts tend to regard this report, if true, as an example of the characteristic hypersensitivity of Iranians in their relations with foreigners. Ed.

(OSA Official Dispatch, Cairo, rated A-2)
Iraq: Reform Measures.

Since the close of the national elections eight weeks ago, all profiteering convictions have been upheld by the Court of Appeals, the new economic advisor is being severe with the large stores, while the necessary rationing machinery is being established. All this gives the Iraqi people some faint hope that the government may this time have been serious in its promises of widespread reform.

There were 980 cases of smallpox along the Turkish-Iraqi border as of December 18, and the epidemic is not under control.

(OSS Official Dispatch, Baghdad, rated A-2)
The British have fully documented evidence against Mihailovich, which seems to be circumstantial and conclusive, and is described in brief as follows:

1. The forces of Mihailovich have made no decisive moves against the Germans for a year and a half.

2. Less than one of the fourteen Nazi divisions assigned to Yugoslavia is in Serbia.

3. Mihailovich and his chief commanders, being reaction- ary Serb nationalists, are considered by most of the Serbs themselves to stand for a prolongation of the corrupt, pro-Fascist factions which inflicted confusion and military calamity on Yugoslavia. In addition they are detested and feared by the Slovenes, Croats, and Moslems of Yugoslavia, and are profoundly distrusted by the anti-Nazi Albanians, Bulgars, and Greeks.

4. For eighteen months Chetnik units have been working actively with the Germans and Italians in combating the Partisans, and Mihailovich has an understanding with both the Nazis and Nedich.

5. With quantities of Chetniks abandoning him in favor of the Partisans, Mihailovich has sent out instructions in writing, threatening the death sentence to any Chetniks who will not fight the Partisans.

6. Having originated in Serbia, the Partisan Movement now has about 30,000 members active in Serbia and Macedonia. Approximately 45 percent of the Partisan total of 220,000 are Serbs and a large proportion of the leaders are Serbs.

7. There is absolutely no nationalist tension within the ranks of the Partisans and most Serbs are becoming more and more convinced that only through the Partisan movement can a new Yugoslavia, founded on cooperation among Slovenes, Croats, and Serbs, be established.

8. In contrast to the Mihailovich forces, which are inefficient and divided by internecine strife, the Partisans in Serbia are disciplined and well organized and are some of Tito’s finest troops.

9. Additional British supplies to Mihailovich would simply be used to fight the Partisans in company with Nedich and other enemy troops.

The British believe that an increasing number of Chetniks will henceforth desert to the Partisans, and Britain’s policy will be to try to persuade the Partisans to accept all who agree to fight the enemy. This, the British feel, would bring the civil war to an end, at which time the Allied war effort and Yugoslav resistance could be effectively coordinated.

(OSS Official dispatch, Cairo)
A confidential report is circulating among German Government circles designed to persuade these circles that the Tehran Conference was a failure. According to the report, Roosevelt and Stalin differed sharply upon Roosevelt's discovering that Russia and Japan had concluded secret agreements, possibly having to do with the mutual supply of war materials. There was no agreement on concrete matters, the report continues to allege, as is shown by the "fact" that the Tehran Declaration was a collection of generalities, while the Moscow Declaration had indicated certain points of agreement. In effect, Tehran stands for a worsening of relations between the Western Allies and the USSR, according to the report.

(CSS Official Dispatch, via Radiophone, Bern, rated A-2)
Germany: Slight Stiffening of Morale.

There has been a slight stiffening in German morale over the past month or so, due to successful German holding operations in Italy and the fact that there has been no grievous catastrophe on the Eastern Front during this period. Though the bombings have been serious, the Berlin population appears to have behaved well. There may even be a momentary rise in morale after bombings, through sheer gratitude at being saved. It will be a dreary Christmas for the Germans, but there is no sign yet that morale will crack until there is a serious military catastrophe. Gestapo terror continues.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
Germany: Foreigners in SS Formations.

Reliable reports from Germany tell of increasing numbers of non-German SS formations garrisoned in the Reich. The SS has built up French, Dutch, Danish, Norwegian and Latvian formations, which hold key positions in many parts of Germany. The Nazis seem to feel that in case of trouble these foreign mercenaries can better be counted upon to fire on the German population. These foreign nationality SS formations include adventurers, gangsters and the riff-raff of the occupied countries.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
TO: Col. L. Mathewson, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports Received in Office of Strategic Services, No. 88

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

Your attention is especially called to the report from Bern on current French opinion.

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

Enclosures
Yugoslav Developments; Mihailovich-Nazi Pact?

Mihailovich is believed to have signed a non-aggression pact with the Wehrmacht recently. Though Mihailovich is not pro-German, says this source, he would join with the devil in order to vanquish the Croats. Pavelich, on the other hand, has been almost liquidated by the Germans, as a consequence of his troops' consistently going over to the Partisans. Hitler has refused to have Croat forces brought back from abroad and has turned down a request for arms from Pavelich's Minister of War. (B-2)

Machek's position with the people, according to the source, is still stronger than Tito's. Negotiations are proceeding between the Partisans and Machek, who, if he manages to stay alive, may possibly become the more important personality, since he better represents the Croat people. In order that he may be watched more closely, the Gestapo is contemplating removing Machek to Zagreb. (B-0)

(OSS Official Dispatch, Bern.)

Other evidence has suggested that Machek's Croat Peasant Party has diminished in numbers, many of these joining Partisan ranks, so this statement should be received with caution. Ed.7
France: A Summary of French Opinion

Several representative persons living in various cities in France, most of them close to Catholic ecclesiastical circles, were recently queried on opinion in France. The following notes are a resume of their views:

The news from the Russian front is followed with the closest attention. The English radio is being less and less heard. Nothing is said about the American radio. Marshal Pétain's latest gesture -- namely his undelivered speech and decree -- had no reaction. The various acts of violence, the resistance movement, and the maquis are accepted as incidents in day-by-day existence. The general lethargy of the French people seems to be due to: (a) Discouragement because they feel that Allied promises have not been kept; there has been no invasion, no real offensive; operations in Italy have been slow; the Greek islands have been recaptured by the Germans; and there have been solemn pronouncements over the radio and then nothing happens. (b) The unfortunate effects of certain Allied bombardment on French cities, with the destruction of houses, loss of life and foodstuffs, often without any military results. (c) The tendency of the resistance movement to act without having precise objectives; they bomb, set fire to and derail trains, causing privations and losses, and the people as a whole see no tangible results. (d) The distress of a new winter of war without any definite action being in prospect.

In the general confusion the people are tending to become more and more receptive to communism.

The country is inundated by four sources of propaganda. First, German; this comes by press and by radio. The small regional papers, in particular, have insidious propaganda mingled with the local news. Second, propaganda from Algiers. This is violent and often antagonizes the French people. Metropolitan France does not object to criticism of its government, but they don't like it from those who are not themselves suffering. Moreover, the dissension with Giraud, the controversy with Pétain, the inactivity of the Giraud army and silence concerning preparations for activity, as well as the presence of Marty, Auriol, and Pierre Cot, plus the Lebanon crisis, have all lessened the prestige of Algiers, both outside and within the active resistance movement.

Third, Allied propaganda. There is a progressive loss of interest here. The tracts which are sent are too grandiloquent; and the propaganda is criticized as being vague, pointless, and not correlated with any effective military action. They are tired of being encouraged to hold on as

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the victory is near. Events in Italy brought immense hopes and then discouragement. The inclusion of Italian troops in the Allied ranks while French troops are excluded is severely criticized. Finally, there is the Communist propaganda, which is discreet, insinuating, and very clever in its description of the actions of the Red Army. To the French who lived through 1914-1918, when the conflict was between land armies which won or lost territory and cities, only such conflict is a real, understandable kind of war; and this is the kind of war the Russians are fighting. The massive bombardments of Germany bring a brief enthusiasm, and then the people turn to the Russian tanks on the Dnieper as being what really counts. Further, the Communist propaganda is easy and pleasing. Its slogans are: "We want a strong France, a stable working class, whose rights are recognized." The propaganda also states that France has earned a large place in the peace councils because of the sacrifices it has made, etc.

To sum up: the majority of the French people have two principal incentives: to get enough food to live on, and the hatred of the invader. They are losing interest in Anglo-Saxon propaganda and promises. They are sincerely impressed by the courage and sacrifice of the Russians -- exploited as it is by an able propaganda.

The above notes are from persons who, the OSS representative in Bern believes, are practically all anti-communists. They are unanimous in asking from us more realistic propaganda, adapted to the French character; and they hope that this will come while there is still time.

(OSS Official Dispatch, via radiophone, Bern, rated A-2)
Iraq: Three Political Parties Officially Recognized

The previously announced establishment of a political party system in Iraq has gone forward with the registration on December 15 of the following officially recognized parties:

1. KHA or Brotherhood Party, a revival of the party headed in 1931 by Jassim Pasha, plus the socialists, who are unable to agree on their own leaders. This party, which may prove to be the most powerful of the three, opposes domestic corruption but will support the foreign policy of Nuri.

2. ACHAD or the National Democratic Party under the leadership of Premier Nuri Pasha.

3. The Progressive Party, a new alliance of heterogeneous elements, which appears to constitute an immediate threat to the Nuri Government and will oppose both his domestic and his foreign policy.

The present Iraqi Government has made an appropriation for the building of modern villages and the construction of cooperative societies for scientific cultivation of state lands.

(OSS Official Dispatch, Baghdad, rated A-2)
Bulgaria: Possibility of a Coup d'Etat

A Bulgarian group called Zveno, which includes two prominent army officers, Damian Veltcheff and Kimon Gueorguieff, is believed by a reliable Bulgarian source to be contemplating a coup d'etat. Both Veltcheff and Gueorguieff have had experience, having taken part in the unsuccessful coup of 1934. Gueorguieff has great prestige, while Veltcheff, an anti-royalist and former head of the military school at Sofia, has kept faithful friends in the army. Both men have contacts "near to communism" and the source believes they have the means to overthrow the regime and put in its place a government of national union.

Though such a movement could get out of hand and lead to Communism, it is worth the risk, in the opinion of the source and, indeed, is the country's only possible salvation. If Bulgaria waits for its present Nazi-dominated government to be overthrown by Russian occupation, then communism, for which the country is ripe, would be inevitable.

At present, says this source, the Bulgarian Government and Council of Regency are mere puppets in the hands of the German minister, an SS gangster who knows of all government decisions before they are put into effect. Of the Regents, Filoff, a little known archeologist, is dazzled by the political heights to which the Germans have raised him and repays them with servility. Prince Cyril, a colorless personality with no prestige or authority, is unable to pursue a national policy.

(OSS Official Dispatch, Bern, rated B-3)

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Regraded Unclassified
OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.  

16 December 1943

TO:   Col. L. Mathewson, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports Received in Office of Strategic Services, No. 87

Submitted herewith are some additional items received from our secret sources abroad.

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John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

Enclosures

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By Authority of

CIA  006687

By  Date  APR  3, 1975

203(12)
Germany: Miscellaneous Information

1. The fact that Abetz has returned after a year's absence indicates an endeavor by the Germans to resume with respect to France a policy of European bloc building. This policy is said to be in accordance with advice from the Ministry of Foreign Affairs and from Goering, while Goebbels and Himmler are supposed to oppose it on the ground that it expresses a degree of weakness. However, since the French, including the followers of De Gaulle, are very dissatisfied with France's exclusion both from the recent Allied Conferences and from post-war planning, Ribbentrop is said to believe that France is a favorable field for Germany's European bloc-building policy.

2. On November 28 Himmler was made head of the administration of the police in the General Government of Poland. To make the change effective, Frank, the Governor General, has been made subordinate to Himmler. Kope, an Elite Guard Gruppenfuhrer, has been put in charge of the police in Poland.

3. The German journalists in Stockholm are saying that Germany will be able to carry on until autumn of next year. By then a change in the administration will have taken place in the US, and because of this as well as of great casualties which US forces will suffer, a compromise peace will be welcome to the Americans.

(OSS Official Dispatches, Bern and Stockholm, from sources usually reliable.)
Iraq: Stalemate in the Kurdish Revolt

Planting and the transportation of grain, animals, and trucks have been halted in northern Iraq by the stalemate between Mulla Mustapha, who now controls more than 30 northeastern villages, and the Iraqi Army. Having accepted terms, Mulla Mustapha will now consider no surrender until the government carries out its pledges, and has threatened to attack the towns of Kaniresh and Diano unless his claims are completely and promptly met. In order to make any such attack an assault against British property and subjects, the British have sent an English resident officer and armored cars to each threatened point.

(OSS Official Dispatch, Baghdad, rated A-2)
MEMORANDUM TO Col. L. Mathewson, White House Map Room

SUBJECT: Radiotelephone Report from Bern

The enclosed report, received from Bern via radiotelephone, is particularly called to your attention as an able and thoughtful document on present significant trends in European thought. It is true that the surrounding circumstances lend themselves to distortion and exaggeration; however, we have great confidence in the judgment of our Bern representative, and believe that his views are entitled to serious consideration.

It is suggested that it may be appropriate to bring the report in whole or in part to the attention of the President.

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

Enclosure - 1
The following report has been received from the OSS representative in Bern via radiotelephone:

ITALY

"1. I have before me a report dated Rome late in November. While somewhat old, it deals with a situation which has recently undergone no substantial change. The report expresses in telling language the bitter disillusionment of the Italian people in the occupied areas, and the consequences of that disillusionment. They had hopes for peace. They got only war -- and a civil war grafted onto a world war. The writer describes the dramatic change in feeling which has come over occupied Italy. He is obviously an opponent of the royal house, and is sharply critical of the support which he believes we have given to it. He writes:

"2. Suddenly and almost overnight, a complete change came over Rome. No one spoke anymore of the King. They apparently lost their hope in the English and the Americans. They based their hope solely on the Russians. I would never have believed that a people could change so quickly and so radically if I had not seen it myself. It is however, a fact that royal people in Rome have become Red. As I go to my office in the morning, I see signs placarded: 'Long live Socialism!' and on the walls of the houses there are other signs: 'Long live the Red Army!' or 'Long live Red Italy!' As I buy my macaroni, I find with it in the bag notices reading, 'All power to the workers and to the peasants!' I buy my fascist paper, because there are no others, and out of the paper falls a notice which is an appeal of the communist party. One can't get away from it. Whether you travel in the trams or take a taxi everyone is speaking of Russia. Russia and the Red Army are the chief topics of conversation and the great hope of the people. At the movies in the evening, as soon as the lights are turned out, someone calls, 'Long live Stalin!' or starts to sing the Internationale. It is the same thing at the theater. The new Republican Fascist Party at first tried to stop all this business, but it was absolutely futile. Now they are trying to worm their way into the movement, and they are saying that the desire of the people for real socialism is quite right; that the trouble with the Fascist party before was that the capitalists didn't let them have socialism; now all that is changed. There are early instances where people have gone out and plundered villas and houses of 'rich Fascist
brigands,' as they call them. So far such instances have taken place largely in Rome, but they threaten to spread to the country. In the country the Fascist authorities are trying to stem the movement as they feel that if it should really start there, it would be impossible to put limits to it.'

"3. While I cannot confirm the exact instances reported above, it seems to me not unlikely from what I hear from northern Italy. A revolutionary movement is brewing in Italy under the stress of war and civil war, and of hunger and disillusionment. I believe that it is true that in this situation the Italian people in the occupied area are turning more and more to Russia.

"4. In connection with the foregoing, I think it is fair to say that there has been a very decided change in the psychological outlook of this part of Europe in the last five months, since the fall of Mussolini. While military considerations undoubtedly have prevented more aggressive action on the part of the Western powers, a greatly psychological moment was lost when we were unable to exploit more fully the fall of Mussolini. Ever since that date, as a result of a combination of circumstances, the impression has been steadily growing that the future of Europe will be decided primarily by the Russians. These circumstances are: first, the events in Italy which I have mentioned above; second, the apparent lack of understanding between the Algiers Committee and the Anglo-Saxons, and its apparent orientation towards the communists; third, the disillusionment in France since Winter has come without any signs of an early invasion, which has resulted in a growing radical tendency there; fourth, the events in Yugoslavia, where Mihailovich, the original choice of the Anglo-Saxons, is apparently petering out as an anti-German force, while Tito, with Russian backing, is capturing the imagination of the people; fifth, the quarrels between the refugee governments in London and Cairo and their people at home; sixth, the Polish-Soviet break, which the Anglo-Saxons have so far failed to heal; seventh, the fact that the air warfare of the Western powers inevitably tends to create social conditions which make the people turn to Russia rather than to the West; eighth, the Russian-Benes treaty which in certain quarters here is taken to mean that there is no longer a completely clean slate in which to form the new Europe, and that Russia, in effect, has created
her first post-war alliance in the heart of Europe; finally comes the candid speech of Smuts -- a man whose reputation for honesty and forthrightness is high -- who draws from these premises the conclusion which, as I have said above, is fast gaining ground in this part of the world. There is another consideration which is most important: in the social conditions prevailing in a large part of occupied Europe and even in Germany itself, the Russians are catching the imagination of the masses, and we have so far failed to do so. For some reason or other, we are viewed as reactionary and desirous of reestablishing the old pre-war order of privilege. This is a difficult and rather intangible idea to get over to you, but I am certain that it has for us a dangerous reality in the minds of millions of people. In the foregoing I have merely tried to interpret as objectively as I can the large mass of reports and of conversations of people from neighboring countries and of keen observers here. If it seems distorted to you; you must realize that here we have a very distorted world."

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D.C.

14 December 1943

To: Col. L. Mathewson,  
White House Map Room

From: John Magruder, Brig. Gen.

Subject: Reports received in Office of  
Strategic Services, No. 86

Submitted herewith are some additional items received  
from our secret sources abroad.

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agents, and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.  
Deputy Director, OSS--Intelligence Service

Enclosures.

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CIA 006687

By SR Date APR 3 1975
France: Lower Morale of Resistance Groups.

The following information, transmitted from Madrid, is rated B-O:

During the six weeks previous to November 24, all resistance groups in France (with the exception of the Communists) suffered a substantial loss of morale. First of all, it is alleged, the events in North Africa have been disconcerting to the French mainly because of the seemingly increased influence of the Communists, to whom De Gaulle has seemed to be making concessions, and because the Algiers Committee has a political policy which seems to be less "tolerant" than that of the Vichy Government. Also there is disagreement with the article in La Liberté, Communist paper in Algiers, which published a criticism of Pétain. Decline in General Giraud's prestige and radio broadcasts by the Communist Party are also alleged in this unconfirmed report as disquieting to the French. The Marshal has gained popularity by virtue of his quarrel with Laval.

The military developments in Italy have not been progressing according to French expectations either. While the Soviet troops "are the only ones which move forward", it is feared that the same slow advance would occur in France in the event of an Allied landing.

Additional items causing uneasiness in the French mind are the attitude of the British in their intervention in Lebanon, and in general the psychological mistakes appearing in radio broadcasts from London. There was also a reaction of "unqualified disgust" to the report that Thorez and Cot hold high positions in the Committee. Misinformation, because Thorez is not in Algiers, while Cot is only a member of the Assembly and not a member of the Committee. Finally, there is a lack of confidence in the possibility that De Gaulle and Giraud will coordinate their interests, and it is therefore feared that Communist domination will be the result.

(OSS Official Dispatch, Madrid)
China: Rift between T. V. Soong and Chiang Kai-shek.

According to a reliable report dated 3 December, relations between Foreign Minister Soong and the Generalissimo are very strained. The climax of the quarrel has been the Generalissimo's accusation that Soong refused aid to Madame Chiang on her trip to the U. S. Meanwhile Soong refuses to proceed to the U. S., despite requests that he return.

(OSS Official Dispatch, London)
Iran: American Personnel and Persian Feelings.

Persian officialdom is reliably reported to feel snubbed by U. S. Army personnel. The contrast, moreover, between the highly disciplined troops of the British and Russian commands and those of the U. S. (who are principally service troops, one entire regiment of which consists of recruits from the truck drivers' union) is alleged to be conspicuous. The U. S. command is said to give parties for the Russians but to remain full of hauteur toward anything Persian except freight. The Shah had to invite himself to see our camp in Teheran and consequently, to repair these breaches in comity, the suggestion has been made that the Shah and his entire retinue be invited on a tour of inspection of the U. S. activities in the region from Teheran to Khoramshah.

(OSS Official Dispatch, Baghdad, rated A-2)
Germany: Rocket Projectile.

According to a reliable contact whose source has not yet been tested, the Germans have discarded a former model (20 meters long) of their rocket projectile because it invariably exploded in mid-air. They have, however, already manufactured 12,000 projectiles of a new type with a weight of from 10 to 12 tons and containing an explosive charge totaling more than three tons. A steam-powered mechanism launches the projectile, which after traveling a distance varying between 230 and 330 kilometers, strikes the earth at an angle of 48 degrees. The new projectiles range in length from 12 to 15 meters, and special railroad cars with ten axles are used to transport them. There are 17 batteries for the projectiles in the two towns of St. Omer and Calais alone, and other firing locations are scattered throughout Holland and Belgium. The source states that the Germans have had to postpone the use of the rocket once again, their intention now being to inaugurate the barrage at the beginning of next February.

(OSS Official Dispatch, Bern)
France: Military Potentialities of Resistance Movements.

The French resistance movements as considered from the military angle, according to information rated B-3 and transmitted by OSS in Madrid, include three military groups:

(1) The Secret Army, which is partially armed, but difficult to mobilize, loosely organized, and not disciplined. It resembles political militia.

(2) Elements of the former French Army. These are secretly recruited, are better organized, and apparently are imbued with a national ideal.

(3) Fugitives and deserters who form nuclei which are centered mainly in Savoy and in central France. They are grouped into Communist cells or are self-governed under the direction of groups (1) and (2).

All three groups, however, are wanting in central leadership, proper coordination, and effective liaison.

(OSS Official Dispatch, Madrid)
Hungary: Relations with Germany

The Hungarian Government is said to be delaying shipments to Germany to the point of seriously risking a break. Aircraft and parts from the Manfred Weiss plant currently consist of the bulk of the shipments. Coal reserves of this plant have been used up. The Government is deliberately curtailing additional coal deliveries so that the plant now is shut down an average of one to two days a week. Other exports to Germany include bauxite at a rate of 800,000 tons per year and petroleum, 300,000 tons per year.

Hungary refused last month to turn over to Germany seven or eight Danube ships of a sea-going type to evacuate German troops from the Crimea. The trade balance in favor of Hungary and against the Reich now amounts to 960 million marks. Hungary counters German insistence that former shipments to Italy now should go to Germany with the proposal that Germany see that Hungary continues to receive either usual deliveries from Italy or their equivalent from Germany.

Hungarian leaders have been discouraged by events in Italy since Mussolini's collapse and accordingly feel that Allied military and diplomatic operations lack coordination. Smuts' recent speech increased their fears in this respect.

Tension between Germany and Hungary is said to be such that the appointment of a Socialist deputy as a Cabinet member would be taken by the Germans as reason enough to occupy the country. The quarrel over evacuation of Hungarian troops from the Russian front has further embittered relations. Hungarian troops still are poorly outfitted. They are said to number 300,000 within Hungary's own borders. Rumania, however, is believed by Hungarians to have 400,000 well-equipped soldiers near the Hungarian frontier. Imredy no longer has German confidence; a retired General, Ruszkay Rautzenberger, now is said to be the preferred Nazi candidate for the post of Hungarian Quisling.
Germany: **Miscellaneous Information.**

The following information has been received from the OSS representative in Bern:

1. The German Air Force has overcome the Allied anti-beaming tactics of dropping metal paper ("Window"), a procedure which previously upset night fighters. (B-0)

2. Seventy percent of Germany's ball bearing production was centered in or around Schweinfurt, and approximately fifty percent of this was bombed out of commission, causing extensive criticism that the industry had been allowed to become so concentrated. Because production of ball bearings has become such a bottleneck, a special commissioner has been named to organize this industry. (B-2)

3. Reports that Russian prisoners of war are secreting arms and organizing partisan groups seem to have been confirmed by police raids. The German people are considerably upset about this. (B-0)

(OSS Official Dispatch, Bern)

A report, acknowledged to be vague but nevertheless from a competent source, is transmitted by the OSS representative in Bern. By next spring the Germans will have ready for operation a new type of submarine which can reach high speeds both surfaced and submerged, and which will not have to surface as current models have to do. According to this informant, a large number of these newly designed ships are being constructed, more even than the number of old-type submarines in commission. The old type will be used only for coastal operations after the new type is commissioned.

(OSS Official Dispatch, Bern, rated B-3)
Germany: Further Information on Rocket Projectiles.

An expert employed by the Germans to measure the speed and course of rocket projectiles gives these specifications: weight, 40 tons; speed, 600 kilometers per hour for 25 minutes; range, 333 kilometers. The rockets are launched by catapult. Each contains six mechanical and two electrical ignitions for the explosive charge. One reportedly fired from Peenemuende landed in Sweden and destroyed trees within a thousand-meter radius. This seems dubious, lacking any confirmation of the incident from any Swedish sources.

Rocket projectiles still are being assembled at Peenemuende, according to this expert, who adds that only the drafting room there was destroyed in the 17 August raid. Though both the Army and the Air Force are working on these projectiles they could not meet Hitler's 30 November deadline. The General in charge does not want to begin using the projectiles until he has 1000 catapults ready. The scientist behind the operations is a Professor Braun.

(SI #A-16803, rated B-0)
To: Col. L. Mathewson,
White House Map Room

From: John Magruder, Brig. Gen.

Subject: Reports received in Office of Strategic Services, No. 85

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS--Intelligence Service

Enclosures.

DECLASSIFIED
By Authority of
CIA 006687
By SR Date APR 3 1975

203(1)
Yugoslavia: Further Observations on Mihailovich.

The following comments, rated highly reliable, refer to the report on Mihailovich previously issued by this agency. These comments are evidently based on information not available to the sources of the earlier report. Accordingly they modify in some respects the conclusions implicit in that report.

The Germans had in Yugoslavia as of 14 November fourteen divisions and the Bulgarians six (the first report had given the figures as eleven German divisions and fourteen Bulgarian divisions). The Germans have only small garrisons in Mihailovich territory, the remainder being actively employed against the Partisans. Only two of the Bulgarian divisions are in Mihailovich territory.

The first report stated that while Mihailovich has units in all parts of Yugoslavia, his army is dominant only in the regions south and east of the Drina River, including parts of the Sanjak and Montenegro. Actually, virtually all Mihailovich forces remain in the Sanjak or Montenegro, except for small collaborationist bands in the south. There is ample proof that Mihailovich units outside Serbia formerly collaborated with the Italians. Now they are collaborating most actively with the Germans.

Mihailovich’s fears that further German reprisals would so deplete the Serbian population as to make it impossible to defeat the Partisans after the Germans are overcome have long been known to this source. Of considerable additional significance, however, is the fact that three times as many Serbians are in the Partisan ranks as are serving under Mihailovich.

(OSS Official Dispatch, Cairo)
Germany: Secret Weapons.

The Swiss press is now filled with stories about the German secret weapon and there is a tense anticipation in Bern. This may be the result of cleverly placed propaganda, or it may be due to the feeling that, having talked so much about it, the Germans must soon do something spectacular.

In addition to previously reported stories of emplacements for rocket guns and of secret runways, possibly for pilotless planes or for the takeoff of large numbers of gliders for the attack on London, there are now also reports about chemical warfare. One report says that the Germans have at last found an effective method of spreading bacteria from the air. Another unconfirmed report claims that 3000 gliders have been stationed in Northern France, together with some 5000 16-year-old Hitler youth who have taken the oath to sacrifice their lives for the Führer.

It is very difficult to appraise these reports. The OSS representative in Bern doubts that the Germans would resort to either gas or bacteriological warfare because of the greater counter-blows which we could inflict with our overwhelming air superiority. With regard to the rocket, there is more reason for apprehension. There seems to be no doubt that the weapon exists, but there is doubt as to whether it has been perfected, and as to whether the perfected weapon is available in adequate quantities.

An article in La Suisse for December 9 suggests (merely as a hypothesis and without any real evidence) that the Germans might attempt to throw at London in a single night 25,000 rocket projectiles, each with an explosive charge of two tons; that for this they might install 100 mortars, each firing 250 rockets at the rate of 30 rockets an hour, thus finishing the attack in a single night and before reconnaissance and bombardment planes could take effective counter-measures. The Gazette de Lausanne of the same date has an article from its Berlin correspondent captioned, "The Germans have Finished their Preparations for an Action Against England".

Possibly one reason for believing that some action may be attempted soon is that the Germans might wish to undertake such an operation while the nights are the longest.

(OSS Official Dispatch, via radiophone, Bern, rated A-2)
Turkey: Conflicting Reports on Turkish Intentions.

According to an OSS dispatch from Cairo, rated reliable, conversations with various persons with access to excellent information indicate that there will be no abrupt change in Turkey's status, i.e., Turkey will not enter the war even passively within the next sixty or ninety days, and she is not going to grant any bases to the Allies during this period.

The OSS representative in Baghdad reports, however, that after conferring in Baghdad with the Turkish Minister to Persia on December 8, the Turkish Minister to Iraq appeared to be highly excited. He thinks there will be war, although, in the source's opinion, it is unlikely that he has official information to confirm this belief. (A-2)

The Swiss Ministers to Iraq and Turkey and the Swiss Charge d'Affaires to Persia conferred in Baghdad on December 9 to complete arrangements for the transfer of the International Red Cross welfare machinery away from Istanbul in the event that Turkey's entry into the war makes this action necessary. (A-2)

(OSS Official Dispatches, Cairo and Baghdad)

The following report on the Slovene Partisans, transmitted by the OSS representative in Cairo, is rated reliable:

Rupnik, the Slovene Quisling, has his headquarters in Ljubljana. His forces are small in number, consisting mainly of boys and some old men equipped with inferior Italian weapons. His white guards are chiefly ignorant peasants led by collaborationist priests. The latter are not supplied with weapons or other supplies by the Nazis.

The population of Slovene Partisan regions is eager, awake and informed on political affairs by the wide circulation of pamphlets and newspapers. Communication facilities and military organization are good; discipline is strict. Enemy tanks present the greatest operational difficulties.

Nazi officers are rumored to have said that the first good snow will mark the beginning of the Nazi offensive against these Partisans. Continuous fighting has been taking place throughout Slovenia, necessitating constant relocations of the Partisan headquarters.

(OSS Official Dispatch, Cairo)
Finland: Views on Germany.

A dependable Finnish source says that none of the high Nazi authorities expect Germany to win the war. The only kind of propaganda which now strengthens German morale is that which paints a dreadful picture of conditions following a German defeat. The Finns believe that air raids would cause a home front collapse and resultant chaos.

Finnish-German relations get progressively worse. Werner Best, Hitler's plenipotentiary in Denmark, told a Finnish official in Copenhagen last month that he did not expect the Allies to attempt an invasion of Denmark. He said there is "a secret weapon", but until the supply is adequate it will not be put into use. He regretted that so much publicity should have been given the "secret weapon".

(OSS Official Dispatch, London)
Austria: Violent Anti-German Sentiment Developing.

The following report on Austria comes from several persons who have been there for the past three years. The impressions for the most part antedate the Moscow Declaration on Austria.

After the Anschluss, the Austrian Nazis were even more fanatic than the German Nazis, but gradually their enthusiasm has cooled. The Germans distrusted them from the beginning and have indeed been particularly clumsy in their dealings with Austria. All non-Nazi officials were dismissed and Austrian Nazi functionaries were sent to posts in Germany and the occupied countries and their places in Austria taken by Germans. Today in Vienna you see very few Austrian officials. A further point of irritation is the fact that Austria has been used as "the big air-raid shelter of the Reich". The Viennese, particularly, resent the swarms of Germans who have come there and the removal to Vienna of German factories which have thus invited bombardment.

The food situation in Austria, with the exception of the Vorarlberg, is worse than in Germany. Further, Austrian war losses are proportionately higher than those of the Reich. All of these causes, plus the general war situation, have created a violent anti-German attitude which is developing along two divergent lines.

First, the Catholic bourgeoisie, rallying around what is left of the old party of Schuschnigg, and second, the last of the communist workmen. Both movements want to deliver Austria from the Nazi regime, but they do not agree on a future program. The Catholics favor the Anglo-Saxon powers, and some of them want a Hapsburg restoration and Austrian independence. The Communists look to the Soviet and are not at all opposed to remaining a part of Germany as they believe that a large Communist Germany could play an important role in the future Europe.

Both groups possess clandestine papers, and the Communists are well organized on the cell principle and engage in industrial and railway sabotage. The Catholics fight Nazism more platonically, but more openly. Often walls are covered with inscriptions such as "Long live independent Austria!" and "Long live Schuschnigg!"
swastika on official notices is transformed into the Cross of St. Andrew, which is the insignia of the Schuschnigg party. Austrian national colors are worn whenever possible and Austrian women openly wear the Christian cross to emphasize their anti-Nazi sentiment. The salute "Grüss Gott!" is more often heard than "Heil Hitler!"

The Austrian youth, which for some time passionately espoused National Socialism, is now moving away from it. Enrollment in the Bund Deutscher Mädchen and the Hitler Jugend as well as in the SS has been practically nil from the beginning of 1943.

Recent arrivals from Austria emphasize that the situation is now ripe for dropping large quantities of leaflets from airplanes.

(OSS Official Dispatch, via radiophone, Bern, rated A-2)
Bavaria: Separatism.

Except in Austria, separatism is nowhere stronger in Germany than in Bavaria. Though Bavaria was the birthplace and for a long time the protector of the Nazi Party, the Bavarians now feel that only the insidious combination of Nazi doctrine and Prussian militarism led Germany into its present plight. Thus anti-Nazi feeling in Bavaria is strongly tinged with anti-Prussian sentiments. At least 70 percent of the population is estimated to be anti-Nazi; the balance live on Nazi jobs. The percentage is higher in southern (Catholic) Bavaria than in the northern (Protestant) part. The Catholic clergy has shown greater independence and engaged in more anti-Nazi activities than the Protestant clergy. The uncomfortable influx of bombed-out people from northern Germany has further increased anti-Prussian feeling and there is said to be great discontent over the wateriness of the available beer.

Communist activities are not important. The people still remember the ill-fated Communist experiment under Eisner after the first World War. Monarchists also are limited in number.

The Bavarians today cannot take any effective action against either the Nazis or the Gestapo, but considerable bloodshed must be expected when the Nazi regime falls. It will not be easy to find the right sort of people for a new civil administration. Most of the parties, except possibly the Social Democrats, have on some occasion compromised themselves by collaborating with the Nazis.

An unconfirmed report suggests the future possibility of a Bavarian maquis. This source says that some Bavarian troops on leave from the Eastern Front refused to return to duty and have fled to the mountains.

Probably the majority of Bavarians today would like to see their state restored with all its pre-Hitler rights. However, the Bavarians probably also would wish to remain in some sort of union with the German states, if Prussian supremacy within such a union is ended. As yet there is not great support in Bavaria for a tie-up with Austria.

(OSS Official Dispatch, via radiophone, Bern, rated A-2)
Germany: Production Notes -- Coal, Synthetic Oil, Buna.

The OSS representative in Bern transmits a report that though total German coal output has not changed because so many additional miners have been recruited from forced labor and prisoners, the German coal mining output per man and shift has dropped 10 percent in the past six months. A great increase is reported in the German synthetic oil output, a process which has demanded vast quantities of coal. The total natural oil production of Poland, Germany, Alsace, and Austria is said to total 2,500,000 tons annually. A large extension to the Buna plant at Huels will go into operation six months later than planned because of recent demolition of the main electric plant presumably by Allied air attack.

(OSS Official Dispatch, Bern)
Iraq: Plans and Projects.

The budget of the Iraq Government for 1944 will include funds for beginning two important projects: the Be'imne dam for flood control of the Tigris River, and a plan for railroad connection with the Mediterranean.

At a secret meeting on 8 December Premier Nuri Pasha informed his Council of Ministers and his Chief of Staff of his disappointment with the army's lamentable performance in failing to suppress the Mulla Mustapha revolt. He pointed out that Iraq's position in the Arab Union would be largely determined by the strength of its army, which must be powerful enough by itself, he is reported to have said, to prevent interference from Ibn Saud. Nuri said that he will promptly issue instructions for the complete reorganization of officer personnel, and discussed plans for next spring's offensive against Mulla Mustapha.

(OSS Official Dispatch, Baghdad, rated A-2)

Regarded Unclassified
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

9 December 1943

TO:      Col. L. Mathewson, White House Map Room
FROM:    John Magruder, Brig. Gen.
SUBJECT: Reports received in Office of Strategic Services, No. 84

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS--Intelligence Service

Enclosures.

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By SR Date APR 3 1975

203(12)
Wehrmacht said to have urged Hitler to Resign as CINC.

High Wehrmacht officers reportedly have urged Hitler to resign his position as CINC, appoint an independent CINC of the Reichswehr and create a unified command for the Southern and Eastern Fronts. Hitler was urged to remain only as Führer and Chancellor of the Reich. Hitler agreed to these recommendations in principle, but opposed Wehrmacht suggestions for the position of CINC, particularly opposing von Mannstein. High Wehrmacht officers are depressed, for they no longer have faith in Hitler as CINC and believe he is personally to blame for some of the 1943 defeats. Since both the SS and Wehrmacht are doing their best to prevent a conflict between them, the chances of such strife are slim.

(OSS Official Dispatch, London, rated reliable)
Estimate of Current Opinion in France.

Any broad generalizations with regard to France would be erroneous, except that the French are practically unanimous in their hatred of the Germans and in their contempt for Italy. Otherwise there are many currents of political thinking, and these are more and more coming to the surface as the French recover from the stupor of their defeat.

Among the young and the militant, Gaullism dominates, although this is not personal allegiance to the General but rather to the ideal of resistance. Communism is gaining in strength, and the Communists are probably better organized and better armed than the other underground groups.

Russian prestige is now immense and many non-Communists feel that a close collaboration with Russia would be the safest insurance for France. But many, particularly in bourgeois, labor union and parliamentary circles, who favor such collaboration, nevertheless view with alarm the importance assumed in Algiers by the French Communist deputies who were imprisoned in 1939 for sabotaging the war against Germany. Moreover, while the French are ready to collaborate with Russian Communism, they do not trust French Communism. They feel that Russia has worked through the bloody and revolutionary period of its Communism, hence one can well cooperate with her; but they believe that if the French Communists came into power, France would then have to go through the same bloody revolution as Russia. These persons feel that the French Communists belong to the old Trotsky, rather than to the Stalin, school of thought.

To the right of the Communists and the militant resistance groups there is the large body of the French peasant, bourgeois, and small business and professional class. Most of them are not participating actively in the resistance groups, but they nevertheless are likely to mold public opinion in the future France. While they are probably Gaullist in the sense of supporting the ideals of Gaullism, they are not particularly happy at developments in Algiers, partly because of the apparent Communist influence there, and partly for other reasons. They would like to see Algiers devote itself more to military, and less to political matters. They regret the apparent strife between Algiers and the Anglo-Americans. Many of them suspect De Gaulle of overweening personal political ambition of the Boulanger variety.
They do not like the somewhat mystical hero-worship of the man De Gaulle by his young adherents. The French people have an inborn skepticism of their political leaders. Also the vast number of government functionaries, railway employees, etc., who have had no chance to join Algiers, resent the fact that Algiers ascribes all virtues to itself while they keep the administrative machinery of France going under extremely difficult conditions.

These people do not want any military or political dictatorship, and despite all the weaknesses of the Third Republic, they wish to see a parliamentary regime restored. But they are seriously disquieted to see many of the men who were closely associated with the regime in the pre-war years now coming back into power in Algiers.

To conclude: In France today the apprehension of a fratricidal civil war and terror is only second to their fear and hatred of the Germans as an underlying motivating force. Yet they also fear the danger of a military dictatorship. What they would probably like most of all would be a short occupation, chiefly by Americans, until they had time, undisturbed by personal vendettas and civil strife, to get on their feet and organize their own political life, their own police and army, and put their own new chosen leaders in the saddle. They do not want a French colonial army under either Giraud or De Gaulle to play this role.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
Berlin: Strategic Value of the Bombings

The bombing of Berlin has proved that the essential line of supply and transportation to the north Soviet front can be disrupted for five to six days, and that raids at corresponding intervals can put it permanently out of commission. Excluding soldiers and prisoners of war, some 7,100 persons were killed, 10,000 homes and 100 war factories were demolished. Passive defense plans failed entirely to function and there was general chaos. Elite guardsmen hurried in from Silesia, cut off Berlin from the surrounding country and sent all fleeing Berliners back to the capital.

After the raids thousands of factory hands failed to return to work and even the most systematic schemes for rounding them up have been ineffective. During the four days beginning November 23, 4,000,000 man hours of work were lost in the war plants.

(OSS Official Dispatch, Bern, rated B-2)
France: Political Opinion.

The following reliable information is based upon the latest available intelligence from France:

All thinking Frenchmen, including all political organizations and even a majority of those who are loosely branded as collaborationists, are motivated by the desire to free France of the Nazis and to eliminate all personages who have been discredited by their being in power in the years just prior to 1939. All definitely insist on the necessity for a clean political slate, and all -- even the bourgeoisie -- have lost faith in Vichy and the "National Revolution".

It is possible that Communism may develop into a strong minority movement by virtue of its leadership in armed resistance and also because of the growing tendency to nationalism. On the other hand, the opposition to Communism is steadily growing in France, where opinion regards as dangerous the influence of the Communists with the Committee of Liberation. The peasants and others who have not undergone as much physical suffering as have the urban workers, for example, are still motivated by a conservatism which longs for order and dreads revolution.

The resistance groups have emphasized the necessity for a society in which a minimum standard of living is assured, for the establishment of the Fourth Republic, and for a proper participation by France in whatever international plan may be adopted. By and large, De Gaulle is acknowledged as the impersonation of these desires, although there exists (1) a fair amount of reservation with regard to his personal influence, and (2) considerable criticism of the motives of personages very close to him. There is substantial disappointment that the Committee of Liberation neglected to take definite action against certain notorious collaborationists in North Africa. Those in France who know what took place in North Africa are worried lest the Allies may continue to put up with elements whom the French regard as traitors. De Gaulle is considered the best chance France has to bring together all the separate elements under present circumstances and he will unquestionably be the outstanding French figure in the months immediately after the war ends. Giraud does not figure in the political scene and has no political following or program.

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(CIA 006687)

By SR Date APR 3 1975

Regraded Unclassified
Repercussions in Europe from Smuts' Speech.

The OSS representative in Bern comments on the European repercussion from Smuts' recent speech as follows:

The speech of Marshal Smuts has made a real sensation in Bern, not only among the Swiss, but among arrivals from neighboring countries. No speech in the past year has caused as much comment. The enemy, of course, has acclaimed it as evidence of their thesis that the Anglo-Saxons are ready to deliver all of Europe to the Russians. It has made more difficult the task of our friends here who have been maintaining that an Allied victory did not mean a Russianized Europe.

It is possibly difficult to realize in Washington the extent of the real apprehension of Russia in Western Europe. Russia is viewed as the same country which invaded Finland and the Baltic states, and made the pact with Germany dividing Poland and Rumania. People view developments in the Balkans and in France as evidence that Russian domination may extend far beyond the limits of the 1941 boundaries. The OSS representative says that he has had many talks recently with persons from Hungary and Rumania, where fear of Russia is the dominant preoccupation. Now these people see in Smuts' speech the confirmation of their fears.

The Smuts speech is accepted generally as being an authoritative statement of British policy. It is assumed in Bern that it could not have been made during the critical days of the Teheran Conference unless it had been approved by the British Government. Whether it was approved on our side of the Atlantic is a question that is generally being asked, and to which no answer can be given. In a few quarters the OSS representative has heard it has been suggested that the speech never was intended to see the light of day, but leaked out in garbled form, which forced its premature publication. In any case this is a speech which will not soon be forgotten.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)

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By Authority of CIA 006687

By SR Date APR 3 1975

Regarded Unclassified
Italy: Terror and Resistance.

Twenty active Socialists were recently arrested in Milan and the printing press of AVANTI!, the Socialist organ, was seized. Seventeen Socialists have been killed in fighting in Brescia, and in Ferrara 27 anti-Fascists were executed as reprisal for the murder of the Fascist Republican chief. The Italian clandestine newspaper ITALIA LIBERA reported on November 20 that in the reign of terror in Ferrara which followed this murder, Fascist squads and SS detachments destroyed houses, made arrests by the hundreds, and killed many anti-Fascists without trial. Among those so executed were the Socialist Cavallari and the lawyer Zanotta of the Action Party.

Since the Gestapo took over in Italy, according to LIBERA STAMPA, political prisoners are no longer placed on the prison records under their real names, thus making it extremely difficult to obtain any news of them.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
France: De Gaulle and the Future.

The majority of the French people consider De Gaulle the personification of all French resistance, reiterates a London report rated B-2. The people of the resistance organizations turn to him for leadership rather than to his government at Algiers. Because he is a symbol of the utter rejection of capitulation and collaboration and is the admitted chief of the majority of resistance organizations, his stature within France far transcends that of the usual political leader.

Post-liberation support of De Gaulle by the left-wing and Socialist groups will depend upon his actually carrying out his promises of bringing back democratic elections and constitutional government. The French believe that only De Gaulle is powerful enough to integrate French political elements and restore France to her status as a great nation. The Confederation Generale du Travail and the Socialists fear that revolution and civil war would arise in France if De Gaulle were not present. This being the main thing, the CGT or the Socialist groups have not yet elaborated a specific post-war policy, but there is a general tendency to turn toward a sort of "New Deal" of a complexion generally socialistic.

(OSS Official Dispatch, London)
TO: Col. L. Mathewson, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports received in Office of Strategic Services, No. 63

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS--Intelligence Service

Enclosures.
Germany: Swiss Comment on Military Situation.

An outstanding Swiss military commentator has suggested that Germany might take the following steps to improve her military situation: (a) evacuation of Finland and Norway; (b) withdrawals to the Riga-Odessa line in the East and the line of the Danube and Sava to Trieste in the South; (c) creation of a strategic reserve of 100 divisions through these withdrawals and the calling up of new classes; (d) maintenance of present defensive positions in the West, and (e) a counteroffensive in Italy. The German diplomatic tactics would then be to use the new situation to drive a wedge between the Allies. Germany would hope that chaos creating fertile ground for Allied dissension would develop in the Balkans following a German evacuation, and that Russia would move into Finland and possibly Norway and alienate her Western Allies.

(OSS Official Dispatch, via Radiophone, Bern, rated B-2)
Turkey: Vichy Diplomat's Estimate.

On November 27, Bergery, the French Ambassador to Turkey, passed through Geneva on his way to Vichy, and is said to have made the following remarks. They may indicate the sort of thing he is officially reporting to his people as well as to Nazi friends; they may also reflect what he has been told by the Turks:

A Turkish declaration of war would simply invite occupation of her territory by either the Germans or Russians. Turkish military authorities state Russia has at present 400 divisions to which Germany can oppose only 275, many of them numbering less than 7000 badly fatigued men. Turkish aviation could hold out only about a week. Hence, unless the Allies are able to place seventy divisions on Turkish soil, the Turks will not go to war. Bergery further remarked that Turkish military circles anticipate that the war will end this coming June, but that they also expect the Russians and the Allies to be at war with each other by October 1944.

(OSS Official Dispatch, Bern, rated B-0)
North Italy: Opposition Differs on Time for Action.

Reports indicate a slight division of opinion between the opposition parties in North Italy. The Communists want to engage in immediate active work. The parties of the Right (including the Partito d'Azione) believe that the time for action will not be ripe at least until the opposition is better organized. The Communists, working on the cell system, are carrying on considerable sabotage as are some Socialists; the other parties are organizing.

(OSS Official Dispatch, via Radiophone, Bern, rated B-2)

Damage to Berlin of real military significance will be difficult to assess for some time. Early eye-witness reports must be discounted at least 50 percent. At this point one can say that (a) the psychological effect has been great, (b) the relatively small Allied aircraft losses must disturb the Germans, (c) the Germans now realize that cloudy weather is not a protection to them but to the bombers, and (d) the Germans feel that attacks on Berlin will continue until Berlin is a second Hamburg. They apparently have come to realize that whatever may be the physical appearance of Berlin after the bombardments, its days as the capital of a conquering Germany are drawing to a close inevitably, possibly forever.

Military sources in Bern connect the Berlin bombings with a possible forthcoming Russian offensive on the northern front. Materiel, supplies and troop reinforcements for this front from any point south of Berlin always have been routed through Berlin. Interruption of this railway traffic would seriously cripple timely reinforcement of German troops in the Leningrad sector. Rail communications to the Eastern front through South Germany are already overburdened with traffic for the front running south from Zhitomir. They cannot safely handle the additional traffic which normally passes through Berlin.

(OSS Official Dispatch, via Radiophone, Bern, rated B-2)
Vichy France and Algiers France.

Though reports on Vichy developments still are confusing, it is clear that events are moving toward a Government crisis—if one can dignify by the name of Government what remains in Vichy. Marshal Petain's undelivered speech and his decree turning over his authority to the National Assembly at his death undoubtedly is authentic news.

The Marshal's maneuver is in harmony with rather widespread feeling in occupied France that while any evidence of military strength in Algiers is welcome, political activity there is to be viewed with some skepticism. Fifty members of the Senate and Chamber of Deputies are in Algiers, some six hundred are in France. The latter feel that they are bearing the real risks and dangers and have no intention of accepting political dictation from a minority in Algiers. The strong Communist representation at Algiers is also a concern to certain groups in France. The Marshal made a clever move in attempting to revive the position of the National Assembly. Even if his speech and decree never see the light of day, the story of his attempts will help revive in certain quarters his almost dead prestige.

The Germans, in incorporating so many Czechs and Poles in their divisions in France, have been playing a dangerous game. It is reported that one of the most daring and effective acts of recent sabotage was carried out by Czechs in a German regiment.

(OSS Official Dispatch, via Radiotelephone, Bern, rated B-2)

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CIA 006687
By SR Date APR 3 1975

Regraded Unclassified

The Germans expect to raise ten new Elite divisions which will consist of Baltic troops between the ages of 18 and 35, troops from Tyrol between the ages of 18 and 25, and of certain selected Italians and Germans aged 17. (B-0)

Leaders of police were empowered by Himmler on the first of November to enforce martial law throughout the entire Reich. They have been vested with the power to kill on the spot any of the inhabitants who are refractory. Since this edict went into effect, the number of Germans that have been shot runs into the thousands. (B-2)

(OSS Official Dispatch, Bern)
Hamburg: Final Estimate of Bomb Damage.

According to authoritative calculations transmitted by the R and A Branch of OSS in London, the bombings of Hamburg caused time-losses equivalent to seven or eight weeks' production in the city's three submarine yards, or from nine to eleven submarines of the 500-ton class. Fifty percent of the loss was caused by absenteeism. For the whole city the loss in man-hours is calculated at 402,000, or fifty working days in terms of production. The number of uninhabitable residences is 286,940, of which 214,350 were demolished. A further 121,600 residences were damaged but are habitable.

(OSS Official Dispatch, London)
Germany: Reports of the Progress of Secret Weapons.

Recent arrivals in Bern say that experiments with the new rocket gun in Poland were not a success, since the rocket burst after having travelled about 10 miles, although the destructive action was very great. (B-2)

An additional report from Bern says that the bombing of Peenemünde seriously interrupted the research of the Luftwaffe but that intensive research has been going on in the new Mödling plant ten miles outside of Vienna, where, it is reported, a concentration of Nazi inventors are working on automatic pilots and television apparatus. (B-0)

(OSS Official Dispatches, Bern, via Radiotelephone and Cable)
TO: Col. L. Mathewson, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports received in Office of Strategic Services, No. 82

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS—Intelligence Service

Enclosures.
Ploesti Refineries Back in Operation

By the middle of October the Ploesti refineries were repaired and once more in operation, except for Colombia, Creditul Minier, and Steaua Romana. The Nazis have set up new refineries within the Reich and Ploesti crude oil is being shipped to these new plants for processing. Production was hampered for only a short period. (B-2) The current refinery output of Ploesti is said to be 1450 tank cars daily, while its field capacity is stated to be 1850 tank cars daily. (B-O)

(OSS Official Dispatch, Madrid)
Rumania: Ion and Mihai Antonescu Discounted as Useful Allied Contacts

The following information dates from the second week in October and is from a responsible neutral intermediary in Bucharest who has personal affiliations with Mihai Antonescu and other Rumanian officials:

1. The informant believes it a mistake to rely on either Ion or Vice-Premier and Foreign Minister Mihai Antonescu to bring about a reversal in Rumania's position. Mihai is inclined to establish contact with the Allies but Ion is against this and is not even told of such action. Informant thinks that certain generals and government officials such as Constantinescu, the new Minister of Communications, are so pro-Nazi that in all probability they keep the Nazis posted on all efforts made to contact the Allies.

2. Source believes that only Maniu, leader of the Peasant Party, and Dinu Bratianu, leader of the Liberal Party, would be able to make serious negotiations with the Allies, but that neither could play a decisive part in the future.

3. Mihai Antonescu recently protested to Killinger against the constant growth in the number of SS personnel in Rumania. Killinger answered that Germany was not taking any chances after the example made by the Italians.

4. It is said that recent incidents along the Rumanian border were deliberately provoked by Premier Kallay of Hungary. Kallay's motive was to necessitate the concentration of troops on the border so that he could refuse Hungarian occupation of Dalmatia and Croatia.

(OSS Official Dispatch, London, rated reliable)
Mihailovich and the Nazis

Mihailovich has been in collaboration with the Nazis whenever it has been a question of fighting the "Communists" in Serbia, according to a report rated B-3. Now, especially, as the British cool off toward him, his relations with the Nazis become correspondingly more intimate. Some of the British funds paid to Mihailovich, says this source, have passed into Nazi hands.

A distinct liaison exists between Colonel Dijedjevich, the man closest to Mihailovich in the areas of Uzice and Valjevo, and Nedich, whose police troops are equipped and armed by the Nazis. As Colonel Dijedjevich's troops are now well supplied with equipment, they may be receiving it indirectly from the Germans through Nedich. (B-3)

(OSS Official Dispatch, Bern)

DECLASSIFIED
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CIA 006687
By SR APR 3 1975

Regarded Unclassified
France: Transportation Difficulties

In France sabotage of transportation facilities is constantly increasing. The railroads, moreover, have coal reserves sufficient for only 10 days' operations. Of a total of 10,000 locomotives 2,000 have been immobilized and therefore the French government has asked the Nazis to provide them with 1,200 locomotives and 16,000 cars. The Germans have promised to deliver from 300 to 400 locomotives, but no cars.

(OSS Official Dispatch, Bern, rated B-2)
Germany: Bomb Damage to Chemical Plants; Nazi Surprise
At the Bombing of Sofia

The Nazis view the recent bombings of Berlin, Leverkusen and Ludwigshafen, as a methodical process of eliminating Berlin as the chief transport point in the north for the Russian front as well as to demolish German chemical plants which make explosives and chlorates.

Severe damage was inflicted upon the I.G. Farben factory at Ludwigshafen in which, together with Leverkusen, nine percent of all the chemical workers in Germany are employed. Of the 90 chemical works in the vicinity of Berlin, at least 11 were damaged. Also severely crippled were the chemical plants at Lichterfeld, Schoenberg, Marienfelde and Tetlow. The news of such damage is being deliberately withheld from the public. In such places as Leipzig, Halle, Magdeburg, and Stendal, through which traffic has been rerouted, severe congestion has resulted from the paralysis of the Berlin railway traffic. The dislocation of this transportation, even before the recent bombings, was far more serious than the Nazis had expected.

The Nazis consider the bombing of Sofia as a boomerang. The bombing surprised them and the Bulgarians regard it as strange that the Anglo-Saxons would use this means to show their gratitude to them for not fighting in the war against Russia while cities of Finland and Rumania, both of whom are belligerent, are spared such bombings.

(OSS Official Dispatch, Bern, rated B-3)
TO: Col. L. Mathewson, White House Map Room
FROM: John Magruder, Brig. Gen.

SUBJECT: Reports received in Office of Strategic Services, No. 81

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS--Intelligence Service

Enclosures
PW Opportunities Indirectly Resulting from the Bombing of Berlin.

The OSS representative in Bern suggests that PW advantage can be taken of the ingress of bombed-out Berlin evacuees into Bavaria, where anti-Prussian sentiment is already increasing. The fact that Speer's ministry was damaged in the recent bombing of Berlin (and the files on construction activities and war production reportedly destroyed) may have an extremely deleterious effect upon the German war effort. If personnel files have been destroyed, it will prove difficult for the Germans to control the desertion of foreigners from the Todt Organization and from other projects involving forced labor.

(OSS Official Dispatch, Bern, rated A-2)
Rumania: Rumanian Troop Dispositions.

The following information has been received from OSS sources in London:

1. Julius Maniu has decided to leave Rumania and to organize resistance for the Allies. (B-3)

2. Rumania has refused Germany's request that she guard the rear of the German army on the Pruth or the Dniester. (B-3)

3. A general demobilization of the Rumanian army has already been effected as a result of General Antonescu's intention to prevent Rumania from battling against the Allies while still not betraying Germany. (B-2) Half of the regiments stationed on the Hungarian frontier maintain their complete effective, but the rest have been called into the interior. Together with those regiments which were originally there, they have had their effective reduced to 150 men from their former strength. (B-0)

(OSS Official Dispatch, London)
Germany: Alleged Prospects for Bolshevism; Nazi Tears for Civilization.

An informant who has recently returned from a short business trip to Germany says that although Himmler's power is increasing, there is no evidence that Himmler proposes to move against Hitler.

Source is pessimistic about Germany's prospects. He cannot see a personality or authority emerging who could surrender in time and still keep internal order, and he thinks the odds are heavily in favor of Communism arising in Germany. The German leaders are aware that Germany is defeated but others still hope that Hitler can work a miracle like an agreement with Russia or some such stunt. Only Hitler holds the people together and if he should vanish, rapid degeneration would follow, accompanied by war among his would-be successors, all of which would be followed by Bolshevism.

All the Nazis the informant saw ladled out identical sop about Germany fighting only to save the world from Bolshevism, and castigating both England and the U. S. as traitors to civilization for aiding Russia. Informant says that, with their vast capacity for self-delusion, the Nazis really seem to believe this despite the fact that three years ago they were ready to share the world with the Russians.

(OSS Official Dispatch, Bern, rated B-0)
TO: Col. L. Mathewson, White House Map Room

FROM: Col. J. R. Forgan, G.S.C.

SUBJECT: Reports received in Office of Strategic Services, No. 80

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

Colonel J. R. Forgan, G.S.C.
Acting Deputy Director, OSS—Intelligence Service

Enclosures.

DECLASSIFIED
By Authority of
CIA 006687
By SR Date APR 3 1975

203(12)
Yugoslavia: Information on the Mihailovich Forces

The following account of recent close observers is deemed highly reliable:

As Minister of War, Mihailovich is the de jure head of an army comprising all males in Yugoslavia between the ages of 18-50. Actually only a small part of this group has been mobilized to date. As there are no reliable, up-to-date figures showing mobilizations or arms, Mihailovich's strength is difficult to estimate. OSS analysts believe it to stand at about 15,000 regulars.

While Mihailovich has units in all parts of Yugoslavia, his army is dominant only below and east of the Drina River, including parts of the Sanjak and Montenegro. The Partisans are dominant in the North. The latter are described as mainly urban dwellers who have fled the cities. Being mobile, they avoid reprisals by leaving areas shortly after attacking. In contrast, Mihailovich's army is said to be composed chiefly of peasants attached to their soil and home, and as a result bear the brunt of German reprisals.

The mobilized part of his army lives under cover in the woods and is poorly clothed, fed and housed. It wears ragged Yugoslav, Italian or German uniforms or peasant garb, and fights with all kinds of old weapons. Mihailovich's chief sources include Yugoslav Army weapons retained or rescued after the country's collapse, Italian arms lent for use against the Partisans but retained, and captured enemy arms.

There does not appear to be any systematic record of what Mihailovich has done in the way of operations. Before Italy's surrender his policy was to postpone operations until the Allies should land and then with Allied aid to destroy the enemy. He reasons that this would avoid reprisals on the Serbs, which already have been great, and argues that he lacks sufficient arms and ammunition for major operations at present. He fears that further reprisals would so decrease the Serb population as to render it unable to defeat the Croats and Partisans after the Germans have been defeated.

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CIA 006687
By SR APR 3 1975

Regraded Unclassified
Following the Italian armistice, Mihailovich carried out substantial sabotage operations on communication lines and railroads, attacked the enemy in many places, took, temporarily, at least seven large towns and won the support of several Italian garrisons. Now he appears to be reverting to his former inactivity.

His tactics are all of the World War I type. No discipline is exercised on Chetniks who are occupying towns, nor does Mihailovich have any outstanding orders or military police enabling him to exploit his seizures or check excesses.

Mihailovich fears and hates the Partisans as an anti-democratic, anti-dynastic and pro-communist rival for post-war control of Yugoslavia. He takes the position that he represents the only recognized government and that all Yugoslavs owe allegiance to him as the Deputy CINC. While expressing desires for peace, he continues fighting the Partisans, claiming always that they are the aggressors, which at times is true.

Attempts to persuade him and the Partisans not to fight each other and to establish mutually exclusive zones of operation are failing because Mihailovich takes the position that he cannot surrender any part of his de jure control over Yugoslav troops without a breach of duty as Minister of War, and because the Partisans show no desire for peace in Serbia.

Mihailovich distrusts the British because he thinks that they control a "puppet" government-in-exile and have sold his country out to Russia and the Partisans. The British want him to start operations against the Germans and cease fighting the Partisans. He refuses to do so.

According to Mihailovich sources, there are about eleven German divisions in Yugoslavia plus fourteen divisions of Bulgarians and other satellites.

(OSS Official Dispatch, Cairo)
Rumania: Antonescu's Fears of Russia

Marshal Antonescu, in a desperate effort to persuade the Anglo-Americans to grant protection in the event of a Rumanian surrender, is sending a constant stream of emissaries to Istanbul, according to a source rated A-3. Surrender without such protection would simply mean, Antonescu is reported to believe, that Rumania would be trapped between Germany and Russia; he proposes to keep on resisting the Russians until some event, such as the opening of a new Allied front, might provide the Rumanians with an escape from being massacred. Meanwhile, he is said to be in constant touch with Maniu.

(OSS Official Dispatch, Istanbul)
France: Collaborationist Conspiracy against Laval?

Discussions looking toward the constitution of a new French government have recently been occurring between representatives of Doriot's Parti Populaire Français and a number of collaborationists now at outs with Laval. At a meeting in the house of Jacques Benoist-Mechin, it was proposed that François Péttri, at present Vichy's Ambassador to Spain, should be the President, while Rear-Admiral Charles Platon should be Minister of Foreign Affairs. Platon seems to be the prime mover in this conspiracy, and has received Péttri's complete approval to carry it through. Others who attended the meeting and awarded themselves prospective portfolios were Joseph Barthélémy, long the Minister of Justice under Laval and Darlan, who resigned in late March of this year; Fernand de Brinon, Vichy's representative at Paris in Franco-German relations; and (for the PPF) Jean Fossaï, secretary of Doriot's party, and Maurice Ivan Siccard, Vice President of the National Committee of the PPF and its National Secretary for Propaganda and Press.

(OSS Official Dispatch, London, rated B-0. Benoist-Mechin, an ardent collaborationist, was Secretary of State attached to the Chief of Government (Laval) until September 26, 1942, when he was dismissed; Platon held a similar position, which he resigned in late March, 1943.)
German Intentions in Rumania

As of the middle of this month, the Nazis informed the Government of Rumania that they were about to launch an Eastern Front offensive in which 40 divisions would be employed, according to a source believed reliable. The Nazis are said to have implied very clearly that they would occupy Rumania if the offensive were unsuccessful.

(OSS Official Dispatch, London)

Military information available to OSS indicates that on 8 November there were 24 German offensive divisions in the Kiev sector, and that in the first three weeks of the month 15 to 20 divisions were shifted to Russia from other parts of Europe. The current German counter-offensive from Zhitomir in the direction of Kiev is believed to have been made possible by these changes.

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APR 3 1975

By SR Date

Regraded Unclassified
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

20 November 1943

TO: Col. L. Mathewson, White House Map Room
FROM: Col. J. R. Forgan, G.S.C.
SUBJECT: Reports received in Office of Strategic Services, No. 78

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

Enclosures.

DECLASSIFIED
By Authority of

CIA 006687
By SR Late APR 3 1975

Regraded Unclassified
Plans for the Eventual Resurgence of Fascism in Italy

The Germans are evincing real interest in setting up a Republican Fascist Group of Italians in Sweden. The German theory, aside from putting such groups to obvious propaganda uses, is somewhat involved: The Allies, if and when they occupy all of Italy, will make it possible for the Communists to get the upper hand during the period of occupation. The Communists, the Germans predict, will antagonize the Italians by going too far, and thus, coupled with anticipated economic distress in Italy, will lay the foundation for a Fascist comeback after Allied withdrawal. If at that time there are vital Fascist nuclei of action beyond Italy's borders and out of the reach of opposition elements in Italy, they will probably be very useful in Fascism's resurgence.

(OSS Official Dispatch, Stockholm, rated B-2)
British Insist Upon a Restoration of the Lebanese Government.

Casey, British Minister of State, and General Wilson delivered an ultimatum to General Catroux on Monday morning in which they instructed him to restore the Lebanese Government within 24 hours. With the exception of the Basta quarter, British troops have taken over control from the French throughout Beirut. It is possible that the French now will disown Helleu.

Emir Majid Arslan, Lebanese Defense Minister, escaped to his native Druze region, where he threatens revolt. The British have been told by Kuwatly that he will be unable to hold them in check for another day.

(OSS Official Dispatch, Cairo, rated A-2)
German PW Card:
Swiss Fear of an Overwhelming Russian Victory

The astounding Russian successes are causing a subtle change of sentiment in certain quarters in Switzerland. Whereas most of the Swiss have been hoping for a German defeat, some of them are now afraid it may come too soon -- that is, before the Allies are firmly on the Continent. They want the Germans to lose, but they don't relish the idea of the Russians being the chief victors. They now discount the likelihood of decisive Anglo-Saxon action before next spring, and fear that the Russian winter offensive may bring the German collapse.

Germany's last card may now be to retreat and allow the Russians to invade Poland, the Baltic states, Rumania and the Balkans. Their idea would be that this might at last break down the unity between the three powers and give them a chance to negotiate a peace before German territory actually was invaded.

(OSS Official Dispatch, Bern, via Radiophone, rated A-2)
Italy: News from the Occupied Regions

1. Recent bombardments have upset the whole railway system. Travelers to Rome must get off at Chiusi and reach Rome by other means. Between Genoa and Milan there are only two trains daily and the trip takes more than twice the usual time. The control in the stations and on the trains is very lax, and is largely in the hands of Fascist militia and Carabinieri. A man who went from Chiasso to Milan and back to ascertain the type of papers required by the authorities, and who was provided with every possible means of identification, made the round trip without once being asked for his papers, so that his trip was in vain.

2. Only vital points of the railway, such as bridges, viaducts, switches, etc., are guarded by the Germans. Transfer of troops and materiel between northern and central Italy is almost entirely by night to avoid detection and bombing.

3. Workers in the main Italian industries continue to shirk skillfully, and the big factories will shortly have to close owing to lack of raw material. The machines in many industrial plants in northern Italy are being shipped to Germany.

4. The destruction of all harbor installations at Genoa, Savona, Livorno and La Spezia is planned; in particular plans have been made to destroy the big drydocks at Genoa and La Spezia and to obstruct the harbor of Genoa by blowing up the breakwaters. The anti-Fascist forces are creating special squads among the workers to protect industrial plants during the German retreat.

5. German tactics against the Italian partisan fighters in the mountains are not to attack them directly, but to isolate them by occupying positions on all the roads leading to their refuges.

6. The Germans are having great difficulty in manning the anti-aircraft defenses. An attempt is being made to call up all classes of Italian artillerymen.

(OSS Official Dispatch, Bern, via Radiophone, rated A-2)
Enemy Intentions in Italy

Arrivals from northern Italy suggest that Rommel plans to try an offensive on the present line. Many reports tell of German troop movements south from northern Italy. On 16 November the Germans attacked vigorously an important resistance group near Luino. It was probably largely destroyed. Over 50 survivors escaped that night into Switzerland.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
Imminent German Evacuations in France are Doubted

The OSS representative in Bern doubts whether the Germans are planning to evacuate immediately a large part of France as rumored, but cites the following as possible indications of such a plan for the future:

(a) The area around Bordeaux south to the Pyrenees is relatively bare of troops and in event of evacuation would probably be the first to be cleared;

(b) Activity from submarine bases on the Atlantic coast appears to be decreasing and little effort seems to be made to build them up;

(c) Active work apparently is under way to prepare defense lines across France's northeast corner;

(d) Todt organization work on French coastal fortifications seems long ago to have ceased; and

(e) The French railways have been asked to study plans for a massive eastward troop movement.

Even taken as a whole these indications are not entirely convincing, since most of them can be explained on other tactical grounds.

The German tactical conception has changed during the past year. Concentrations directly on the coast have been abandoned in favor of tactical reserves some distance inland. However, the German position in France grows increasingly uncomfortable and German soldier nerves are fraying. German troops never feel safe, always are in fear of sudden death. Individually the German soldier would like to leave France for a safer spot. This may account for the many rumors that such is going to happen.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.  

16 November 1943

TO:    Col. L. Mathewson, White House Map Room
FROM:  Col. J. R. Forgan, G.S.C.
SUBJECT: Reports received in Office of Strategic Services, No. 77

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

Acting Deputy Director, OSS—Intelligence Service

Enclosures.

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CIA 006687
By SR Date APR 3 1975

Regraded Unclassified
Report on Yugoslavia

By an observer who has lived for a long time in Croatia and is neutral with regard to local factions:

Tito takes orders chiefly from Moscow. He is carrying on active propaganda and growing stronger. He has been courting the Catholic clergy for the past two months. Gatherings held each Sunday in Partisan-occupied villages often are opened by religious processions or services. Tito's local commanders deliver lectures on an aspect of Communist doctrine at the meetings.

Pavelich has no support except that which he receives from the Germans. Technically his Ustashi army consists of five Corps, but these are composed of only two divisions each and are so untrustworthy that they must be staffed by Germans. Since Macek has been interned and cut off from the world for the past two years, Tito's prestige is attracting a good many of Macek's followers. Macek remains, however, the uncrowned King of Croatia and probably would be able to raise the whole country if free. Tito has no serious rival so long as Macek remains interned.

The Germans have allowed Macek's lieutenant, Kossutich, vice-president of the Party, to remain at large, probably because they hope to use him to win over the Party. Their advances to him so far have been without success. Archbishop Stepinate of Zagreb, whose brother reportedly was killed by the Germans, is also an outstanding Croatian figure. Kossutich now apparently favors Slovene-Croat union, believing it is no longer possible to revive the united Serbo-Croat state.

The German representative at Belgrade, Neubacher, a coming Nazi diplomat, continues to play the Serbs against the Croats, using Nedich as far as he can, but Nedich cunningly only collaborates when it is in his interest. The Germans have been trying without success to use him to bring Mihailovich into camp.

The morale of German troops in Croatia is intact, but Pavelich's forces fear the Partisans. Zagreb is brightly lit all night lest the Partisans sneak in under cover of darkness. The Germans decided two months ago to treat the Partisan captives as prisoners of war because of the large number of Germans taken by the Partisans. The Germans find it hard to adapt themselves to guerrilla tactics and their equipment is too heavy to be effective in this area.
Iraq and the Lebanese Situation

Premier Nuri and his Government are angered because the French have severed all telephonic and telegraphic and postal connections between Baghdad and Beirut. The Premier is reported to be on his way to Palestine to see whether he can get in touch with his Resident Advisor in Beirut that way. He also intends to submit formal written representations to Lord Cornwallis and Baudin to the effect that Iraq joined the United Nations in the belief that the Allies are fighting to guarantee that small countries will be protected against precisely such treatment as the French are now meting out. This supplements a similar but oral protest delivered to the same persons last Saturday by the Regent. On the same day a special meeting of the Majlis protested emphatically against French proceedings in Beirut.

(OSS Official Dispatch, Baghdad, rated A-2)
Germany: Particularism in Westphalia and the Rhineland

The OSS representative in Bern has had several reports about a secret anti-Nazi organization in Westphalia and the Rhineland, one of the objectives of which is the elimination of Prussian control over that area. The organization emphasizes that not only South Germany but also West Germany, which was subjected to Prussia only in the 19th century, must again have its own administration.

A recent memorandum alleged to come from this group says in substance: The Committee asks the Allied Governments to implement their wish for independent local administration—a wish which was entirely forgotten in the Weimar Constitution. They hope we will take account of this in connection with the terror of the occupation of Germany, so that the people of this area can gradually achieve a local administration and regain their own state of organization and their old Christian and democratic traditions. They do not wish to revert to the old 19th century independent small state status, but to find a way to a new federalism which will fit into the future structure of Europe.

The OSS representative does not know exactly who makes up this committee or where it is located.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
German Propaganda Theme: Non-European Countries Intend to Control and Exploit Europe

German propaganda is stressing more and more that three essentially non-European powers, namely the U. S., Britain and Russia, are proposing to settle the fate of Europe, and to convert it into a vassal state whose economic life will be controlled solely in the interests of the non-European powers. This propaganda is having some effect, taken in conjunction with the ceaseless German propaganda that the only interest of the U. S. is business and that representatives of big business are following in the wake of the armies to ensure that we get all the economic plums which the newly-occupied territories can offer. The usually friendly GAZETTE DE LAUSANNE, for example, comments: "Behind the English come the Americans with their prospectors charged with the task of opening up new post-war markets to the products of Detroit and Chicago. A Swiss just back from Beirut tells us of the intense activity in the Middle East to eliminate all European suppliers, including ourselves."

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
Analysis of German Military Position in Russia

A well-informed neutral military expert is the source for the following analysis of the situation on the Russian front just prior to the German loss of Zhitomir:

Nazi generals admit the collapse of the Eastern Front now is complete. A new phase requiring desperate efforts to prevent division and dissolution of Nazi Eastern armies currently is in progress. German plans for an orderly shortening of the front and for the establishment of winter defense lines between Berdichev and Milolaev (along the Bug River) have been rendered futile by the Soviet advances in the Southern Ukraine where further Nazi catastrophes may be expected.

The Nazi price for holding Krivoi Rog was the loss of Kiev, due to the critical shortage of German reserves. Similarly, the Nazis must now yield Krivoi Rog in order to hold Kherson, for troops withdrawn from one sector or the other cannot be replaced. Kiev's evacuation was ordered on the night of 5 November, too late to save a huge amount of materiel or to carry out ordered destruction.

The most critical situation now is west of Kiev and north of Korosten. The loss of Kiev aggravated railroad transport facilities, and forced an overburdening of rail lines leading from Kiev to Zhitomir and Sarny, because all of the material required west, southwest and south of Kiev must pass through Zhitomir. (The subsequent loss of Zhitomir further aggravates the situation.)

In sum, German forces in Russia now are cut up into isolated bands of armies. There is no organized continuous front or lines of communications. This bodes ill for further withdrawal operations.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

15 November 1943

TO: Col. L. Mathewson, White House Map Room
FROM: Col. J. R. Forgan, G.S.C.
SUBJECT: Reports received in Office of Strategic Services, No. 76.

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents, and have not been evaluated as to degree of reliability other than as stated.

Col. J. R. Forgan, G.S.C.
Acting Deputy Director, OSS-Intelligence Service

Enclosures.

DECLASSIFIED
By Authority of
CIA 006687
By SR Date APR 3, 1975
Iraq: Kurdish Revolt May Indirectly Cause Famine

Mulla Mustapha, Kurdish revolt leader, has written the British Commandant, Colonel Lyon, that he would like to surrender immediately to him but would prefer death rather than surrender to the Iraqis, whom he describes as entirely untrustworthy. This message puts the British Ambassador in a very uncomfortable position, for if he were to guarantee the surrender terms offered by the Iraq Government, as Mustapha wants it, it would discredit Premier Nuri, and he cannot afford to do that. Meanwhile a skirmish has occurred in which four Iraqis were killed and seven wounded. (A-2)

The OSS representative in Baghdad reports a great deal of interest there in the Lebanese crisis with a large number of Iraqi civilians and officers signifying their desire to volunteer with the Lebanese and fight the French. Meanwhile there is grave danger of famine this winter in the north in the hill country. Causes for the shortage there are: (1) the Army has requisitioned most of the country's trucks for service against the Kurds and has wrecked a large percentage of them; (2) the small number remaining, supposed to be hauling grain, make three times as much money by hauling dates and other black market commodities; (3) a scarcity of grain sacks. Something needs to be done quickly, as the season of rains is approaching and much of the needed grain is simply lying out in the open. (B-2)

(OSS Official Dispatches, Baghdad)
In Germany the bombed-out population is transferred to an Ausweichgau; each city in vulnerable areas has one. According to unconfirmed information, Austria is the Ausweichgau for Hamburg, Silesia for the Rhineland. This organization may have to be abandoned with increased bombing of South Germany. Evacuees as a result of air warfare are roughly estimated at 8-10,000,000, most of whom have been transferred to villages and small towns and have lost everything they once possessed. Since it is impossible to buy almost anything in Germany, not even simple staple utensils like dishes and toothbrushes, these people rapidly are losing hope of ever reestablishing themselves, and many of them have grown strongly sympathetic to Bolshevik ideology, creating discontent and radicalism wherever they are sent, and often seizing food and clothing wherever they find it.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
Refugee Albanian Factions and Disagreements.

Discussions in London among pro-Zog and anti-Zog factions have reached an impasse, according to a well-informed source. The Anglo-Albanian Association, said to be pro-Zog in sympathy, recently held a meeting at which were present Dr. Sortir Martini, Milto Nocka, and Gjencho Nachi, representing the interests of King Zog, on the one hand, and Tajar Zavalini, who represents in London the Free Albanian Movement (founded by Constantine Chekrezi in 1941). Zavalini is said to have been so intransigent that now both sides are proclaiming their freedom to take separate action as they please.

(OSS Official Dispatch, London)
Hitler Starts Series of Defense Conferences

Hitler now is expected to hold a series of conferences with the leaders of the vassal states on the subject of defending the Festung Europa. Having started with Bulgaria, he will probably take in Romania, Croatia, Slovakia, France, etc., and Hungary, if she will attend. The generals on the Eastern Front likely will be glad to have Hitler occupied with these political conversations as it would give them a freer hand in conducting military operations in Russia and Italy.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
Refugees Report on German Underground

The following is a summary of statements of refugees recently arrived in Switzerland from Germany:

Clandestine propaganda in Germany is on the increase, demanding greater attention from the authorities. Feelings of terror, mutual distrust, isolation and misery pervade daily life. One lives amid whispered words and clandestine tracts. The atmosphere of anguish is perceptible even to the foreigner.

The Communist Party is by far the most important and best-organized of the resistance groups. It has a very strong hold on German workers. Communist leaders cleverly adapt their slogans and orders to the needs of the moment. German official propaganda which aimed to create hate of Russia now has failed completely. The mass of the German people do not fear the Russians. The working class is definitely pro-Russian, believing the USSR will deliver them from the National Socialist yoke. On the other hand, the average German is a good soldier and admires the good soldier in his adversary. This psychological fact may explain why the German people have less sympathy for the Anglo-Americans, who are less active militarily and are concentrating on aerial bombardment in which non-combatants are the greatest sufferers. The worker in general dreads being sent to the front, and this is exploited by Communist propaganda.

Outside the Communists the extremists of the Gregor Strasser group are actively continuing the struggle against Nazi leadership. Die Schwarze Hand, the newspaper edited by Gregor’s brother Otto for several years in Prague, now is said to be appearing in Germany. Allied pamphlets, despite terrible reprisals, are carefully picked up and distributed after each Allied raid; there is no doubt that they are highly successful. The most popular have been (a) strictly military pamphlets with maps showing how the Festung Europa is being attacked from all sides, (b) those containing extracts from Hitler’s speeches contrasted with proof that the opposite has taken place, (c) those directed against the Nazi Party. The one which produced the greatest effect portrayed a crowd of Germans, mostly women and children, famished and terror-stricken, surrounding a huge well-dressed Nazi, with the slogan, "Don’t forget him, one day he will pay!" This pamphlet was dropped in March, 1943.

(OSS Official Dispatch, via Radiophone, Bern, rated A-2)
TO:  Col. L. Mathewson, White House Map Room
FROM:  Col. J. R. Forgan, G.S.C.
SUBJECT: Reports received in Office of Strategic Services, No. 73.

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

[Signature]
Colonel J. R. Forgan, G.S.C.
Acting Deputy Director, OSS—Intelligence Service

Enclosures.
Germany: Miscellaneous Information on German Workers

Rhine bargemen state that there were labor riots and strikes in Cologne and Hamburg in September. They were put down by SS forces consisting of Dutch and Belgians.

German workers are reported to hope that Germany, when freed from the Nazis, will simultaneously undergo thorough social changes. The German workers want to see the trade unions restored, but minus connections with party politics. They oppose a return to anything like the Bruening government.

Russian and British radio programs are the most popular with the workers.

(OSS Official Dispatch, Bern, rated B-0)

DECLASSIFIED
By Authority of
CIA 006687

By SR Date APR 3 1975

Regraded Unclassified
USSR: Activities of the Kosciuszko Division

A dependable Soviet source reports that the Kosciuszko Division (recruited from pro-Soviet Poles in the USSR) is now in the forefront of battle in the Kiev sector. It is being increased to a corps and will very likely consist of one infantry and two tank divisions.

The informant also stated in effect that this Corps is apt to lead Soviet troops into Poland and that the people of Poland will give them enthusiastic welcome.

(OSS Official Dispatch, London, believed reliable)
Germany: United States of Germany?

Certain groups in Germany feel that the key to the future of Germany lies in the decentralization of the political system of the country. The purpose is one of developing strong local governments as counterweights to the centralized national government, and also of diverting political attention from national and international matters to local questions. These groups feel that a reversion to the pre-1914 semi-independent German state is undesirable because political agitators would again call for a national union. Furthermore, present members of the former monarchical families have little to recommend them as far as leadership or the restoration of democratic political institutions are concerned, and, finally, the system would be unbalanced, as Prussia was two-thirds of Germany.

On the other hand, there is existing or latent a strong local feeling which ought to be used. Such groups favor a territorial division of Germany into thirty or thirty-five "Lande", each with its government as in the United States or Switzerland. The central government would have only limited powers. The groups believe that help for the building up of local administrative machinery could be secured from the old local labor unions and from the Church, neither of which has at any time been associated with the Nazi party. The groups further add that the situation in Germany has become so strained that the end may come at any time.

(OSS Official Dispatch, Bern, via radiophone, rated A-2)
Italy: Popular Resistance to Germans

The organization of resistance against the Germans in Northern Italy follows closely the movement existing in France. A special committee has been formed from representatives of the five anti-Fascist parties, with branches in most of the important cities in North Italy. In general, the Germans have not yet attempted to do much cleaning up, but apparently have offered an extension of time until November 10 to those hiding in the mountains to give up. Otherwise, steps against their families will be taken.

(OSS Official Dispatch, Bern, via radiophone, rated A-2)
Italy: German Troop Movements

According to a telephone message from Bern there is an unconfirmed report from Italian Railway employees that on 29 October German combat troops were moved from Milan and Verona north over the Brenner Pass, supposedly to the Russian front. This is the first report of such nature to reach Bern, and it must be taken with reserve until further confirmation.

(OSS Official Dispatch, Bern, via radiophone)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

28 October 1943

TO: Col. L. Mathewson, White House Map Room
FROM: Col. J. R. Forgan, G.S.C.
SUBJECT: Reports received in Office of Strategic Services, No. 72.

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

[Signature]
Colonel J. R. Forgan, G.S.C.
Acting Deputy Director, OSS—Intelligence Service

Enclosures.

DECLASSIFIED
By Authority of:
CIA 006687
By SC Date APR 3 1975

[Stamp: REGRADED UNCLASSIFIED]
German Pressure in North Italy

The following information, rated A-2, is reported by the OSS representative in Bern:

The Germans are reported to be planning to arrest a relative of any Italian ex-soldier who does not present himself for service in the Fascist militia. Certain large industrial plants in northern Italy are cooperating with the Germans by engaging labor, ostensibly for employment in Italy, but actually for shipment to Germany. All Carabinieri located are sent to Germany. The Germans are quite successful in frightening the people from listening to the radio, thus making it imperative that the United Nations use other means of getting news to northern Italy.

Mussolini's strategy is said to envisage the Duce as leader of the anti-monarchists; for that reason he is trying to prevent persecution of socialist and communist potential supporters. Mussolini’s persecution is directed against the renegade Fascists who deserted him and against the Jews. When and if Mussolini’s constituent assembly meets, it is to have representatives of workers from all big factories, whether or not they are socialist or communist. Mussolini is trying to show that Badoglio is a reactionary who seized power to perpetuate the monarchy.

Mussolini hopes to clear out armed resistance in Rommel's rear by such political tactics rather than by force. Rommel is said to have given him a short time—possibly only until the end of October—to accomplish the objective before Rommel moves in with the army.

(OSS Official Dispatch, Bern, via radiophone)
According to a report transmitted by the OSS representative in Stockholm, the Hungarians have refused to fire on Allied planes flying over Hungarian territory en route to Wiener Neustadt. The Germans are therefore importing a large amount of anti-aircraft equipment and troops, to do the job themselves.

(OSS Official Dispatch, Stockholm, rated B-3)
German Evacuation of French Coastal Areas is Rumored

The OSS representative in Bern transmits the following report "with great hesitancy" because substantiating evidence is lacking, but says that the informant has extremely good sources:

The Germans plan to withdraw their forces from south and central France and from the Atlantic and Channel coast down to the Seine estuary, probably before the Allies land. A line will be established which runs southeast along the Seine and across the Voages. Paris would be held as a "hostage" inside this line.

(OSS Official Dispatch, Bern, rated B-0)
Vichy's Apprehensions of an Attack on Bordeaux

According to a report transmitted by the OSS representative in London and rated B-0, the Vichy Government has sent secret orders to the mayors of communes in the vicinity of Bordeaux to arrange for lodging refugees whose homes are near Bordeaux bridges and railroad stations, for Vichy, this report states, expects an Allied attack. The same report declares that powerful anti-German resistance is being organized.

(OSS Official Dispatch, London)
United Nations Psychological Warfare

The OSS representative in Bern transmits the following suggestions for psychological warfare directed at internal Germany:

The war can be shortened by months through breaking down Germany's internal front by a more virile, affirmative program. The destruction of the Nazi-Fascist conception of life, government and international relations has been the objective of our propaganda. Today Fascism is dead and Naziism remains solely as ruthlessly repressive terror system. Popular appeal of this system is already dead, and the German people know better than we how terrible it is. But German propaganda tells them—and by and large has convinced them—that total destruction awaits them if they stop fighting. Under the influence of Russian propaganda and contacts with large numbers of Russian prisoner-workers, some German people are no longer ready to believe the Russians intend total destruction. Consequently the U. S. and Britain are looming more dangerous to the German people in case of defeat than the Russians; the Germans are told and partly believe that unconditional surrender means total subjugation and slavery in every detail of everyday life. Nazi propaganda has played up the bombing attacks and use of phosphorus bombs as evidence of Western powers' destructive intent.

The United Nations, especially U. S. and Britain, need to offer the German people a constructive program to be exchanged for bombing upon surrender. The people of Central Europe are not interested in frontiers, but they want to know whether they will have a chance to live in peace, to have security from Gestapo methods; and to work. The Four Freedoms of the President and the Century of the Common Man of Wallace are a little too abstract. Dramatization of the ideals for which this greatest war is being fought would hasten the end of the fighting.

(OSS Official Dispatch, Bern, via radiophone, rated A-2)
The Mont Cenis tunnel, blocked by Italian sabotage in early September, is now reported to have one track in operation.

Rumanian troops are reported to be evacuating Odessa, and the German press is clearly preparing the German people for further withdrawals on the Eastern Front.

A great change in the German military and political situation in the next few weeks is reported to have been predicted by the Gauleiter of Baden and Alsace at a meeting of big industrialists; he said orders were to be obeyed blindly, however different from previous ones, because the sole objective was the destruction of plutocracy. Also, any opposition would bring about the complete destruction of the resistant city.

(OSS Official Dispatch, Bern, via radiophone, rated A-2)
TO: Col. Chester Hammond, White House Map Room
FROM: Col. J. R. Forgan, G.S.C.
SUBJECT: Reports Received in Office of Strategic Services, No. 71.

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

[Signature]

Colonel J. R. Forgan, G.S.C.
Acting Deputy Director, OSS—Intelligence Service

Enclosures.
Allied Propaganda to Germany

The OSS representative in Bern transmits the following information, rated A-2, about Allied propaganda in Europe:

The Moscow conference will not be 100 percent successful unless some common basis is found for an appeal to the German people by the U. S., Britain, and Russia. So far, U. S. and British slogans have been limited to unconditional surrender and the destruction of Prussian militarism, creating the impression that the Western powers seek the total destruction of the German people. Practically all able-bodied men are in some form of war service in Germany, and general statements about crushing militarism are easily turned by Goebbels into threats to wreak vengeance on everyone who has borne arms. Thus the Anglo-Americans have never given the German masses or the potential elements of opposition to the Nazi party any encouragement. The Russians have been subtler, applying unconditional surrender only to the Nazi party and somewhat encouraging the military caste to hope for future maintenance of its position if it turned against Hitler.

(OSS Official Dispatch, Bern, via radiophone)
Italian Puppet Troops

Up to October 14 approximately 60,000 Italians were reported to be mobilized by the Germans for service in mixed German-Italian divisions. It is also reported that the Germans are trying to organize partisan groups among trusted Fascist elements and Germans who have lived a long time in Italy; these partisans will be provided with identification papers, arms and munitions and left behind to harass American and British forces from the rear when the Germans retire northward in Italy.

(OSS Official Dispatch, Bern, via radiophone, rated A-2)
Switzerland: Transit Traffic, and Economic Negotiations

According to the OSS representative in Bern, the transit of merchandise and foods from Italy to Germany via Switzerland apparently has started on a small scale. Monday through Wednesday of this week some 170 cars passed northward through Switzerland, bearing some cheese and metal sheeting and a large quantity of lead, pyrites, roller bearings, etc. According to report, Italian customs officials in Milan asked their colleagues at the port of entry to expedite the transshipment and, if possible, to see that the wagons should not be examined.

(OSS Official Dispatch, Bern, by Radiophone, rated A-2)

DECLASSIFIED
By Authority of

CIA 006687
By SK Date APR 3 1975

Regraded Unclassified
Germany: Morale Report

Predictions are difficult and dangerous. There are noteworthy rumors, however, that there may be an internal crisis in Germany some time before early December. Whether it comes depends on Russian ability to prevent the Germans from holding a winter line on the Dnieper and on German failure to score a diplomatic success by driving a wedge between the Allies at Moscow.

The German people are sorely in need of the tonic of some sort of a success to steel themselves for another winter of war. They are faced with increased bombing at home and break-throughs on the Eastern front. They are not the type to carry on for a long time a struggle which is hopeless. It must be the Allied task, therefore, to show them the struggle is hopeless by preventing any success in either the military or the diplomatic field through the ceaseless application of aggressive tactics.

The present reign of terror in Germany is clear evidence that the Gestapo is frightened by the internal situation and by the contagious effects of the slightest expressions of defeatism, now being ruthlessly punished by death. This indicates Gestapo fear that the whole fabric of public opinion is weak.

There is some question as to whether Gestapo leaders now are completely sure of their rank and file. The small Gestapo man in the outlying districts knows that he increasingly is becoming a figure marked for slaughter when revolt breaks out. He wants to try to save himself before it is too late. This suggests the advisability, by radio or otherwise, of calling upon the German people to take note for the future of all persons who continue to work for the Gestapo, emphasizing that they will be singled out for particular attention on the day of reckoning. The Gestapo organization should be broken up from the bottom, starting with the small man. A flight from the Gestapo ranks would tend to disintegrate the organization.

Goebbels' recent propaganda gives particular attention to appeals to England stressing that England actually is fighting for Russia's benefit in Europe, since Russia is to have the hegemony of the continent; and that she is fighting for America in the area of the seas and the Dominions, since the U. S. really will control England's overseas domain.

(OSS Official Dispatch, Bern, via Radiophone, rated A-2)
South Africa: Pirow’s Party to End All Parties

Oswald Pirow, extremist pro-Nazi Afrikaner leader, announced on 19 October the organization of the Republican Vigilance League, which he said is to have an identity separate from the National Socialist "New Order" group which he heads. League membership, Pirow insists, will not imply "New Order" membership. League membership will be available to persons who wish to remain in their own political parties. The League will not nominate candidates for elections.

The League’s purpose, according to Pirow, will be to work toward replacing the present parliamentary and democratic procedure in South Africa with a system in which there would be no parties at all. Such a development, Pirow avers, is the only salvation for Afrikaners.

(OSS Official Dispatch, Capetown, rated A-2)
20 October 1943

TO: Col. Chester Hammond, White House Map Room

FROM: Col. J. R. Forgan, G.S.C.

SUBJECT: Reports Received in Office of Strategic Services, No. 70.

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

Acting Deputy Director, OSS & Intelligence Service

Enclosures.

DECLASSIFIED
By Authority of:

CIA 006687
By [Signature] Date APR 3 1975

Regraded Unclassified
German Political-Military Warfare Plans

Well informed circles in Bern believe Germany's only hope lies in disrupting the alliance between the US, UK, and USSR. In regard to the US, Germany hopes for a revival of isolationism, has instructed her diplomatic representatives in neutral countries to submit full reports on repercussions of the trip of the five Senators and their report to the Senate. Germany hopes, as a result of the Senators' statements, for lessened American interest in European war and a corresponding diversion to the Pacific theater. There are signs that the Germans throw their best troops against American forces to inflict loss as heavy as possible, as at Salerno, in an effort to tire and discourage the US.

Germany is reported to be considering, since her ability to hold the Leningrad front is problematical, the abandonment of Finland and the North. Possible Russian occupation of Finland and northern Norway might cause conflict between Britain and Russia, while possible Russian harshness towards Finland might disturb the US and Britain. Press hints of further German withdrawal in North confirm the plausibility of this joint military-political move, timed to disturb as much as possible the three-power Moscow conference.

US Political Warfare

The OSS representative in Bern suggests consideration of considerable evidence that the US is losing credit among the masses of European peoples by seeming to support elements generally considered reactionary. While military problems are paramount, and the necessity of dealing with people who have central authority is recognized, the placing in authority of meritorious men who hold the respect of the people is also important. Reports suggest that Russia understands the psychology of the "masses" and is gaining strength among them in an extraordinary way; the inevitable revolution after the break in Germany will find the "masses" turning to Russia instead of to the US unless something concrete is evidenced in US propaganda to show understanding of what the people really desire.

(OSS Official Dispatch, Bern, via radiotelephone, rated A-3)

DECLASSIFIED
By Authority of

CIA 0 0 6 6 8 7
By SR Date APR 3 1975
France: Gaullist Sentiment and Resistance.

An informed and experienced observer gives little weight to the allegations that French resistance groups are anti-American. Source has had firsthand experience which proves this false. Without doubt, however, there is a feeling among these groups that certain very highly placed American officials are hostile to General de Gaulle. This has had unfortunate effects since the militant resistance organizations in France are under the banner of de Gaulle and his followers, who are a symbol of the spirit which resisted the Nazis from the darkest days of 1940. This symbol is more powerful than the man himself who, regardless of his virtues, is admittedly difficult.

The same source, while he admits that the military and bourgeois elements in France are not particularly pro-de Gaulle, advises against any separate (anti-Gaullist) resistance organizations to work with them. We should collaborate with military and bourgeois factions as well as with militant resistance movements.

(OSS Official Dispatch, Bern, rated B-2.)
Resistance in Italy

Reports indicate a comic lack of success in recruitment for Mussolini's Republican Party. In Trieste elaborate preparations for a mass meeting produced only 96 candidates for the party; a large audience gathered to hoot down speakers until German troops had to fire into the air, whereupon all Italians--including the original 96--disappeared. Similar meetings in other northern Italian cities achieved the same results; the party got 50 recruits at Milan, 6 at Como.

Committees representing the five anti-Fascist opposition parties have been reformed in northern cities, with programs for feeding, clothing and encouraging bands of escaped Italian soldiers who are resisting the Germans, printing and distributing Allied news reports, assisting escaped prisoners, and building popular morale for attack on the Germans when the Allies arrive in North Italy.

A recent arrival in Bern from Italy reports that the Free Italian radio at Bari is too weak to be heard well in the north, but asserts that North Italians (1) condemn Mussolini, the Axis and the war, (2) long for the arrival of Allied troops, (3) assist ex-prisoners of war, (4) believe that Germany cannot win and that German troops realize it, and (5) avoid fighting for Germany by all means.

(OSS Official Dispatch, Bern, via radiophone, rated A-2)
TO: Col. Chester Hammond, White House Map Room
FROM: Col. J. R. Forgan, G.S.C.
SUBJECT: Reports Received in Office of Strategic Services, No. 69

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

[Signature]
Colonel J. R. Forgan, G.S.C.
Acting Deputy Director, OSS Intelligence Service

DECLASSIFIED
By Authority of

CIA 006687
By SK Date APK 3-1975

Regraded Unclassified
Iraq: Kurdish Revolt

All reliable sources in Iraq agree that the Kurdish tribe led by Mulla Mustafa, currently in a state of revolt, has justifiable grievances against the Government. The outbreak was precipitated by the Government's out of food allowances to the point of hunger and poverty. Nuri Pasha, the Prime Minister, who favors the idea of hanging all rebel chiefs, paid no attention to peace offers which Mulla Mustafa made.

The tribe's forces routed the new Iraqi police force in a battle north of Erbil, killing five and wounding nineteen. The Government refused ensuing offers for a parley; instead it is sending an armored squadron and an entire army division to carry on the battle.

(OSS Official Dispatch, Baghdad, rated B-2)
Italy: Activities of Count Sforza

Sforza's chief purpose in Italy is to develop unity among the Italian people, particularly with the army, for he is of the opinion that Badoglio cannot do so. This purpose has the approval of the highest British authorities who wish Sforza to extend complete cooperation to Badoglio. This Sforza purposes to do though he believes that the fewer words spoken on the House of Savoy, the better.

(OSS Official Dispatches, London, rated A-3)
Italian Potentialities

The Italian declaration of war and the Allied statement of Italy's right to choose its own form of government, plus Berle's speech to same effect, have cleared political air and will encourage concerted action by anti-Fascists. The French, however, naturally resent the reception of Italy as a co-belligerent while France -- stabbed in the back by Italy -- is represented only by a provisionally recognized committee. In various circles, the Badoglio government -- especially General Roata and General Ambrosio, who are hated by Yugoslavs and anti-Fascists -- is compared with the Darlan episode.

An informed source reported that the Italian soldiers need to be stirred out of their lethargy by orders from Badoglio to attack the Germans rather than merely to resist. (Presumably the declaration of war has fulfilled this requirement.) Other recommendations are: a. an entirely new propaganda campaign stressing democracy, liberty and Italian traditions; b. official Italian proclamation of military trial for Italians who aid the enemy; c. arming of civilians willing to fight; and d. support of aggressive tactics by guerrilla bands.

Threats to Rome

Reports from Rome say there is apprehension, even in Vatican circles, that the Germans may force the Pope to remove to Austria (at Melk) under the pretext of protection. It is also feared that fighting in Rome cannot be avoided, even if the Germans attempt to evacuate, because the Italian people are in a temper to try to impede German withdrawal, thus giving the Germans an excuse for destruction.

(0SS Official Dispatch, Bern, via radiotelephone, rated A-3)
Germans and Foreign Labor at Krupp Works

1. An escaped French prisoner-worker in the Krupp concern reports: The great majority of German workers are women; apart from foremen -- who are supposed to be Nazis, but often are not -- the majority of German workers are said to be communist. German workers' food is not much better than the very bad fare given foreign laborers, but -- unlike the French prisoners who have secured temporary improvements by striking -- the Germans can resort to strikes only with serious results.

2. The Dutch are the most stubborn foreign workers and do the least work. They have unconsciously been more effective Allied propaganda than foreign tracts and radio. Experience with Russian workers has disproved Goebbels's anti-Russian propaganda and is rapidly dissipating fear of the Russians. Russian technicians, by the quality of their work, arouse general admiration and have become more popular with the German workers than Anglo-Saxons, of whom there are fewer to fraternize with the Germans. The German workers have facilitated the escape of prisoners by gifts of clothes and money. The forced collaboration of German and foreign labor has proved menacing to the Nazi regime.

3. Allied air bombardments, in addition to causing material damage and loss of working time, create a general confusion that permits large groups of workers to escape in each raid; the majority are usually recaptured but some reach the frontier.

(OSS Official Dispatch, Bern, via radiotelephone, rated A-3)
TO:  Col. Chester Hammond, White House Map Room
FROM:  Col. J. R. Forgan, G.S.C.
SUBJECT:  Reports Received in Office of Strategic Services, No. 68

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

J. R. Forgan
Col. J. R. Forgan, G.S.C.
Acting Deputy Director, OSS -- Intelligence Service

Enclosures

DECLASSIFIED
By Authority of

CIA 006687
By SR Date APR 3 1975

Regraded Unclassified
Reported German Withdrawals and Plans in the East

The following information, transmitted by the OSS representative in Stockholm, is believed reliable:

Reich forces and matériel, particularly the latter, are being withdrawn westward from the defense line on the River Narva in Estonia. Indications are that when the Germans retreat from their present battle front their next stand will be on the Luga River, although an additional defense line is prepared between the Narva River and the Luga. In any case the evacuation of Peterhof was completed by Reich troops on 25 September and all non-military personnel are being withdrawn from the whole district between the Narva River and the present line of battle. About 1,180,000 persons have left the district to the east of Lake Peipus, including migrants from around the northwest and north of Smolensk.

On 1 October a big textile mill began the job of moving to the Reich, and on 25 September a big cooperative in Narva was directed to remove to Tallin. Meanwhile, however, using the anticipation of bombing raids as an excuse, children and women are being moved from Tallin to the south. All non-military personnel have also been evacuated from the whole area 12½ miles west of the shoreline of Lake Peipus and rather large defense works are under construction there. Large building operations are also underway at the big airdrome at Tartu.

The informant, who has traveled extensively around the Soviet front and elsewhere within the past month, concludes that the Reich forces will give up the Crimean Peninsula and try to make a stand on what is called the "old von Brauchitsch" line between Odessa and Narva.

(OSS Official Dispatch, Stockholm)
Dalmatia: Difficulties of German food situation

The food situation along the Dalmatian coast, particularly in areas of German occupation, is very critical, largely because of transportation difficulties. If coastal trade in the Adriatic could be stopped, the position of the Germans would be rendered precarious.

(OSS Official Dispatch, Bern, via radiotelephone, rated A-3)
Grain Harvest in Central Europe

All reports tend to indicate a satisfactory grain harvest in central Europe. There should be no bread shortage unless transportation breaks down. This is likely to occur in France, where the situation will be aggravated by hoarding. The Low Countries will have a difficult time unless Germany chooses to ship them surpluses from Rumania and Hungary. Such surpluses are more likely to be used for German political ends in Spain, Finland, and elsewhere.

(OSS Official Dispatch, Bern, via radiotelephone, rated A-3)
Italian Army: Feeble Resistance to the Germans

A report received from Trieste states that 80,000 Italian soldiers surrendered to 3,000 Germans equipped with tanks and artillery. (Report is of events now three weeks old).

There was little fighting at Trieste. Gorizia and Fiume were never occupied by the Yugoslav partisans, although street fighting occurred in both cities. The nearest Partisans to Trieste are 30 kilometers distant. They possess only small arms.

(OSS Official Dispatch, Bern, via radiotelephone, rated A-3).
Italy: Disposition of Italian Warships and Liners

1. The Vulcania and Saturnia are reported to have escaped from Trieste.

2. The Stockholm and two hospital ships are reported to have been sunk at their Trieste piers by sabotage.

3. The Rex and the Conte d'Cavour are intact at Trieste because they were being used as barracks by German troops.

4. The Conte di Savoia was burned to the water's edge at Venice after bombing by German planes.

5. The battleship Impero is said to be lying low in the water at its dock in Trieste, presumably resting on the bottom.

(OSS Official Dispatch, Bern via radiotelephone, rated A-3)
The following information was obtained early last month by a high British Intelligence source through the most delicate channels. It is from a Japanese Military Attaché:

The rumors of Russo-German peace talks, contacts, etc., recently disseminated by both the Nazis and the Russians, have no basis in fact. No peace feeler contact exists nor was there any known likelihood of such contact. (Apparently, OSS in London concludes, both the Nazis and the Russians are spreading the rumors about peace feelers for bargaining purposes: the Russians to obtain a good trading position vis-a-vis the U.S. and United Kingdom, and to foster the second front; the Nazis to make us disposed toward negotiating with them.)

(OSS Official Dispatch, London)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

9 October 1943

TO: Col. Chester Hammond, White House Map Room
FROM: Col. J. R. Forgan
SUBJECT: Reports Received in Office of Strategic Services, No. 67

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

R. Forgan, Col.
Acting Deputy Director, OSS -- Intelligence Service

Enclosures

DECLASSIFIED
By Authority of

CIA 006687
By SR Date APR 3 1975
Bulgarian Problems

Very reliable confirmation has been given that King Boris of Bulgaria died naturally of heart attack.

Bulgarian colonies along the lower Dnieper in Russia are returning to create a new refugee problem for Bulgaria and for Rumania, which is objecting to refugee transit.

Official Bulgaria is nonplussed by fear of Allied dismemberment as only alternative to German destruction as in Italy if Bulgaria should abandon the Axis. The Bulgarian people favor Russia, but the upper classes fear her.

(OSS Official Dispatch, Bern, via Radiotelephone, rated A-3)

DECLASSIFIED
By Authority of 

CIA 006687

By SK Date APR 3 1975

Regraded Unclassified
Italy: Conditions in German-occupied areas

Several reports indicate that North Italian peasants and workers are turning to Russia as the "Land of the Common Man." There is little interest in ideology and the Italian Communist Party's policy is conservative. The movement is, thus, interpreted as a revolt against the industrial magnates who played with Fascism.

It is felt that in territory occupied by the Germans, agitation against the King is unwise since people are in such a state of anxiety for their lives that the question of monarchy or republic is of little interest.

People still ask whether Mussolini is alive, and if so, whether he is physically able to play an active role. German military circles are reported to regret his return since this put an end to real warfare in the north of Italy, and has given added impetus to anti-Fascists.

The Foreign Office at Rome has been taken over by Mazzolini, former Vice-secretary of the Fascist party. He has cabled this announcement to the Italian diplomatic corps, but the Bern legation will probably ignore it.

German troops in Milan are mining strategic points, particularly the railway lines and station. A great deal of material is moving from Milan to Venice. Arrivals of anti-aircraft guns, field artillery, and gasoline stocks are particularly noted at Milan.

A story is current that General Ruggero signed an armistice agreement with the Germans in Milan, only to be told the next day that the arrangements were cancelled by Hitler's order that Milan be occupied.

A recent arrival described the German occupation of the Swiss-Italian frontier in these words: "The Germans travel around: here today, gone tomorrow. They are everywhere and nowhere."

(OSS Official Dispatch, Bern, via Radiotelephone, rated A-3)
Mussolini's Value to Germany

Mussolini is increasingly considered a liability or at best an embarrassing asset to the Germans. In addition to stimulating anti-Fascist resistance in North Italy, he has compromised his Italian prestige in general by acceding to German plans for disposition of the Western Balkans, particularly Croatia, and is now faced with Laval's demands for assurances about French possession of Nice, Corsica, etc. Furthermore, Mussolini has warned the Germans that continued war strategy requiring destructions like Naples will prevent him from bringing any appreciable Italian help to the German army.

(OSS Official Dispatch, Bern, via Radiotelephone, rated A-3)
Hitler’s Hopes and Federalism in Germany

Unlike most German military leaders, Hitler does not yet realize the war is lost. He compares Germany’s present military low ebb to the state of the Nazi Party just before its rise to success in 1933; he also likens himself to Frederick the Great in ability to find a way out of seeming defeat.

A movement towards federalism in Germany is gaining support from three sources: (1) those who blame bombings and the misfortunes of war on Berlin bureaucracy, which is synonymous with Prussianism to many people; (2) those who have vested interests in the old independent state system; (3) most serious, those who believe the recurrence of the spirit of 1914 and 1939 can be prevented by a restoration of power to small political units responsive to the people. Restriction of the powers of the Reichstag in favor of local legislative bodies, destruction of the autocratic, centralized government at Berlin (it is suggested that thorough bombing of Berlin might assist), and the substitution of an American or Swiss type federalism for Prussian control of all Germany are ideas expressed by people, in close touch with the German situation, who desire a constructive alternative in Germany to prevent a recurrence of the German menace.

The decentralization of power in Germany after the war, not necessarily comprising political dismemberment, appears plausible to the OSS representative in Bern. However, Prussia has not produced more than its numerical proportion of the worst Nazi leaders.

Liechtenstein is reported as a possible refuge for some Nazi leaders; the accumulation of provisions there is rumored.

(OSS Official Dispatch, Bern, via radiotelephone, rated A-3)
Germany: Effect of Bombing on Morale

"Two more Hamburgs, and the German inner front would collapse." This judgement of a well-informed man in touch with leading German circles is regarded as too optimistic. Yet the problem of caring for bombed-out people will be colossal this winter. A traveller in the Tyrol says every small home and chalet in the area is packed. Ill feeling grows because these refugees consider that their fate entitles them to privileged treatment at the hands of the householders forced to take them in.

(OSS Official Dispatch, Bern, via Radiotelephone, rated A-3)
Germany: Order on Party Badges Boomerangs

The purpose of Himmler's September 8 order to all Nazi Party members to wear their badges publicly at all times was to show the German people how strong the Party is. Instead it has shown how many able-bodied men have avoided front-line duty because they were party members.

(OSS Official Dispatch, Bern, via Radiotelephone, rated A-3)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

6 October 1943

TO: Col. Chester Hammond, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports Received in Office of Strategic Services, No. 66

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

Enclosures
Italy: Resistance to the Germans; Attitude toward the King.

The flight of Italians from Lombard cities to the mountains continues. An Italian counterpart of the French Maquis which might be called an Underbrush Army is being created but it offers both problems and opportunities to the Allies. One of the chief problems is food. The Italian Maquis will probably be armed better than the French. Guerilla warfare rather than an attempt to organize large military units is indicated.

The German appeals for volunteers to go as workers to Germany is meeting with no response. The Germans likewise are meeting with little success in persuading ex-soldiers to enroll in the Fascist militia; in all of Trieste, for example, less than 100 so far have reported for duty.

On the other hand, no person of fighting age is safe in North Italy today. As rapidly as transportation permits, these men are being rounded up and dispatched to Germany. The situation of the Italians in France is particularly deplorable. The Italian Ambassador in Paris apparently disappeared early in September. The Consul-General is trying to work out some arrangement with Vichy and the Germans. All able-bodied Italians from France probably will be deported to Germany. This lends credence to a report that German pressure for French workers has diminished.

While the Government of the King at first was not very popular in North Italy, there now appears to be some trend to the contrary. In their helpless condition the Italians would be inclined to follow any anti-German leadership which shows signs of real activity. It cannot be said, however, that the King can completely rehabilitate himself.

The Germans reportedly are putting occupation marks in circulation in all Italian regions under their control. Consumer's goods slowly are disappearing from the shops either through purchase or theft by the Germans.

The following recommendations are made:

1. Warnings should be given, preferably through the legal Italian authorities, that those collaborating with the Germans are committing treasonable acts and will be punished. The Italian people should be told to note carefully all such traitors so as to have evidence available when the
trial comes. Such warnings may have real effect, as the overwhelming majority of the people are anti-German.

2. The Badoglio Government should do everything possible to convince the North Italians that it is deeply concerned with their plight and is preparing remedial measures. Meantime general advice on course of action should be given. It must be remembered that the Italians lack the experience which the French have gained through long years of resistance.

(OSS Official Dispatch, Bern via Radiotelephone, rated A-3)
France: Resistance to the Germans Continues

For a long time there has been no real French Government, merely a machine to pass on German orders. Laval has had virtually no contact with important German officials for two months, and very little with his own administrative officials throughout the country. Apparently he would not be displeased if he were forced by the Germans to yield his post to de Brinon, one of the few who would take it.

The nation as a whole is regaining its courage. In every way it is resisting the orders of the Vichy Government. The censor is forbidden to allow mention of the multiplying acts of violence. French officials as a whole oppose all measures which could favor the Germans. Officials and former officers are arrested daily and deported. Already there are more than 25 officials of the Ministry of Finance in German concentration camps.

Germans troops in France are moving about a great deal. The German forces gives the appearance of an army that is tired out, though still strong; in general it conducts itself well. The real rulers of France are the innumerable police and Gestapo organizations which spread a reign of terror over the country.

(OSS Official Dispatch, Bern via Radiotelephone, rated A-3)
Anti-Defeatist Terrorism in Germany

A new wave of Gestapo terror in Germany is indicated by latest reports. Arrests are being made among groups or in centers suspected of lacking enthusiasm for the war, even though there is no direct evidence against the individuals themselves. The slightest defeatist statement is seized upon as cause for arrest and most severe punishment.

(OSS Official Dispatch, Bern via Radiotelephone, rated A-3)
Hitler Said to be Directing Balkan-Italian Campaigns

The OSS representative in Bern transmits a report that Hitler no longer is giving his personal attention to the Eastern Front but has shifted his direct interest to the Balkan and Italian theaters. Rommel is said not to agree with Hitler's insistence that everything possible should be held, but to favor withdrawal to more defensible lines instead. Hitler's orders, however, are still decisive. Eastern Front direction has passed to the General Staff including, of course, Mannstein and Von Kluge.

(OSS Official Dispatch, Bern, rated B-2)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

4 October 1943

TO: Col. Chester Hammond, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports Received in Office of Strategic Services, No. 65

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

Enclosures
Germany: Italian Shipments; Coal Output

The following, transmitted by the OSS representative in Bern, is rated B-2:

Movement of goods to Italy from Germany has been almost completely cut off. If there is no resumption of shipments of coal from Germany into North Italy, this would indicate a German decision not to use manufacturing facilities there this winter.

Air raids and other causes have cut the Ruhr coal output from 430,000 tons per day, to 340,000 tons, resulting in 50,000,000 less tons for Germany in 1943 than 1942. In addition Germany will fail to receive 6,000,000 tons she obtained last year from the Donets. A compensating factor will probably be the stoppage of shipments to Italy. Nevertheless domestic coal consumption in Germany is to be cut by 15-20 percent this winter.

(OSS Official Dispatch, Bern)
Germany: Manpower Shortage, Troop Movements

The following, transmitted by the OSS representative in Bern, is rated B-2:

Indication that German manpower reserves are drawing to an end is found in the facts that substitute military units, formerly serving some specialized purpose, now are being included in regular outfits; training periods for green troops are being shortened, and men are being sent into combat areas ahead of regular schedules.

The Siegfried and Maginot fortifications are being strengthened by the addition of personnel and material drawn from the English channel and Atlantic Coasts, especially Brittany, despite the invasion threat. Several divisions have been withdrawn from Norway, to reinforce divisions in Denmark. Reserve outfits in Lower Austria have been greatly reduced as have effective elements along the Swiss border.

A new U-boat base at Bergen is reported to have begun service the end of July.

(OSS Official Dispatch, Bern)
Italian Army Resistance in the North

The following information on Italian Army resistance units in North Italy is transmitted by the OSS representative in Bern and rated reliable:

The newly organized Maquis Group has three considerable concentrations: near Cuneo in the mountains southwest of Turin; in the district around Osella Valley, and in the area north and west of Lake Garda and north of Brescia. Considerable portions of two Alpine divisions believed sent by Badoglio to guard the Brenner Pass are at Mendola and Madonna di Campiglio, northwest of Lake Garda. The most important groups are concentrated north of Brescia.

According to reports these bands are urgently requesting a commander to unite and coordinate their efforts. They need radio equipment, food, and other supplies. To cut off their food supplies from the valleys, the Nazis, in such districts as Bogamo, have declared void all food cards not stamped by Reich military police.

(OSS Official Dispatch, Bern)
Rising Anti-British Feeling Among the Greeks

The following, transmitted by the OSS representative in Cairo, is rated reliable:

For the following reasons intense anti-British sentiment in the Middle East is rapidly uniting the Greeks there: (1) the British consistently decline to use Greek troops in the Aegean and Dodecanese islands, (2) Italian civil administration of the islands receives British support to the point of overlooking or tacitly approving oppression of the Greeks, (3) Greek islands receive no medicine or food though food is sent to Sicily, and (4) the British constantly press for the return of the Greek monarch.

Because of what is ascribed as a minor incident, the British compelled the captain of the Greek destroyer OLGA to offer apologies to an Italian officer at Leros. The OLGA was later sunk by Stukas. This happened, the Greeks allege, because the Italians, left by the British in charge of coastal anti-aircraft guns, fled and hid when enemy planes appeared.

The Yugoslavs and the French are reported to be as indignant over the British policy toward the Italians as are the Greeks. The Greeks are very insistent that American officers, food, medical, supplies, and especially vitamins be brought to the islands.

(OSS Official Dispatch, Cairo)
Finnish Supplies from Germany Reported Stopped

According to information from a reliable source, Minister Speer has decreed that, until further orders are given, no war materials, either arms or other supplies, are to be shipped to the Finnish Army. The order is to take effect at once.

(OSS: Official Dispatch, London)
TO: Col. Chester Hammond, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports Received in Office of Strategic Services, No. 64

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

Enclosures

DECLASSIFIED
By Authority of

CIA 006687
By SR Date APR 3 1975
Italy: German Battle Order

The following is transmitted by the OSS representative in Bern and rated B-2:

German strength in Italy had by 20 September been increased to 28 or 29 divisions, divided as follows:

- Salerno area, 6;
- Foggia area, 2;
- Rome area, 2;
- Florence-Pisa district, about 4, though some may have been sent further south;
- northwest (La Spezia-Milan-French frontier) section, 5;
- northeast (Brescia-Brennero-Tarvisio-Trieste region, 8 or 9. There were heavy movements of troops into Italy from eastern and northwestern France on 18-19 September. These and earlier movements were interfered with by the stoppage at the Mont Cenis tunnel, which necessitated routing via the Brenner pass rather than over the direct line via Modane. Sabotage by Italians has held up some train movements in North Italy by as much as 36 hours.

On about 16 September a number of Italian submarines which had remained loyal to the Fascist cause turned up at Portofino, 20 miles below Genoa.

Arrangements have been made to put some 50,000 Italian prisoners of war to work in the Todt construction corps around Ferrara and Cremona. Decisions have been reached to raze all obstructions within range of artillery fire on the right bank of the Po, as well as to erect defenses in the valleys of the Ticino and Adda rivers which flow, respectively, from Lakes Maggiore and Como into the Po.

Since the death of Boris, German forces in Bulgaria have been increased from three to five divisions. (B-0)

(OSS Official Dispatch, Bern)
FCNL: Giraud's Authority Curtailed

According to the OSS representative in Algiers, Corsican developments brought to a head an FCNL political situation which had been brewing for some time. The patriot uprising prompted Giraud to send hasty aid. In the interests of secrecy and speed he acted without consulting the Committee. The Committee resented Giraud's supposing that his prerogatives permitted such independent action, and it also disliked his trip to Corsica, which he was alleged to have used for his own personal publicity.

As a result the FCNL has named General Paul Le Gentilhomme, Commissioner of National Defense. All military operations are to be authorized by a Superior Defense Commission, which will probably include Massigli, De Gaulle, Giraud, and Le Gentilhomme. The latter, although generally reckoned a De Gaullist, is rumored to be not persona gratissima with De Gaulle.

Giraud now retains the shadow but not the substance of control. He is said to resent being "eased out," but did not dare in this crisis to use Churchill's proferred aid because he did not want to be accused of being a tool in foreign hands.

(OSS Official Dispatch, Algiers, rated "very accurate")
Constitutional Crisis in Iraq

In Iraq a serious breach has developed between the Regent and Premier Nuri Pasha. Each is electioneering for candidates of his choice in the impending elections, and the Regent is directly interviewing the ministers and soliciting their aid. The British, who secretly but powerfully support Nuri's bitter enemy, Ibravim Kemal, for the premiership, have recently been going over Nuri's head and negotiating directly with the Regent, which does not improve Nuri's prestige. He has had to postpone his visit to Egypt.

(OSS Official Dispatch, Baghdad, rated B-2)
OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C. 

30 September 1943

TO: Col. Chester Hammond, White House Map Room

FROM: John Magruder, Brig. Gen.

SUBJECT: Reports Received in Office of Strategic Services, No. 63

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

\[Signature\]

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

Enclosures

DECLASSIFIED
By Authority of

\[CIA 006687\]

By SR Date APR 3 1975

Regraded Unclassified
German Officers Union; German Communist Activity

General Walter von Seydlitz, president of the Union of German Officers recently created in Moscow, and Lieutenant General Alexander von Daniels, one of the vice-presidents, are considered to be officers of high military accomplishment. Thus, great importance is attached in well-informed German circles to the Union. Both officers are secretly reported to have tried at pistol's point to compel General von Paulus, commander of the German Sixth Army, to abandon Stalingrad, contrary to the Fuehrer's orders, before the last opportunity to do so had passed. Their Stalingrad experience is understood to have crystallized von Seydlitz' and von Daniels' anti-Nazi feelings. The purveyor of this story is a German general, now fighting near Naples, who was wounded at Stalingrad and consequently was evacuated by air.

Source feels that the earnestness of the committee of officers, all held in esteem by their colleagues on the Eastern Front, is indicated by the fact that Stalin has given approval to their current efforts. It may be possible that these officers will try to establish communication with German officers now leading troops against the Russians, if they have not done so already.

A dependable source close to labor and religious groups gives the following data on Communist activity in Germany:

Torgler, former leader of the Communist bloc in the Reichstag, is now in Prague, where he is active in a group said to have been formed by Heydrich but now thought to be cooperating with Daluge and Himmler. Thus it appears that the Gestapo has placed an anchor to windward by setting up its own Communist group composed of a personnel it has carefully selected.

Among leading German military figures, the idea is gaining that Germany's hope rests with Soviet collaboration. These militarists are said to have finally decided that the Anglo-Americans want the German army clique as well as the Nazi Party completely annihilated.
Because of the distress in Germany caused by the war and more particularly by the air raids, resulting in lowered living standards and the growth of radical thought, Soviet propaganda may be able to make effective use of the activities of the Committee of German Officers.

German labor groups have undergone a marked change in attitude as a result of the presence of many Soviet prisoners and the spread of the philosophy of control by the lower classes.

(OSS Official Dispatch, Bern, rated B-O)
German Strength in North Italy

All reports indicate that the German occupation of the central part of the Po Valley area (including Milan and Turin) is not strong. A few tanks and armored cars are posted at strategic points, while patrols move about in the cities and from town to town to make a show of strength.

(OSS Official Dispatch via Radiophone, Bern, rated A-3).
German Troop Dispositions and Movements

The OSS representative in Bern gives the following picture, rated B-3, of the current situation in Italy:

A manufacturer who left Florence a week ago reports no sabotage in Florence but considerable sabotage and strikes in Turin as well as street fighting between the Germans and small Italian units. There are no more than 200-300 German soldiers with some armored vehicles in Florence.

Between 50,000-60,000 Italian troops repatriated from France are in the mountains above Milan and Savona. Another large group is based at Passo della Mendola and Madonna di Campiglio, north of Brescia.

Another source reports that divisions of Elite Guard troops from the Leningrad and Gonel sectors reached Belgrade and Sofia on 12 September. Source met two German Coast Artillery officers from the Crimea who said their outfits now at Sevastopol and Feodosia were being shipped to Italy via the Tyrol. These Germans said the bend of the Dneiper would not be defended, Zaporozhe and Dniepropetrovsk would be abandoned, and only a straight line held. (B-0)

(OSS Official Dispatch, Bern)
Hungary's Predicament

According to a report transmitted by the OSS representative in Bern and rated B-2, Kallay has said that regardless of the course of events no military forces will be sent into the Balkans, while any schemes of occupying some parts of Yugoslavia have been given up entirely. Hungary is in a predicament and Kallay hopes that the Allies realize it: the fate of Italy shows what will happen to Hungary if she makes a mistake in timing and, moreover, the repatriation of Hungarian troops depends upon transport facilities controlled entirely by the Germans. The Hungarian Minister of Foreign Affairs and Chief of Staff plan to visit the German headquarters as soon as they can get an appointment, for the purpose of demanding the return to Hungary of all soldiers for home defense. /A United Press Istanbul dispatch of 24 September rumored a cabinet crisis in Hungary as the result of a German ultimatum delivered on 19 September./

(OSS Official Dispatch, Bern)
TO: Col. Chester Hammond, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports Received in Office of Strategic Services, No. 62

Submitted herewith are some additional items received from our secret sources abroad.

Attention is particularly called to reports from Bern relating to Hungary and Italy. This is the first of a series of reports transmitted by radiophone.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

Enclosures

DECLASSIFIED
By Authority of

CIA 006687

By SR dat: APR 3, 1975

Regraded Unclassified
The Situation in Italy, According to the OSS Representative in Bern

The real German problem in Italy is transportation, for traffic is badly disrupted. A recent bombardment virtually wiped out the French entrance to the Mont Cenis tunnel and gravely damaged the rail line. Evidence accumulates, moreover, that the tunnel was put out of business for weeks, if not months, when the Italians blew it up on 8 September.

Reports indicate that the widely publicized German defense line along the Po is, from the military standpoint, largely a bluff. It consists of a few scattered fortifications, and gun emplacements, but nothing of a very serious character. Active work on the line is being carried out on currently only from the Adige to the Gulf of Venice. On the other hand Trieste is being developed, apparently, to serve as one of the principal centers of resistance both against the south and the west. The position of the Italian people in Trieste is doubly critical, for they have to choose between two enemies: the Germans and the Slovenes.

Successive reports indicate the importance of the concentration in the Alps of Italian forces hostile to the Germans, especially those above Turin and Pescia. A Swiss journalist saw no Italian soldiers on a trip which carried him 100 miles south of the Swiss border into Northern Italy. He was told that the soldiers had taken to the mountains to avoid capture by the Germans. Seven trainloads of less fortunate soldiers have been taken to Germany from the Milan-Como area for refusing to obey German orders.

According to a report, German officers do not expect an attack against the Apennines, but look forward to passing a comfortable winter in Italy. On the other hand German soldiers appear uneasy. They are afraid to go out in small groups. Few Germans are to be found in the large North Italian cities, except for guards and patrols. There are reports of fighting in and around Bologna. The Germans need to control this city but cannot do so until they obtain further reinforcement. There have been daily clashes between the Germans and the Italian cement workers. Some 50,000 Italian troops, returned from France, are in the Turin-Savona area.

The food situation threatens to become catastrophic. There is no control. Everyone grabs what he can lay his hands on, even if others starve. People look with envy on Sicily and Calabria.

Regraded Unclassified
The people in North Italy are disconsolate and ashamed. They clearly feel that Fascism died on 25 July and take no interest in the new Republican Fascist government. They give the distinct impression that the Italian people and the King have parted company. Almost without exception the people are anti-German, though afraid, and pro-Allied; especially is this true among the working classes.

The following recommendations are suggested:

(1) German-held transport lines in Italy should be heavily bombed until knocked out. This will encourage the Italians to destroy from within. Centers of population should be bombed as little as possible.

(2) Steps should be taken to buck up the Italian people, give them hope and help them to regain their self-respect. Anti-Fascist leaders should address them by radio. Planes should drop handbills describing conditions in Sicily, the liberties granted and economic conditions enjoyed. They should be made to realize that we recognize that the war they have fought with Mussolini was a Fascist war, and that now the real people's war of liberation has started for them. All this is the more important because they now have no news of what is going on in the world. If we are successful, the Italians in North Italy will make life miserable for the Germans in North Italy and produce results of real military significance.

(3) We should avoid wherever possible giving the impression that we have decided in favor of the Italian monarchy. Badoglio's radio pronouncements are taken in Europe as having the stamp of Allied approval. Therefore, Badoglio's statement that the King and the Royal House are "the expression of the will of the Italian people" was unfortunate, as the Italian people know the Royal House has not given any evidence of will for more than 20 years, except to countersign Mussolini's orders. Likewise, unfortunate was Badoglio's statement that the peasants and workers "under the direction of the King and government, will together establish the future destinies of Italy." This has serious implications as it suggests to the Italians that the Royal House, which shares war-guilt with the Fascists, has been approved by the Allies for the indefinite future.

(4) We should as soon as is militarily possible emphasize that Italy's future form of government is a matter for the Italian people to decide when they are free to make that decision.

(OSS Official Dispatch via Radiophone, Bern, rated A-3)
Hungary: Recognition of the Badoglio Government May Precipitate a Crisis

The Italian Minister in Budapest is reported to have declared in favor of the King, and the Hungarian Government has apparently intimated that it will continue to recognize him. The Germans then requested the Hungarian Government to reconsider, and are bringing increased pressure to bear. The situation is made more critical by the renewal of German pressure on the Budapest Government to send troops to the Balkans.

(OSS Official Radiophone Dispatch, Bern, rated A-3)
Swiss Refusal of Transit Privileges; Brenner Pass Railroad in Operation Again

According to a report transmitted by the OSS representative in Bern and rated B-2, the Swiss authorities have refused German requests (as of 10 September) for the transit of trainloads of replacement parts for all kinds of military equipment. Despite the successful USAAF heavy bomber attacks of 2 September on Bolzano and Trento, knocking out railroad mainline bridges, this source says that Brenner Pass rail traffic was resumed 9-10 September.

(OSS Official Dispatch, Bern)
Hungary: Stiffening Anti-German Policy

At a conference held in Budapest on 10 September and attended by the present and former prime ministers, the present and former ministers of foreign affairs (with the exception of Bardossy and Imredy) and the Minister of Home Affairs, it was decided, on Bethlen's suggestion, to send a delegation of outstanding army and civilian leaders to the Fuehrer's headquarters, to expound the following points:

1. All Hungarian troops being used to garrison Soviet territory are to be sent home right away. (Instructions to these troops to come home had already been issued secretly and were to be repeated openly in case the Germans refused to accede to the formal request, as was anticipated. The gravity of this move was quite apparent to the council.)

2. The protection of the homeland was to be the sole consideration of the Hungarian government from now on, and all Hungarian troops were to remain at home as a defense against guerilla bands. German attempts to requisition Hungarian troops for use in the Balkans were turned down completely, and such troops would be ordered not to fight British or American forces.

3. Routes avoiding the capital, viz., from Peos to Szombathely by way of Barcs and from Szolnok to Losoncs via Hatvan, were to be prescribed for the movement of German military personnel and equipment.

On 9 September Reich military leaders in Hungary demanded that the Minister of War arrest all Italian nationals then in Hungary; give all Italian plams in Hungary to the Reich; stop shipments of oil to Italy, and cut off similar shipments from Rumania. The Italian Minister to Hungary is officially regarded as coming from the Italian crown and the Minister from Hungary to Italy was directed to act as though he were accredited to the crown.
Conditions in North Italy

The OSS representative in Bern transmits the following, rated B-2:

A tremendous amount of looting is taking place in Northern Italy, in which the Mussolini adherents are aided by the Germans. Everybody who felt released from restraint by the Mussolini resignation, and subsequently expressed opposition to the Fascist regime, now is being picked up and either shipped off to some unknown point by the Fascists, turned over to the Germans, or simply beaten. Men of military age are placed in concentration centers from which, it is thought, they will be shipped to the Reich. Every sort of vehicle, including bicycles, has been requisitioned. General Ruggero went back on his promise to give some 6,000 anti-Fascists arms and ammunition with which to defend Milan's streets against the Germans, and surrendered the materiel to the Germans after telling them of the anti-Fascist plan.

(OSS Official Dispatch, Bern)
Greeks Want U.S. Participation in Cyclades-Dodecanese Occupation

The OSS representative in Cairo has heard that the Italian General in charge of all of the Cyclades islands off the southeast coast of Greece has agreed to resist the Germans and take orders from the British. The Greeks in Cairo urgently recommend that American troops participate in the occupation of the Aegean islands, and especially the Dodecanese, even if it is a mere token affair.

(OSS Official Dispatch, Cairo, rated B-3)
U-Boats: Discontent Leads to New Protection

The following report transmitted by the OSS representative in Bern is rated B-2:

Doenitz allegedly indicated in a recent report that revolutionary tendencies had been noted among naval personnel. Unsatisfactory protection of submarines, especially artillery deck crew personnel, has caused much discontent. During surface attacks these artillery men have suffered severe casualties through lack of protection.

Attacks by single submarines was substituted for the practice of hunting in packs, by the end of July. U-boat hulls are being given an insulation covering of Buna so as to allow them to escape detection by the enemy. Six text submarines so equipped are now in the Atlantic. Results of tests of a new type silent motor have proved satisfactory.

U-boat production was transferred from Hamburg following the raids, most of it going to Kiel. The age limit for submarine crews has been raised from 30 to 46.

(OSS Official Dispatch, Bern)
TO: Col. Chester Hammond, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports Received in Office of Strategic Services, No. 61

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

DECLASSIFIED
By Authority of
CIA 006687
By SR Date APR 3 1975

Regraded Unclassified
Germany: Alleged Plans for Radical Revolution

The following report, which is rated B-3 and transmitted with considerable reserve by those who secured it, comes from OSS in Bern.

A source who is both honest and reasonably well informed on current developments in Germany, but who is "made especially receptive to any alleged Communist danger by his background," has heard from reliable quarters in Berlin that Himmler is preparing a radical social revolution. Himmler, it is said, is convinced that defeat is unavoidable. He hopes to engineer a revolution and thus win Moscow's sympathy. This revolution is scheduled to take place between three and eight weeks from now.

(OSS Official Dispatch, Bern)
South Africa: Decline in Martial Spirit

According to a report received by the OSS representative in Capetown, the South African Armored Division in the Middle East is in process of dissolution. Most of its officers are refusing transfer to other Imperial units, and will consequently be employed in occupied areas for garrison duty only. Army discipline is said to be very bad. It is rumored that Van Ryneveld, the South African Chief of Staff, who has always been opposed to the war, may be removed for inefficiency.

(OSS Official Dispatch, Capetown, rated B-3)
Rumania: Conditions and Expectations

A reliable individual who talked with Mihail Antonescu, Rumanian Vice-Premier and Foreign Minister, several times during the first week in September quotes Antonescu as his source for the following, transmitted by the OSS representative in Bern and rated B-3.

Marshal Antonescu is standing by his arrangement with Hitler because he feels from his own experience as Military Attache in Britain that the British respect loyalty and therefore would understand his continued adherence to the Axis pact. Mihail, himself, is ready to look to the best interests of Rumania and resign, in the event of an Allied invasion. Mihail is maintaining an entente cordiale with the Turkish government and keeping it informed as to Reich troop dispositions in the Balkans.

Conversations have been held with Maniu, leader of the Peasant Party; Bratianu, Liberal Party leader, and other opposition leaders, with a view to working out plans for an interim government under a military figure, as happened in Italy. Plans have been under way to transport the outstanding opposition people to Turkey or Switzerland, if necessary, in order to have them at hand.

Every effort is being made to evacuate Rumanian forces from Soviet territory; the four divisions in the Kuban valley began their withdrawal 4 September. Mihail suggested that Russo-German negotiations were under way and said he greatly feared them. He said further that relations between Hitler and himself had been strained for more than four months, and added that he lived in daily fear of his own life.

As arguments against a Rumanian rupture with Germany, Mihail presented these points: one million young Rumanian recruits, who will have completed training by November, would be gained by the Germans who would also commandeer Rumania's 450 tons of gold and her bumper crop of 7 million tons of grain. The Rumanian government is trying to break up this crop into small family holdings. Mihail estimated that Germany at present has 40,000 troops in Rumania, those on the Black Sea Shore being confined to Constanza.

(OSS Official Dispatch, Bern)
Tangier: Local Italian Situation

The following OSS Dispatch has been transmitted from Tangier. It is rated B-2:

The ranking officers in the Italian consulate are loyal to Badoglio, but the secondary employees and sailor guards are split in their allegiance. A small group of aggressive Fascists has dominated the local scene, with the aid of the Nazis. Until the Allies attain supremacy in Italy, most of the Italians are afraid to disclose their attitude. They are resentful of the position in which they find themselves. Fascist leaders are calling for discipline and order, apparently to forestall Allied pressure on the Spanish to act. The deportation of ten key Fascist leaders would probably settle things.

(OSS Official Dispatch, Tangier)
Miscellaneous Notes

U-Boat Enigma -- According to a report rated B-3 and forwarded with great reserve by the OSS in Bern, about the end of August all German submarines based in Norway and France, and then at sea, were issued urgent orders to return to their bases without engaging in combat.

(OSS Official Dispatch, Bern)
Italian Intrigues in Paris

According to a report transmitted by the OSS representative in Bern and rated B-3, Francesco Nitti, the former Premier of pre-Fascist Italy, and his son are in close contact at Paris with the notorious collaborationist, Jean Luchaire, and through him with the Germans. Nitti is said to be working against Salvemini and Count Sforza and the anti-Fascist groups which they lead.

(OSS Official Dispatch, Bern)
Yugoslavia: Activities of General Mihailovich

The OSS representative in Cairo transmits the following from an authoritative source:

General Mihailovich unquestionably did use every means available last year to avoid active operations, which otherwise would have faced him with severe Nazi reprisals on the civilian population. These would have had the effect of driving the Serbs away from him and toward collaboration with Nedich, without any material gain to the Allies. Moreover, he had too few supplies for effective operations, and he feared lest premature (and consequently unsuccessful) activity might compromise him with the Serbs. For Mihailovich, says the source, is a canny politician whose principal aim has been to make himself a great public hero by throwing out the Partisans, subduing the Croats, and creating a unitary Serbian state to hand over to the King upon his return.

Some of the subordinates of Mihailovich have given complete cooperation to the Italians, receiving in exchange food and arms with which to fight the Partisans, but this practice of collaboration has now been stopped. Some fighting with the Partisans has, however, continued.

Mihailovich controls virtually all of Old Serbia proper and the Sanjak area, i.e., from Belgrade west to the Drina, then south along the Lim and the White and Black Drina to Bitolj (Monastir), then northeast to the Danube and then upstream to Belgrade. He also has a large number of inactive followers in Slovenia, Montenegro, Bosnia, and Herzegovina. According to this source, Mihailovich has an elaborate conscription system by which he rotates the men in his army. Because of lack of arms, no more than 10,000 are mobilized at any given time. The rest stay at home, living as ordinary peasants. Theoretically all of Yugoslavia is organized on this basis, although in fact, according to the British, the system is thoroughly effective only in the Sanjak and Serbia. In Serbia proper 75,000 men can be mobilized, the British estimate.

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By CIA 006687
By SR Date APR 3 1975

Regraded Unclassified
In late August occurred a new crisis, as yet unsolved, between Mihailovich and the British, according to this source, and there is some likelihood that the General will in consequence attempt to play American support off against British. Mihailovich, according to the British, has either been deceiving them, or is himself being deceived by his lieutenants, and they therefore desire evidence that he is in effect insisting that his subordinates carry out the orders which he had agreed with the English to give.

(OSS Official Dispatches, Cairo)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

17 September 1943

TO: Col. Chester Hammond, White House Map Room

FROM: John Magruder, Brig. Gen.

SUBJECT: Reports Received in Office of Strategic Services, No. 60

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

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CIA 006687

By SR Date APR 3, 1975

Regraded Unclassified
Germany: Conditions

The following OSS report, rated B-3, has been transmitted from Stockholm:

The German people realize that they are only the pawns of their Nazi overlords but informant feels that there is small prospect of an upheaval from within Germany. The people see little choice between Churchill and Stalin or their present rulers. The Reich forces, on the other hand, have been deeply impressed by British and American treatment of conquered territory, viz., the provision of food and the continuation of local government -- and also by the Allied equipment used in Tunisia and Sicily.

A German rout on the Russian front might bring on a Communist revolution, though the Communist Party in Germany is not strong. The Social Democratic Party (also, of course, underground) claims most of the laboring classes.

High Army officers, backed by others within the forces, want to withdraw German troops from all conquered lands and then to seek an alliance with the Allied forces against the Soviet. Such a move might be precipitated by an Allied drive from the west or north, according to this informant, for it is thought that while the Reich troops would go on fighting the Soviet, they would not battle our forces.

The Nazi leaders, however, are seeking to come to an agreement with the Soviet by making vast concessions, and hope then to secure Russian aid against present enemies of the Reich. The fact that German newspapers have stopped their diatribes against Stalin and the Soviet and also that during recent months, according to the commandant of a prison camp, Russian prisoners have been better fed and better treated, are cited as evidences of this policy.

Bombing of the Ruhr has reduced production only about 15 to 20 percent, but German coal production has declined 30 percent from the 1939 level.

Since the Rumanian fields supply all the aviation gasoline for German planes, the oil shortage brought about the defeats in North Africa, as well as on the East Front, through putting the air force out of action by forced curtailment of student aviator training.

A girl from the Ukraine employed in Germany as a domestic is said to have written a friend and expressed such fondness for her employers that she is made very unhappy, she writes, by the prospect of killing them or people like them, which some day it must be her lot to do.

(OSS Official Dispatch, Stockholm)
Lone Slovene Resigns from Yugoslav Government-in-Exile

The following is transmitted by the OSS representative in London and rated B-2:

Kern, the lone Slovene in the present government has submitted his resignation to Purich, giving ill health as his reason. However, the real determining factors are said to be Kern's disgust with the wholly Pan-Serb character of the Purich government, its refusal to sponsor a Slovene representative to be attached to General Eisenhower's headquarters, and the fact that Zhivkovich, leader of the Pan-Serb clique, actually controls the government. Kern sought an audience with King Peter to express his views.

(OSS Official Dispatch, London)
The Russian Delegation at the British Trade Union Congress

From several points of view the presence of a Russian delegation at the recent convention of the British Trade Union Congress at Southport is important and significant. OSS at London transmits the report, subject to verification and amplification, that a resolution calling for a second front was withdrawn when Sir Walter Citrine, President of the TUC, announced that the French coast was the scene of large-scale operations. These operations later proved to be only maneuvers.

Isidore Nagler of the International Ladies' Garment Workers' Union, an official AF of L delegate, unconciliatingly explained in his speech that Soviet Trade Unions were organs of the state and therefore not free in the sense that trade unions are in the western democracies: therefore, the AF of L refused to be associated with them. The Russians regarded these remarks as insulting, and the source regards the incident as serious, for it is certain to make the Russians still more unfavorably disposed toward the U.S. The Russians will demand that the TUC must choose between them and the AF of L, it is believed, or they may even disrupt the Anglo-Soviet Trade Union Committee.

(OSS Official Dispatch, London)
Germany: Submarine and Airplane Situation

According to a highly reliable and technically proficient source in Berlin, the Germans now admit their submarine campaign has failed. They have lost their finest personnel and the remaining experienced men are low in morale and in physical shape. Meanwhile, however, the construction of single-hulled submarines has increased.

Source also states that the air situation is critical owing to the crippling deficiency in fighter planes. The Nazis now have hardly over 300 fighters on the Eastern Front owing to forced withdrawals. The Germans are said to be building small airfields, each accommodating a single squadron, with five to eight miles of the larger well-known fields. These latter will continue to be used to a certain limited extent but will mainly serve as dummies. Plane factories, one observer confirms, are being moved eastward.

A high German staff officer in either Finland or Norway gloomily commented that the Germans will probably have to evacuate all of Northern Finland, and also Norway to at least as far south as Trondhjem.

(OSS Official Dispatch, Stockholm, rated B-3)

*This figure is correct for single-engine fighters, according to OSS analysts, but 25 percent too low if twin-engined fighters are included.
TO: Col. Chester Hammond, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports Received in Office of Strategic Services, No. 59

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

[Signature]
John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

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By SR Date APR 3, 1975

Regraded Unclassified
Hungary: Still More Peace Feelers

According to an OSS official dispatch from Bern, rated B-3, the Hungarian Minister to Vichy, Bakach-Besseneyey, has now been accredited to Bern, where, since he is reputedly anti-Nazi, it is thought probable that he will try to get in touch with United Nations representatives.

In a recent conversation which he evidently trusted would be retailed to Allied ears Bakach-Besseneyey said that Kallay hoped that Budapest could be spared, as not much industrial production for the Germans was being carried on there anyway. Csatay, the Hungarian Minister of War, who recently made a trip (described by the Axis press as pro forma) to Hitler's headquarters, really asked that the 80,000-odd Hungarian troops in reserve on the Eastern Front be brought home. This request having been refused, Kallay reciprocally refused to conform to a German order that Hungarian forces be prepared to occupy the Balkans.

Kallay would like the Allies to understand that Hungary's supreme aims are (1) the repatriation of her Eastern Front troops and (2) collaboration with the Allies when they invade the Balkans. At the same time he would like to know what the Allies would think of Hungarian claims to an area in Croatia extending even to Fiume; but of course he did not wish to act in this connection without the consent of the Yugoslav Government, and hoped that the Allies would sound out the Yugoslavs on this subject. Another project cherished by Kallay, according to this source, is Allied approval to joint Rumanian-Bulgarian-Hungarian action in the Balkans in order to maintain order whenever the Germans withdraw.

(OSS Official Dispatch, Bern)
King Peter Said to be Concerned Over his Government's Reactionary Character

The following, transmitted by the OSS in London, is from well-informed sources:

King Peter is becoming disturbed over the reactionary character of the new Yugoslav Government-in-exile. The government actually is controlled by Zhivkovitch, leader of the Pan-Serb clique, who holds the nominal position of Commanding General. Zhivkovitch served in a dictatorial capacity under King Alexander I of Yugoslavia. Two other influential leaders in the Pan-Serb clique are Markovitch, a Serb and a reactionary of long standing, who served as Premier under Alexander I of Yugoslavia, and Jeftich, the new Ambassador Designate to Great Britain, now awaiting approval from the British Government. Jeftich's appointment gives the Pan-Serbs full control of the new government.

Grol, before he resigned as foreign minister in the previous Yugoslav Government-in-exile Cabinet, asked the American Government to state its views on the question of replacing Ambassador Fotitch in Washington. It is said that the U.S. intimated that Fotitch should stay. Whether or not this report is true, it has caused deep resentment in Croat and Slovene circles.

Krnjevich, a Croat, who was Vice-Premier in the last Cabinet, and Krek, a Slovene, both leaders of parties, refused to go to religious services in honor of the King's birthday or to attend the farewell party given on the eve of the Government's scheduled departure for Cairo. This is interpreted to mean that neither of these two leaders proposes to have any dealings with the King, while the present Government is in existence.

The present Government is described in Yugoslav circles as a creation of American and British policy, a continuation of which will throw Yugoslavia into the hands of Russia. The Yugoslav people are well aware of Zhivkovitch's and Markovitch's positions under Alexander. Because of resentment in some circles, there is reported fear as to the King's safety in Egypt. The Russian Government knows that Purich, Premier in the exiled Government and currently nominal head of the
Pan-Serb clique, served in the White Russian campaign against the Soviets.

Jukich, one of the two Croats in the previous government, is remaining in London to assume the position of head of the Committee of Reconstruction.

It is reported that Churchill takes a more favorable view of the present Yugoslav government than Eden, and that Sir George Randel's recent resignation as British Ambassador to the Yugoslav Government resulted from disagreement with Churchill on this issue.

(OSS Official Dispatch, London)
Prediction of Forthcoming Internal Trouble in Spain.

Forthcoming internal trouble in Spain is predicted by members of the Falange, including the monarchist Requetes. The latter have been ordered to stand ready for imminent mobilization. Another report confirms that the Falange is being issued arms in Bilbao. A third report, quoting a member of the old guard Falange, says the old guard (which numbers about 3,000) has been ordered to draw side arms.

(OSS Official Dispatch, rated A-2)
King Zog of Albania -- In view of the speed of events, King Zog has become quite concerned over the recognition "stalemate," according to a reliable source which also believes that the King would accept any proposal making for Albanian unity (COS Official Dispatch, London.)
Portugal: Salazar's Policy

According to information reaching the OSS representative in Lisbon, Salazar very recently told a secret meeting of Portuguese General Staff officers that his relations with Germany were good and that he intended them to remain so. For example, there will be no interruptions in wolfram shipments to Germany. (B-3)

Salazar is alleged to have said that he had no expectation of entering into a war with Japan. (B-3)

Salazar, according to this source, informed the staff officers that he had granted to the British the use of the Azore islands of Terceira and Fayal for bases, and infiltration of their troops has already begun. All Portuguese troops are being withdrawn from these two islands, but will remain on Ponta Delgada. (B-O)

(OSS Official dispatch, London)
TO: Col. Chester Hammond, White House Map Room

FROM: John Magruder, Brig. Gen.

SUBJECT: Reports Received in Office of Strategic Services, No. 58

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

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By SR Date APR 3 1975

Regraded Unclassified
Bulgaria: Latest Intelligence

The following information, transmitted by the OSS representative in Bern, comes from a reliable source.

Filov and certain others in the present government are making use of the possibility that Russia and Germany will conclude a separate peace. There is much talk about the Free German Committee in Moscow.

According to the source the BBC propaganda for Bulgaria has created a feeling of hopelessness among Bulgarians so far as the Anglo-Saxon powers are concerned. This hopelessness has thrown them either into the German or the Russian camp as the only choices left (together with the hope that a separate peace might join these two camps).

Not many German troops are seen in Bulgaria, though the source has been told that there is a rather large concentration near the old Turkish-Greek frontier. Relations between Bulgaria and Turkey are not unsatisfactory.

The American participants in the Ploesti raid who were compelled to make forced landings in Bulgaria are quoted as saying that they had strict orders to refrain from bombing in Bulgaria.

(OSS Official Dispatch, Bern)
Miscellaneous Notes

I. U-Boat Morale -- According to a B-2 report transmitted by the OSS representative in Bern, the crew of a submarine at Trondhjem destroyed their own ship; both there and at Stavanger U-boat crews have refused to put to sea.

(OSS Official Dispatch, Bern)

II. Argentina Prepares for Peace -- According to information from a good British source, transmitted by the OSS representative in Stockholm, the Argentine Government has ordered from the Bofors factory a large number of anti-aircraft and anti-tank pieces, coast defense cannons, etc., for delivery "whenever conditions warranted." The Swedes assume this to mean after the termination of hostilities and believe the order indicates a sense of insecurity aroused in Argentina by the large amount of American lend-lease equipment being sent to Brazil.

(OSS Official Dispatch, Stockholm)
German and Italian Troop Movements

The following information is transmitted by the OSS representative in Bern:

German soldiers who have garrisoned Sardinia have started to withdraw to the Italian mainland by plane and ship under cover of darkness. (B-0) (High sources believe that the Germans have had in Sardinia one division, which, with flak units, totalled 30,000 men).

A number of aircraft equipped for torpedo launching are located on the southwest section of the Greek coast to guard against invasion. (B-4)

To man Italian defenses German technicians have arrived from the Reich at Arrezzo, Ancona and Florence; on 16 August, 3 or 4 Todt battalions reached Bologna, some of which proceeded to Verona. (B-2)

Since 16 August only 3-4 trainloads of Italian workers have been leaving Germany for Italy. (B-2)

Reich coal deliveries to Italy have been gradually restored since the bombing of Milan, reaching near-normal rates by 24 August. (B-2)

The German command in Southern Italy has received general orders to set up sufficient defense against aircraft to cover a future retreat from Calabria to Brindisi via Taranto, as well as the passage of forces to Corfu, Valona, etc. (B-2)

(OSS Official Dispatches, Bern)
Germany: Air Raid Damage

The following, rated B-3, is transmitted by the OSS representative in Lisbon:

As a result of the Hamburg raids, the Germans have recently ordered all merchandise shipments to be sent to Frankfurt-am-Main. The merchandise is sent from Portugal and Spain under a false address which is later altered.

The raids on Berlin have caused a scarcity of drinking water and a breakdown of the sanitary system. Many Berliners have taken sick as a result of drinking substitute liquids. Food is acutely scarce, morale said to be very low. Some 1,600 persons were killed when a bomb struck a Bayerische Platz shelter.

Medical-aid organizations are accepting Jewish nurses and doctors. The police are said to have suffered a breakdown in morale which makes it fairly easy for Jews to escape. A slackening in the rigidity of Berlin censorship is evident, for demoralizing comments are passing through. Berliners generally fear that their city will be utterly destroyed, if subjected to another heavy bombardment.

(OSS Official Dispatch, Lisbon)
Denmark: Report on Conditions

The OSS representative in Stockholm transmits the following from three Finnish government officials who arrived in Stockholm from Copenhagen, 31 August:

They had been told by the Finnish Legation in Copenhagen that complete freedom of movement was allowed King Christian and the Crown Prince. Arrests of officers continue; all officers above the rank of major have been ordered to report to one specific place. The entire Danish government has resigned and certain ministers have been arrested. The Germans are trying to set up some kind of a Danish government, but the Danes, themselves, fear that military dictatorship will continue and are pessimistic about the German move.

The general impression is that the situation is growing calmer. The effort to create a general strike has not met with complete success. Danish police were at their posts in Helsingor the afternoon of 31 August and the city seemed to be in full operation. No Danish police were seen in Copenhagen 29 August though some were noted to be on duty the next day. The Germans ordered all guns to be surrendered by 1 September, failure to do so being subject to the death penalty. The Germans are searching persons in Copenhagen even though they may be travelling under passport.

(OSS Official Dispatch, Stockholm)
Bulgaria: Retrospect and Prospect

The following from the OSS representative at Istanbul is rated B-3:

Though complete and accurate Bulgarian intelligence is not yet available, it is clear Boris was not shot. This does not, however, exclude the possibility of foul play. As yet there is no general strike.

The Filov government, which has German support, is in complete control, but is not expected to last. It is expected that the first Regency will be very pro-Axis. Though Filov is pro-Axis, he hesitates to take a firm position against pro-Slav elements in the Army and among the peasants, now that he lacks Boris' support. The Germans offer their continued support provided he will send more Bulgarian forces to Yugoslavia and Greece.

(OSS Official Dispatch, Istanbul)
Report on Naval and Maritime Activity at Danzig and Gdynia

The OSS representative in Stockholm transmits the following data, obtained from reliable labor sources who interviewed sailors returning to Sweden from Gdynia and Danzig:

Gdynia now is the Reich's chief naval station and submarine training base. During the past ten days over 100 U-Boats were spotted off the port. The submarines sail each morning from both Gdynia and Danzig for a full day's run. While in port they are camouflaged like barges and are moored to docks or the Hel peninsula. Many submersibles are under construction in the Gdynia yards. A carrier, large transport, some submarines and smaller war craft were seen moored to the old Polish-American Line dock. Most of the stevedoring at both ports is done by Polish and Russian, but not British or American, prisoners of war.

(OSS Official Dispatch, Stockholm)
TO: Col. Chester Hammond, White House Map Room
FROM: John Magruder, Brig. Gen.
SUBJECT: Reports Received in Office of Strategic Services, No. 57

Submitted herewith are some additional items received from our secret sources abroad.

Unless otherwise indicated, the items of information submitted herewith are reports just as received from agents and have not been evaluated as to degree of reliability other than as stated.

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

DECLASSIFIED
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CIA 0 0 6 6 8 7
By SR Date APR 3 1975

Regraded Unclassified
Bulgaria: Political Orientation

The following information, transmitted by the OSS representative in Bern, is from a reliable source:

In an interview not long before his mysterious illness, Boris stated that his one objective was at all costs to keep his country from more active participation in the war. He apparently was aware that the Germans disliked him and might adopt violent methods. Boris was planning a transition to a national government having close relations with the Anglo-Saxon powers. However, an Allied official in Turkey, says this source, subsequently informed Boris that Bulgaria's position (as well as the personal one of the King himself) was desperate and that partition was possible. Russia, on the contrary (according to rumors sedulously spread by the Soviet Minister in Sofia), would give North Dobrudja to Bulgaria and would support a large Bulgaria. The Soviet Minister is also reported to have said that no Anglo-Saxon landing in the Balkans would take place so long as he was in Sofia. Bulgarians, says this source, have come to the conclusion that their only hope rests with Russia; even if temporary communist rule in Bulgaria is necessary, it will aid in fulfilling Bulgarian national aspirations.

(OSS Official Dispatch, Bern)
Damage at Wiener Neustadt 13 August

The following comments on the damage caused by the 13 August bombing of Wiener Neustadt were made by a Viennese producer recently arrived in Sweden:

1. Bull's-eyes were scored on the Daimler automobile factory. These hits included the building in which Tiger (Mark IV) tanks were being assembled, the spinning mill, shell plant, and shops for turning out army trucks. Sixteen hours after the raid, destructive fires were still burning. Many employees were killed and 800 others had to be discharged temporarily.

2. Fire reduced by 15-20 percent the output of the airplane motor works of the Kasslerhein Company which now turns out aircraft engines instead of locomotives.

3. A number of bombs struck the gigantic Fahrenkraftwerke (Bahnkraftwerke?). One heavy bomb, striking the heart of the plant, caused a serious reduction in electric current.

(OSS Official Dispatch, Stockholm)
Bulgaria: Death of Tsar Boris

The OSS representative in Bern transmits the following report, rated very reliable:

King Boris was in excellent health just before his journey to see Hitler. Although the source has seen no evidence of foul play, he still believes that there are mysterious elements in the situation in view of the fact that no communiqué was issued until three days after the King fell ill. The source states that Hitler put Boris through a "Schuschnigg interview" and suggests that an overdose of sleeping drugs may have contributed to the King's death.

Source is definitely of the opinion that a German demand for more active participation in the war would have met with a refusal from Boris.

The Regency Council can only be appointed by the Filof--dominated General Assembly unless (which is improbable) Boris designated one before his death. Therefore the Filof regime is now supreme and will be as complete a German instrument as the country will permit.

(OSS Official Dispatch, Bern)
Germany: Report on Morale and Opinion among Middle Classes

The following report, obtained from a neutral journalist recently returned from Berlin, is rated B-3:

Even the Nazis admit that victory is now impossible. They place all their hope in driving a wedge between the Allied nations, and in the strategy of simple defense. The Germans believe that an orderly retreat in Russia can be maintained all the way to the Dnieper, and they think abandonment of Norway and Finland still distant. There is much talk of declining morale among German occupation troops, but it is felt that morale is still high among troops on the Russian front.

It is said that Goering would have a very good chance of being the "strong man" should there be a development in Germany comparable to the Badoglio Government. The story that Goering is a member of a group of three including Keitel is denied as silly. Keitel is described as a mere messenger boy completely dependent on other people.

Nazi Party personnel were the first to escape from the Hamburg bombing. German reverence for the Party is vanishing. Disintegration will soon develop in it if this has not already begun. The attitude of the SS is very different. They will not retreat without a bitter and inhuman battle.

The premature evacuation of Berlin was extremely disorderly. The people were badly frightened and the disconcerted authorities were without plan. Finding shelter for bombed-out persons and refugees has complicated the housing situation. Four families frequently occupy one flat. The care of evacuated children has been particularly inept.

People who have been bombed out blame their misfortune not upon the Allies but upon the Nazi Party (this opinion has been confirmed in other quarters). Hitler is unable to look at the wreckage of buildings and on his latest visit to Berlin he followed a circuitous route to avoid seeing the destruction.

Radio broadcasts from Britain still have
listeners, though the people tend to note all propaganda, even Goebbels', as false.

Thoughtful Germans are following developments in Italy, with great care, assuming that Allied action there will provide a clue to what is in store for the Germans. While they are well aware that they will not be handled as gently as the Italians, business men in particular count on sympathetic treatment by the U.S.

There is no clear conception of post-war questions. It is generally felt that there is no alternative to unconditional surrender and, accordingly, Germany will do what she is told after the war. It is also generally taken for granted that the return of laissez-faire is out of the question. Germans in the middle income brackets take for granted the continuation of controlled economy schemes.

As a group the clergy is the most outstanding middle class opponent of the regime. Sentiment for secession has been vocal in Bavaria recently. Many people in the lower middle class income groups have begun to feel that a monarchical restoration might be a solution. Crown prince Wilhelm and his supporters have a liaison with those in the Catholic Church who are opposed to the regime.

Communist groups have augmented their activities as have Trade Unionists and Social Democrats. The Nazis continue to try to frighten middle-class Germans, as well as visitors from abroad, with the spectre of a powerful Communistic trend among laborers. As part of this campaign foreign newspaper correspondents were recently informed that 65 percent of the workers of Germany were Communists.

A former German trade union member from Hamburg who recently reached Sweden declared that the bulk of Hamburg's population was for the Social Democratic Party. Communists were fewer than a decade ago, while only ten percent of the population was Nazi. The Social Democrats count on a democratic form of government, working with Britain and the U.S.
According to another informant, laborers from the east, mostly from Soviet areas, are the most competent and diligent. They cooperate with one another closely in order to improve their condition. Through an undercover organization these workers have full information about their terms of employment, and their confreres protect them from the Secret Police of whom there are now relatively few among the factory workers. Everyone knows who these few are.

Cases of jaundice, diphtheria, whooping cough, and scarlet fever are in the increase and there has been a general decline in health standards in Berlin.

(OSS Official Dispatch, Stockholm)
German Miscellaneous Intelligence

I. The casualty figures for Hamburg list 5,472 as dead, 2,376 seriously injured prior to 12 August. The apparent smallness of the number is accounted for by the fact that only duly enrolled citizens of Hamburg are included. The data suggests that the frequent reports of 100,000 casualties are exaggerated. Twenty thousand would probably be closer to the fact. (OSS Official Dispatch, Bern, rated A-2).

II. The downward trend in German steel production continues. Output in June declined to 2,770,000 tons; in July to 2,720,000 tons. These figures include conquered territory. The monthly average of steel imported from Sweden has increased from 4,000 in 1942 to 9,000 in 1943. (OSS Official Dispatch, Bern, rated B-2).

III. Since the latter part of June, Russian patriots in occupied Russian territory have been so effective in sabotage efforts as to render unsafe the whole railway system around Kiev. There patriots have pursued their work especially in the section north and west of Kiev. (OSS Official Dispatch, Bern, rated B-2).
Finland: Peace Parley at Stockholm?

Vuori, leader of the Finnish Trades Union Congress, had a breakfast conference in Stockholm on 21 August with Deakin, of the British Transport Workers Union. Vuori asserted that Finland is very desirous of peace and would withdraw from the war tomorrow if only some way could be found to maintain Finnish independence vis-a-vis Russia. Finnish workers, he said, still hold great power in the government; they are anti-German and even pro-Russian, but not to the point of ever agreeing that Finland become a part of Russia. As usual with Finns, Vuori felt that Finland must have the support of Great Britain and the U.S. in approaching Russia. Deakin, it is said, listened carefully and committed nobody.

(OSS Official Dispatch, London, rated B-3)
An Opinion on Russian Support of Partisan Groups

It is the belief of the OSS representative in Stockholm that Communists in various European countries still receive orders from the Kremlin despite the ostensible dissolution of the Comintern. Source, for example, believes that the evidences of Communist underground activities among Norwegians in Norway and Sweden are instances of this.

At present, in the opinion of this source, there appears to be an all-European plan to get Communists to lead partisan groups in instigating revolts and sabotage in all Axis and Axis-occupied countries. The purpose of this activity, according to this view, is to set all Europe afame and force the Allies to act quickly, consequently giving the Communist groups a more commanding place in the post-war world.

(OSS Official Dispatch, Stockholm, rated B-3)