MR 203(12), Sec. 5 -- OS.S NUMBERED BULLETINS

Jun-Dec, 1944

DECLASSIFIED
State Dept. letter, 1-11-72

By RAP date FEB 10 1972

Map Room

Box 73
TO: Colonel Richard Park, Jr.
   White House Map Room
SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the Bern office of this agency, concerning two prominent German industrialists who were refused entry into Switzerland.

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

Enclosures.

cc: Department of State
   Joint Chiefs of Staff

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CIA 006687
By SR Date MAY 8 1975

203(12)
SWITZERLAND: Two Prominent German Industrialists Refused Entry.

The OSS representative in Bern has transmitted the following information, received from a reliable source:

Two important German industrialists, brothers named Schmidt, recently tried to cross secretly into Switzerland with their families. One is a director of a munitions plant at Eisenach. The other, with a first name resembling Eberhard, is a director of the Messerschmitt plant in Augsburg, and is reported to have been in charge of the Messerschmitt decentralization program and of erecting the Messerschmitt plant in Vienna. Their attempted escape was motivated by fears of the Soviets, the foreign workers and the chaos which would attend a German collapse. Both individuals were refused permission to remain in Switzerland, although their minor children were allowed to stay.

(OSS Official Dispatch, Bern, 26 December)
TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memorandum which the Acting Director, OSS, is sending today to the President. This memorandum deals with the German internal situation and plans, and is a sequel to a memorandum of 16 December on the same subject.

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

Enclosure.
MEMORANDUM FOR THE PRESIDENT:

The following information, transmitted by the OSS representative in Bern, is a sequel to a memorandum dated 16 December and from the same prominent and very reliable Swiss source:

Hitler has had a serious relapse and his physicians refuse to allow him to travel. He is now living in new headquarters some fifty kilometers southwest of Berlin.

Himmler had hoped, during the recent period when Hitler's health was considerably improved, to obtain Hitler's consent to a rearrangement of the government whereby Himmler would in effect become Premier and Hitler would remain as Chief of State. This change apparently was not put through. Now Hitler is believed to be too ill to be approached on the subject.

Source believes that there is no basis for the rumors of heavy concentrations of German troops on the Swiss border and of a possible German attack via Switzerland. Swiss military authorities are undisturbed. They plan to call up two more Swiss divisions in January to replace other divisions, but the latter will not be dismissed immediately. Thus the Swiss standing army in effect will be substantially increased during the early weeks of 1945.
In source's opinion the current German offensive has purely political objectives. He considers that the general German situation precludes the possibility of a sustained major offensive.

G. Edward Buxton
Acting Director
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

30 December 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memorandum entitled "Report on Hungarian Resistance Movement", the intelligence in which was obtained from a series of cables, the latest dated 21 December.

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

Enclosure.

cc: Department of State
Joint Chiefs of Staff

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CIA 006687

By SR Date MAY 6, 1975

203(1C)

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

30 December 1944

REPORT ON HUNGARIAN RESISTANCE MOVEMENT.

On 16 December the OSS representative in Caserta transmitted the following information:

In early December, Dr. Geza Soos, former deputy chief of the International Cultural Relations section of the Hungarian Foreign Ministry, arrived in Allied-occupied Italy from Budapest. He was accompanied by Major Dome Hadnay of the Hungarian Army Engineer Corps, who recently was dismissed for anti-Nazism from an important post in the aviation section of the Ministry of National Defense; Baron John Bentinck, and several others, including a radio operator, a mechanic, a pilot and his wife and daughter. Soos claimed to be the leader of the MFM (Magyar Fuggetlen-Segi Mozgalom), the "Hungarian Independence Movement". According to Soos, the movement, comprising some 2700 white-collar workers and intellectuals, is non-political, concerned only in organizing and directing Hungarian resistance, and is affiliated with the Hungarian Front.

Upon his arrival Soos offered to direct MFM to sabotage communications and utilities as desired by AFHQ, to provide intelligence through the MFM network and MFM contacts, and to arrange for agents to fall back behind the retreating Germans to inspire defection among Hungarian troops withdrawn into Austria.

In view of the impracticability of any but Soviet-directed resistance operations in Hungary, Soos was told that, if he wanted to offer aid to the Soviet command, an effort would be made to transmit his proposals to Soviet authorities.

On 21 December the OSS representative reported that Dr. Soos had asked that the following be transmitted to the Soviet Government through AFHQ channels:

On 23 October 1944, the MFM transmitted to the Swedish Legation in Budapest, as representative of Soviet interests in Hungary, the following message:

"(A) Inasmuch as the Germans, after overcoming 16 hours of resistance on the part of the Palace Guard, seized the Regent of Hungary and removed his person to Germany, the MFM, representing 80 per cent of the people of Hungary, considers that a state of war exists between Germany and Hungary and that an armistice exists between Hungary and the Allied powers.

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By [Signature] Date MAY 6, 1975

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(B) A coalition government, which includes all democratic and Communist parties, exists underground in Budapest and stands ready to cooperate with the Allied Governments.

(C) The recent measures of control and the arrests carried out by the Germans make it extremely difficult to bring about a large-scale accession of regular Army units to the Allied cause, and the regrouping of numerous but scattered elements requires the presence of an Allied liaison officer in the combat zone.

On 25 October 1944, the MFM inquired through the Swedish Legation as to the treatment which Hungarian military units and/or individual Hungarian officers and fliers could expect if they surrendered to the Soviets; whether such units and/or individuals would be treated as prisoners of war or whether they would be allowed to fight the Germans as Hungarian units. This question was raised since several Hungarian units who sought to go over to the Soviets about 21 October had been fired on and were compelled to return to their own lines.

Since all Magyar (as opposed to Schwabian) Generals had been under arrest since 15 October, and it was thus impossible to carry out instructions as broadcast by Radio Moscow, the MFM sent the Chief of Staff of the Budapest Army Corps, Major Erno Simonfy Toth, as liaison officer to the Soviets. Toth was accompanied by Captain Tibor Voros and First Lieutenant Jozsef Torok, a pilot.

A Major Vari of the Soviet Army appeared in Budapest in early November as liaison to Hungarian resistance. He was certified by Jozsef Dudas, who had been in Moscow in September, and worked with the military section of MFM until he disappeared on 22 November. Following his disappearance, 120 officers, virtually the entire leadership of MFM's military branch, were arrested by the Gestapo.

In order to establish a new contact, the MFM sent two more officers through the lines, one of which had served on a mission to Moscow in September. When these officers failed to return, the MFM on 9 December sent its secretary-general and military delegate to Italy (apparently Dr. Soos and Major Hadnagy). These two are under the following instructions:

(a) To reestablish contact with Moscow and Szeged;

(b) To inform the Allies that the Hungarian underground is organized and ready for action, but that such action was deferred at Major Vari's request upon instructions from Moscow; and
(c) To give the Allies the code signal to be broadcast by Radio Moscow when the general offensive against Budapest is launched, so that the underground may go into action against the Germans and protect bridges and public buildings.

The MFM is asking the Allied Command for general instructions and for assistance in communicating with its representatives currently abroad. It has also requested that Domokos Szentivanyi, a former ministerial councillor in the Hungarian Foreign Office, and career foreign service officer who has served with the Hungarian Legation in Washington and the Hungarian Consulate in Chicago be informed: "Our political, propaganda and military sections are working full blast. Lacking liaison and instructions we could give no sign of life. After 23 October have waited in vain for further message."

Attention is invited to report (TAB A) on Hungarian resistance prepared by OSS, R and A, Washington, on 15 December 1944. This report summarizes available information on The Hungarian National Resistance Front (MNFF) with which, according to Soos, the MFM is affiliated. Report (TAB B) on "The Soviet-Sponsored Hungarian Government" describes the Hungarian Provisional regime established in Debrecen during December 1944.7

(OSS Official Dispatches, Caserta, 16 and 21 December)

Regraded Unclassified
15 December 1944

HUNGARY

1. Execution of Resistance Chiefs

a. Morale bolstered by terror: The Hungarian radio announced on 9 December that six death sentences for "disloyalty" had been passed by the Military Court of the Royal Hungarian Chief of the Honvéd General Staff after a very important trial. The six defendants, sentenced to death by hanging, were Lieutenant General (retired) János Kiss, Colonel Jenő Nagy, Lieutenant Colonel of the Sappers Pál Almássy, Captain of the General Staff (retired) Dr. Vágos Tarosay, Captain (retired) Kálmán Révai, and a civilian, Miklós Makkai. According to the announcement, the death sentences imposed upon Almássy, Révai, and Makkai were "annulled," but they were immediately carried out on Kiss, Nagy, and Tarosay.

The Court was set up at the beginning of the war in accordance with the authorization contained in paragraphs 141 and 160 of Act 1939: 11 ("Concerning National Defense"). This act allows the arrest of any person at the instigation of this court and the sentencing of the person in total secrecy. The fact, therefore, that the sentences received wide publicity is indicative of the Hungarian quislings' desire to bolster up sagging military and civilian morale by a reign of terror.

b. The nature of the resistance: According to the Budapest radio, the crime of the accused "consisted of participation, during October and November last, in the resistance movement of liberation and in the Hungarian Front organization under the leadership of Endre Bajcsy-Zsilinszky, M.P., under arrest, and of Zoltán Tildy, who has escaped. The aim of this organization was the removal of the legitimate government (the Szálasi group) and the Head of the State (Ferenc Szálasi), the weakening and breaking of the fighting morale of the Hungarian and allied German Armies, and the prevention of the execution of their military measures designed to prepare the population for the same purposes in those territories which were likely to come under the Soviet occupation.

This statement contains the first admission by the Arrow Cross dictatorship of the existence of an organized "resistance movement of liberation" in Hungary. The "Hungarian Front," to which the statement

2. Országos Törvénytár (Budapest, 1939), pp. 62-63, 68.
3. ONS Wurolc B, 5229069, 22 March 1944.

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State Dept. letter, 1-11-72

By [Signature] Date [Feb. 1972]
refers, is very likely identical with the so-called Hungarian National Independence Front (known as MNPF from its Hungarian initials). This clandestine organization, according to reliable information at hand, was formed in Hungary in January 1943 at a secret meeting of representatives of most of the political parties and trade unions. Among the founders of the Front were reported to be a representative of the Smallholders' Party, two leaders of the Peasant Union, a distinguished industrialist from the National Association of Manufacturers (known as GYOSZ from its Hungarian initials), several members of the Social Democratic Party, emissaries from the illegal communist movement, a leading member of the Liberal Bourgeois Party, two representatives of the Christian Socialist Trade Unions, and a few anti-German members of the MUP or government party. According to reports originating in Switzerland, the MNPF began operating with the following ten-point program in 1943:

1. Immediate withdrawal from the war and severance of diplomatic relations with the Axis. Recall of Hungarian troops from Russia. Punishment of politicians and officers responsible for Hitlerite war.

2. Independent foreign policy. Cooperation with neighboring countries against German aggression.

3. Prohibition of food exports until a sufficient supply has been assured for domestic consumption.


5. Far-reaching land reform. Distribution of all landed estates over 300 holds (172.5 hectares).

6. Development of Hungarian industry; elimination of German capital.


8. Elimination of the fascist mentality from the Hungarian press, literature, school system, and intellectual life.

1. OSS # 28293. 9 February 1946.

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State Dept. letter, 1-11-72
By: [Signature] Date: FEB 10, 1972
(9) Formation of a national and independent government; convocation of a Constituent Assembly; constitutional and material guarantees for Hungarian liberty and independence.

(10) Immediate action by all participants in the movement for a strong, independent, and democratic Hungary.4

It is quite probable that the political, industrial, labor and agrarian leaders who founded the MNFF and promulgated its program were secretly encouraged by Prime Minister Kalley who held office from March 1942 to March 1944, and whose fall on 19 March 1944 was due to the failure of his attempt to disentangle his country from the German alliance. Consequently, at the time of its foundation, the MNFF was probably a sort of respectable underground, membership in which did not involve immediate personal danger. After the two German coups of 19 March and 15 October 1944, this state of affairs must have been terminated. Nevertheless, the MNFF continued its existence, probably after jettisoning its more timid participants, thus becoming a genuine underground organization. Following the Arrowcross putsch in October, a number of the leaders was probably rounded up. In its anxiety to stop the rapid deterioration of military and civilian morale in German-occupied Hungary, the Szalasi group now decided to announce the execution by hanging of three high-ranking officers.

e. Chiefs of the conspiracy. According to the announcement on the Budapest radio, the conspirators acted under the leadership of "Endre Bajosy-Zsellinsky, M. P., under arrest, and Zoltán Tildy, who has escaped." Both Bajosy-Zsellinsky and Tildy are members of parliament and leaders of the Smallholders' Party. Both have been variously reported as either killed or under arrest since the first German coup of 19 March 1944. It is quite possible, however, that these were freed during Gen. Lakatos' short tenure of office last summer, and thus were able to direct the resistance movement at the time of the Arrowcross seizure of power. The only other MNFF leader, in addition to Bajosy-Zsellinsky and Tildy, who can be identified at the present, is Lieutenant General (retired) János Kiss, who was known as a member of the paramilitary Turán, Védelem ("Turanian Hunters")2 organization, a chauvinistic, racist, but anti-German body, which was absolutely loyal to Regent Horthy and which was dissolved after the first German coup in March.

It is interesting to note that in the case of Bajosy-Zsellinsky the Szalasi group is proceeding with its comedy of constitutionality. According to the announcement, "a request has been made to the House of

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1. OSS # 22895, 9 February 1944.

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By Date FEB 10 1972

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Parliament for the suspension of his [parliamentary] immunity. He, as the chief organizer of the whole movement, will have to face a military tribunal after Parliament has granted this request.

The Arrowcross Party seems determined to mete out terrible punishment to Bajosy-Zellinsky, one of their most determined opponents in the days of the Horthy regime, who, as a former right radical and "race-defender" is considered a renegade by the dictatorship now in power in Budapest.

Bajosy-Zellinsky has had a strange and stormy career. He first gained prominence in 1911, at the age of 25, when he shot and killed András Ashim, a radical peasant leader, with whom his father had engaged in a bitter political quarrel. He was tried and acquitted. During the first World War he volunteered for front service and was seriously wounded in 1916. He returned from the front in possession of some of the highest decorations and received the accolade of a vitéz ("hero") from Regent Horthy. He became known as one of the most energetic members of the counter-revolutionary group which surrounded the future regent at Szeged before the entry of the National Army into Budapest in the fall of 1919. He participated in the organization of the para-military semi-Fascist MÖVE ("Hungarian National Defense Association"), founded the ultra-nationalistic and reactionary daily Sózat ("Manifesto"), and was elected to the second National Assembly in 1922 on a racist and anti-liberal platform, with the support of the proto-Fascist Association of Awakening Hungarians (EAG). In 1923, following Prime Minister Bethlen's liquidation of the extreme right wing of the regime, Bajosy-Zellinsky bolted the government party (in company with Tibor Eckhardt and others) and founded the Party of Race Defenders, which was an early prototype of the German National Socialist Party and which vigorously fought the conservative government of Count Bethlen.

During the late twenties, however, the first symptoms of a radical ideological metamorphosis began to appear in Bajosy-Zellinsky's behavior. He became a close friend of Baron Louis Hatvany, a member of the Jewish industrial aristocracy and a well-known "Octobrist," who had been one of Count Károlyi's most enthusiastic supporters in 1918-1919. Finally he entirely dissociated himself from his rightist connections and founded the National Radical Party, on whose ticket he was elected to parliament in 1931. His ideological about-face seems to have left his violent temperament unaffected. He continued to attack the government from the left just as bitterly as he had from the right, he even resigned from the Vitéz Order, when that ultra-conservative body rebuked him for his new political attitude. With the rise of Hitler in Germany, Bajosy-Zellinsky became increasingly anti-German. He fought a duel with the late Jakob Bleyer, the intellectual leader of the German minority in Hungary.

In 1939 he was returned to parliament from the northern
district of Budapest as an independent, after an electoral victory
won with the aid of Károly Mészáros's Liberal Bourgeois Party. Shortly
afterwards, he joined the Smallholders' Party, and after Tibor Ekhart's
self-imposed exile to the United States, he became the dominating member
of this agrarian group. He is said to have been mainly instrumental
in bringing about the working alliance of his party with the Social
Democrats in 1943. In a series of speeches delivered in and outside
parliament during 1943, he demanded the recall of Hungarian troops
from Russia and an abrogation of the German alliance. After the
Italian surrender, he stated flatly that the Axis no longer existed and
that consequently Hungary was free of all treaty obligations to pursue
the war against Russia. When the Germans marched into Budapest on
19 March 1944, Bajcsy-Zalinski was one of the first Hungarian leaders
seized. He is said to have shot an SS soldier and to have killed an
SS officer while resisting arrest, before being shot himself by his
captors. Nothing definite had been heard of him since that time
until the recent announcement by the Budapest radio.

Zoltán Tildy, the other conspirator mentioned by the Budapest
announcement, was chairman of the Smallholders' Party before its
dissolution in March 1944. Tildy is a Calvinist pastor, about fifty
years of age, a moving spirit of the parliamentary coalition which was
trying to sway Hungary to the side of the Allies before the first German
occupation. He is a typical representative of the protestant traditions of
his church and of the anti-German country gentry; an uncompromising
patriot, yet no extreme nationalist. He is not as far to the left as
Bajcsy-Zalinski and has cooperated with the Legitimists (pro-Hapsburg
monarchists) of Count Mihay in the past. He too was reported arrested
and deported to Germany in March 1944, but may have regained his
freedom during Gen. Lakatos' premiership last summer.

Bajcsy-Zalinski, Tildy, and their associates may thus rightly
claim leading positions in a post-war Hungarian government. Whether the
leading members of this group can escape with their lives or be at hand
when the time arrives, is however, a question open to serious doubt.

2. German-Hungarian plans for the future: Reporting on the result
of his visit to Hitler, General Benczúr, the Hungarian Minister of
National Defense and Chief of Staff declared that the Führer will
receive in his own territory anyone willing to fight for an independent
Hungarian state at the side of the Germans. Accordingly, the Führer
has already transferred to Germany Hungarian military units, civilian
workers, and industrial equipment. For several weeks the Hungarian

1. Aftontidningen, 25 April 1944 (News Digest # 1432).
2. Morgontidningen, 16 May 1944 (News Digest # 1435).
3. PUGS Daily, 9 December 1944 quoting Hungarian Home Service.

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By. Date FEB 10 1972

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Government has been preparing to move from the capital those symbols and institutions which are necessary to maintain the semblance of constitutional government, such as the Holy Crown, parliament, and the high courts. General Berogify's speech, however, was the first public indication that a substantial portion of remaining Hungarian lives and possessions will be put at the disposal of Germany. Mobilization orders also indicate that the measures about to be undertaken are on a larger scale than justified merely by the impending Russian occupation. Thus university students and their teachers were ordered to report under a new mobilization order, even if they were already performing duties with another military unit. Even more significant is a proclamation broadcast to the "Hungarist" (Arrowcross) Youth, which announced that youths will be sent to training camps in Germany where, under Hungarian command, they will be trained until ready to return as a Hungarian army which would "drive the enemy back to the far east."²

Even though the military situation of Hungary is hopeless, the government is ready to organize a last-ditch stand against the Russians, either because of its subservience to the Germans or in order to earn the right to function as a Hungarian "refugee government in Germany."² The recent mobilization orders imply, however, that the Germans are not attempting merely to salvage Hungarian personnel for use as forced labor or as auxiliary troops, but are planning for a future time when an organized Hungarian army force trained in Germany may perform a useful task in Russian-occupied Hungary, either in open combat or in the form of partisan warfare.
THE SOVIET-SPIVNOSED HUNGARIAN GOVERNMENT

Description

The paper analyses the composition of the Hungarian Government set up on 23 December 1944 in Russian-occupied Debrecen. The methods by which it has been established; its program; and the probable reaction of the Hungarian people toward the government, are discussed.

28 December 1944
# Table of Contents

<table>
<thead>
<tr>
<th>Summary</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. The Composition of the Provisional Government</td>
<td>4</td>
</tr>
<tr>
<td>II. The Constitutional Position of the Provisional Government</td>
<td>8</td>
</tr>
<tr>
<td>III. The Program of the Provisional Government</td>
<td>13</td>
</tr>
<tr>
<td>IV. The Appeal of the Provisional Government</td>
<td>15</td>
</tr>
</tbody>
</table>

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State Dept. letter, 1-11-72

By LADD Date FEB 10 1972
Summary

The formation of a Provisional Hungarian Government at Debrecen in the Soviet-occupied portion of Hungary was announced on 23 December. The provisional regime is composed of a 12-man cabinet headed by Colonel-General Miklós de Dalnok, former commander of the First Hungarian Army, and a unicameral Provisional Assembly of 230 members elected by municipalities, trade unions, mercantile associations and other corporate groups and associations. The Assembly is headed by a group of three prominent lay church and professional leaders. The cabinet includes Colonel-General János Vörös, former Chief of Staff of the Hungarian Army as Minister of War and Chief of Staff and Lieutenant-General Gábor Faragho, former supervisor of police and gendarmerie as Minister of Supply. Miklós, Vörös and Faragho, all of whom held prominent positions under the Horthy regime, escaped to the Soviets in mid-October when the Germans frustrated the Regent's attempt to surrender. In addition to these three prominent Horthy men, the Cabinet includes several well-known former parliamentary deputies, political leaders, and scientists. It is characterized by respectability, the predominance of bourgeois elements and the presence of only one orthodox Communist. In this respect it approximates the type of cabinets which have emerged in other defeated satellite under Soviet occupation.

The formation of the Debrecen provisional Government gives Hungary two regimes of which neither has a constitutional basis. The second, the extremist pro-Nazi Szalasi regime, assumed power following
a coup against Horthy in mid-October. The Debrecen regime, however, has emphasized its provisional character, apparently regards Horthy as still regent of the country, and will probably devote its energies to the restoration of legal and constitutional continuity when Hungary is wholly liberated. It is thus following in the footsteps of the Horthy Government which emerged under similar extra-constitutional circumstances in Szeged, following Hungary’s defeat in World War I.

The Debrecen program appears to be basically moderate but has strong political implications. It marks an important step towards the attainment of Soviet border policy which requires the establishment of friendly governments in the “middle zone” between the USSR and the Reich. It gives the Soviets a regime with which to arrange for armistice terms and reparations. In effect, it makes the USSR the protector of Germany’s most consistent ally.

The Soviet-sponsored regime has pledged itself to sever the German alliance, repeal all discriminatory anti-social and anti-Semitic legislation, to disband all Nazi organizations, to sign an armistice with the USSR and the Allies, to pay reparations to the USSR and participate in the war against Germany. It proposes close collaboration with the United Nations and plans to institute broad democratic reforms at home. Significantly land reforms are to begin with the confiscation of all property owned by traitors, Volksbund members, and Hungarians who served in the German army. This property will be distributed among those Hungarians who now fight the Germans or the Szalasi regime. The regime has also declared that it regards private
property as the basis of the country's economic and social life and has pledged itself to foster private initiative in trade and industry.

Backed by the Soviet Government in its markedly representative and respectable character and moderate program, it appears probable that the Debrecen regime will command the loyalty of Hungarian people. It has already received the approval of the majority of the Hungarian émigrés and dissidents.
I. The Composition of the Provisional Government

On 23 December the Moscow radio announced the formation of a provisional Hungarian government in the Russian-held city of Debrecen. The new cabinet includes the following twelve ministers:

Prime Minister -- Col. Gen. vitez Bela Miklos de Dalnak, former Commander of the First Hungarian Army, who deserted to the Russians on 16 October 1944, when Horthy's attempt to surrender was frustrated by the Germans. Miklos is a fifty-four year old cavalry officer, who at one time was Hungarian Military Attaché in Berlin (1933-1936). After the outbreak of hostilities between the USSR and Hungary he commanded a mobile army corps on the Russian front (1941). The following year he became Chief of the Regent's Military Chancery. He is a close associate of Horthy.

Minister of Foreign Affairs -- Dr. Janos Gyongyossy, a provincial bookseller and a member of the Smallholders' Party who stood without success for election to parliament in 1936. He is reported to have been sentenced to prison in 1941 as a result of participation in underground activities.

Minister of the Interior -- Dr. Ferenc Erdei, who is probably identical with the "village-researcher" Erdei. The "village researchers" are a group of young intellectuals, mostly of peasant origin, who gained prominence in the nineteen thirties by exposing in literary form the social and economic evils of the Hungarian countryside.

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By [Signature] Date [Redacted]
Minister of Finance -- Dr. István Vassay, a fifty-seven year old administrator, former mayor of Debrecen (1928-1938), elected to parliament in 1939 on the Smallholders' Party ticket. He is a former Chief Overseer of the Hungarian Reformed (Calvinist) Church, and a member of the Budgetary Committee of the Smallholders' Party.

Minister of War and Chief of Staff -- Col. Gen. Vitéz János Vörös, former Chief of Staff of the Hungarian Army (20 April 1944 - 16 October 1944), who deserted to the Russians when Horthy's attempt to surrender failed. In 1941 Vörös was Commander of a motorized brigade and participated in the occupation of the Pécsei, and later in the operations against the Red Army in the Eastern Front. From October 1941 until 1 February 1943 he was Chief of the Operational Department of the General Staff. From February 1943 until August 1943 he was Head of the Department of Supply in the Ministry of War. In November 1942 he was appointed Commander of the 2nd Army Corps and in April 1944, following the German occupation of Hungary, he succeeded Col. Gen. Károlyi as Chief of Staff. Judging from a broadcast he addressed to the Hungarian people since his desertion to the Red Army, Vörös still considers himself under the Regent's orders and advocates "a new democratic Hungary" under Horthy.

Minister of Agriculture -- Imre Nagy, who has been tentatively identified (on the basis of information supplied by Hungarian emigre circles in New York) as an agrarian Sociallist, until recently an exile in Moscow.

Minister of Industry -- Ferenc Takács, a fifty-one year old bricklayer, who between 1938 and 1939 represented the town of

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Hódmezővásárhely (now Russian-occupied) in parliament. He has been an active member of the Social Democratic Party in Hungary since 1910 and is an invalid as a result of wounds received on the Russian front in the First World War.

Minister of Trade -- József Gábor, who has been tentatively identified (on the basis of information supplied by Hungarian émigré circles in New York) as a Communist exile who has lived in Moscow until recently.

Minister for Religious and Educational Affairs -- Count Géza Teleki, Professor of Economic Geography and Geology at the University of Kolozsvár (Cluj). Count Teleki is a son of the late Count Pál Teleki, also a professor of Geography, who while Prime Minister committed suicide on 3 April 1941 after vainly protesting against Hungary's participation in the impending German attack on Yugoslavia.

Minister of Supplies -- Lt. Gen. vitéz Gábor Faragho, a former Hungarian Military Attaché to Moscow and later Inspector General of the Hungarian Gendarmerie. After an attempted putsch against the Regent by Hungarian Nazi elements last August, Faragho was appointed Supervisor of the Police and Gendarmerie. He is a loyal adherent of Horthy, and was erroneously reported killed in the "Battle of the Royal Castle" on 16 October between the Regent's bodyguard and German-Hungarian formations.

Minister of Justice -- Ágoston Valentiny, a member of the Lawyers' Chamber of Russian-occupied Szeged, Hungary's second largest town. He is said to be a member of the Social Democratic Party.
Minister for Social Welfare -- Dr. Erik Molnár, a member of the Lawyers' Chamber of Russian-occupied Koszmeg, said to be a former member of the new defunct democratic Koszeg Party.

In addition to the twelve ministers, a number of state secretaries have been appointed. Of this group only one name has been announced, that of Dr. István Balogh, who has the rank of "Secretary of State to the Council of Ministers." (This means that he is probably Secretary of State attached to the Prime Minister's office.) Balogh has been tentatively identified as a MÁP (government party) member of parliament from Debrecen, an Economic Councilor, and a landowner in private life.

The foregoing biographical information corroborates the announcement of the Moscow radio that the Debrecen government "includes leading Hungarian military men ... non-party public and leading scientific figures, former parliamentary deputies and representatives of the Hungarian democratic parties." The most characteristic feature of the new government is a strong note of respectability and the overwhelming predominance of conservative bourgeois elements. Of the twelve ministers only four are non-bourgeois, and of these four, only one is reported to be an orthodox Communist. In this respect the Debrecen government approximates the pattern of surrender cabinets which have emerged in the other satellite countries defeated by the USSR.

II. The Constitutional Position of the Provisional Government

On 24 December the Moscow radio broadcast the first declaration of the new Hungarian government. The preamble of this document states the reasons which have led to the establishment of a Provisional National Government, namely, that the "country has been left without leadership and without a government at a moment when the nation's vital interests persistently demand that the reins of the government be taken into strong hands and the country be led out of the catastrophe into which it was drawn by the alliance with Germany....This deep national crisis caused Hungarian patriots, irrespective of party and social position, to unite in the interests of the salvation of their fatherland." According to a Tass report, these men formed an "initiating group" at the beginning of December in the Russian-held town of Debrecen, under the leadership of a former mayor, and smallholder member of parliament, Dr. István Vásáry. This "initiating group" addressed an appeal to the Hungarian people to elect delegates to a Provisional National Assembly. On the basis of this appeal, elections were held on Russian-occupied Hungarian territory between 13 and 20 December.2

Two hundred and thirty deputies were elected by "urban and rural self-governing bodies, peasants’ unions, trade unions, industrial, mercantile, and artisans' associations, cooperative societies, and cultural and other social organizations."3 The Assembly held its first


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State Dept. letter, 1-11-72

By [Signature] Date [FEB 10 1972]

Regraded Unclassified
meeting in Debrecen on 21 December and elected a presidium of three members. Dr. Béla Zeledőnyi de Meso, Professor of Political Sciences and International Law at the Hungarian Evangelical (Lutheran) Law Academy at Russian-held Miskolc and lay Chief Notary of the Tisza Evangelical Diocese, was elected president; Dr. Kálmán Sántha, Professor of Brain and Nerve Pathology at the University of Debrecen, and Dr. Sándor Juhász-Nagy, (said to be a former associate of Count Károlyi) a member of the Smallholders' Party and Chief Overseer of the Trans-Tisza Diocese of the Hungarian Reformed (Calvinist) Church, were elected vice presidents. On 22 December a second session was held, in the course of which a "political committee" was elected. On the recommendation of this committee, the Assembly decided to entrust Col. Gen. Béla Mikiós de Dálnok with the formation of a Provisional National Government. Gen. Mikiós' choice of the eleven ministers, whose brief biographies have been given above, was confirmed by the Assembly after "detailed deliberation." Russian-occupied Hungary is thus again under the jurisdiction of a Hungarian government. This new government, which is emphatically "provisional," has two branches: an executive arm, represented by the twelve-men cabinet; and a legislative arm, in the form of a 232-member unicameral National Assembly. This government apparently still considers Horthy the Head of the State, because in its first Declaration it stated that "the Regent of our Country, Mikiós Horthy, has been seized by the Germans."2


DECLASSIFIED
State Dept. letter, 1-11-72
By [Signed] Date FEB 10 1972

Regraded Unclassified
The emphasis placed upon the provisional nature of the Debrecen Government is due to the fact that neither the Cabinet nor the Assembly represents Hungarian constitutional continuity and are both plainly of a revolutionary character. This circumstance accounts for the repeated assertions from Debrecen to the effect that Hungary at the present time "has no parliament and no leader."1 According to the Hungarian Constitution, the legislative branch of the government consists of a bicameral parliament, the lower house (House of Representatives) of which is elected directly by the people (last codified in Act 1938:IX). The present unicameral assembly was not elected directly by the people, but indirectly by municipalities and other corporate entities located in Russian-occupied Hungary. Similarly, the power to entrust a Prime Minister with the formation of a cabinet is vested in the Regent by Act 1920:I. The present cabinet was not formed by a Prime Minister to whom this task had been entrusted by the Regent, but by one who had received his commission from a "political committee" of the National Assembly. The Hungarian constitution prescribes (Act 1942:II) that in the event of the Regent's incapacity, absence, or death, his duties are assumed by the Deputy Regent, who remains in office only until a new Regent is elected. The office of the Deputy Regent, however, has not been filled since the death of Stephen Borthy on the Russian front, on 20 August 1942. The next highest executive authority under the Constitution (Act 1937:XX) is the State Council, which must be convened when the Regent's office becomes vacant and which must call a joint session of parliament within eight days after the occurrence of the

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vacancy for the purpose of electing a new Regent. The State Council consists of seven members: the Prime Minister, the Presidents of the two Houses of Parliament, the Prince Primate of Hungary, the President of the Royal Hungarian Supreme Court, the President of the Royal Hungarian Administrative Court, and the Honvéd Chief of Staff. Since only one of these seven dignitaries is known to be outside German-occupied Hungary at the present time, it is obvious that the State Council has been prevented from exercising its Constitutional powers. The single dignitary who is in Russian-occupied Hungary is Gen. Vörös, Horthy's last Honvéd Chief of Staff. Since Gen. Vörös is a member of the Provisional Government as Minister of War and also holds the rank of Chief of Staff, he is the only link which connects the Debrecen group with the legal government and constitutionality. The legal Hungarian government, however, was overthrown on 15-16 October by the German-sponsored Arrowcoss putsch and Hungarian constitutionality has been violated repeatedly by the Szálasi government, which is still in nominal control of German-occupied Hungary. The fact of the matter is that at the present time there is no constitutional Hungarian government, only two rival groups: one under Szálasi, which is dominated by the Germans; one under Gen. Miklós—or rather the Provisional National Assembly, which is sponsored by the Russians. The Szálasi group claims to be a "Royal Hungarian," therefore the constitutional, government, but it is not. The Miklós group does not claim to be a "Royal Hungarian" cabinet, only a "provisional government," which it is. Consequently, the Debrecen government rests, if not on constitutional, at least on conventional foundations. Since it is favored by the fortunes of war, it has a better chance.
than its German-dominated rival to become the constitutional government of Hungary. It may be expected that after the expulsion of the German forces of occupation from Budapest, the Miklós government will leave Debrecen for the capital and devote its energies to the reestablishment of legal and constitutional continuity. In doing so, it would follow in the footsteps of the Horthy group, which had sprung from similar extra-constitutional circumstances in Szeged after the defeat Hungary suffered in the First World War, but quickly transformed itself into a constitutional government after the great powers had made possible its entry into Budapest.
III. The Program of the Provisional Government.

In its first declaration, issued on 24 December, the MIKLOS government has given the salient points of its program, which starts with the abrogation of the German alliance, the abolition of all discriminatory anti-social and anti-Semitic legislation, and the disbandment of all Nazi organizations. These measures are to take effect immediately. Next in order come the signing of an armistice agreement with the Soviet Union and her allies, the payment of reparations to the USSR and Hungarian military participation in the war against Germany.

In the field of international relations, the Provisional Government intends to establish good neighborly relations and close collaboration with the United Nations, especially with all neighboring democratic countries. In the domestic sphere, it pledges itself to the introduction of democratic reforms: freedom of speech, press, assembly, organization, and religion; a universal, equal, direct, and secret ballot; the immediate initiation of land reform (which is to begin with the distribution of land confiscated from traitors, Volksbund members, and persons who have served in the German Army, among those who take part in the armed struggle against Germany and the Arrowcross puppets); the elevation of living standards, the raising of wages, the reestablishment of the autonomy of social insurance institutions, and the reintroduction and expansion of labor defense laws; the introduction of a progressive system of taxation; and the organization of a new national armed force for the struggle against Germany. The Provisional Government further declares that it regards private property as the basis of the economic

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DECLASSIFIED
State Dept. letter, 1-11-78

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life and the social order of the country and pledges itself to foster private initiative in trade and industry.

This program which can be described as moderate, has strong political implications. In the first place, it marks the attainment of the main objective of Soviet border policy, namely, the establishment of friendly governments in the "middle zone" which separates the USSR from the Reich. With the inauguration of the Miklós government, the last gap in the mosaic extending from the Aegean to the Baltic has been filled in. In the second place, the USSR may now deal with a Hungarian government, which will continue armistice negotiations with the USSR where they were broken off by the German-Arrowcross putsch of 15-16 October; it will gain additional effectives for the war against Germany and receive considerable compensation in the form of reparations. Finally, the method by which land reform is to be carried out will destroy the economic foundations of the disloyal German minority in Hungary, and solidify the position of the Provisional Government through the granting of land bonuses to veterans of the German campaign. Both of these measures will redound to the ultimate benefit of the USSR, which now becomes the protector of Germany's most consistent ally.
IV. The Appeal of the Provisional Government

Debrecen, where the new Provisional Government of Hungary maintains its temporary seat, is the citadel of the dormant traditions of Hungarian independence from German domination. It is situated on the eastern edge of the Hungarian plain and in 1939 had 122,517 inhabitants. Hajdu County, of which Debrecen is the seat, is an almost exclusively Calvinist settlement, and Debrecen is known to Hungarians as "the Calvinist Rome." It was in the Calvinist Great Church of Debrecen that the House of Hapsburg was deposed by the revolutionary assembly on 14 April 1849; Louis Kossuth was elected here "governor-president" of an independent Hungary. The appeal of these traditions to the Hungarian population is not to be underestimated. But even stronger than the appeal of the historic past must be the realization in both German- and Russian-occupied Hungary that the Russians have set up a government on Hungarian soil and that this government, contrary to German-sponsored propaganda, is not dominated by the semi-legendary Béla Kun and his "bloodthirsty Jewish henchmen."

The new government in Debrecen is the kind which can command the respect of a people accustomed to government by an elite; it has the magic of gentility and aristocratic names, of high military rank, of bourgeoisie respectability. At the same time, it represents a break with the past for the masses: for the first time, since the early twenties, men of humble origins have received cabinet rank. It is to be expected, of course, that the new government will undergo many shifts and that it will be reshuffled several times before it assumes a durable form. Should these shifts increase the present small leftist representation in the cabinet, the Provisional Government will gain additional popular support.

DECLASSIFIED
State Dept. letter, 1-21-78
While the appeal of the Debrecen government inside Hungary can only be guessed at the present time, it is possible to say that outside Hungary it has thus far met with the approval of most émigré and dissident groups. Such widely separated Hungarian exiles as Count Károlyi in London, dissident Minister Antal Ullein-Revészky in Stockholm, Professor Ruszten Vámbéry in New York, Tibor Eckhardt in Washington — not to speak of the Hungarian Communist exiles in Moscow — have already greeted the emergence of a new anti-German government in Hungary with approval. It remains to be seen to what extent the Debrecen government will receive new blood from these eager Hungarian exile groups. With troops of the Red Army fighting their way toward the center of Budapest, the Provisional Government may soon find itself in need of reinforcements. Whether these new forces will be recruited exclusively at home or include in addition representatives of the various émigré groups, will to a large extent depend upon the attitudes of the great powers.
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

28 December 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memorandum which the Acting Director, OSS, has sent to the President. This memorandum is a summary of intelligence gathered by the OSS representative in Bucharest, during a two-weeks trip through Transylvania and the Rumanian Banat.

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

Enclosure.

DECLASSIFIED
By Authority of
CIA 006687
By SR Date MAY 6 1975

203 (12)
27 December 1944

Memorandum for the President:

The following information, dated 23 December, is a summary of intelligence gathered during a two-weeks trip through Transylvania and the Rumanian Banat by the OSS representative in Bucharest:

The jurisdiction of the Bucharest Government extends at present only to the line of the Vienna award [the northern portion of Transylvania, which was awarded to Hungary by Germany in 1940]. Throughout Transylvania and the Rumanian Banat two sets of Soviet officials were encountered. Red Army colonels representing the Allied Control Commission were located in the larger cities of Cluj, Arad, Timisoara, and Sibiu. Town commanders, usually low-ranking officers of the Second Ukrainian army, are responsible for the maintenance of the Soviet military. All local matters apparently were left in the hands of local Rumanian authorities. The Soviets report no local difficulties in obtaining fulfillment of the armistice terms. However, purgation is proceeding slowly, allegedly because of the lack of cooperation from the Ministry of Interior in Bucharest, and only unimportant members of the Fascist Iron Guard have been arrested.

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CIA 006687
By SR Date MAY 6, 1975
No evidence was found of a Soviet intention permanently to separate northern Transylvania from Rumania. It appears generally agreed by local informants that the Rumanian authorities first sent to northern Transylvania by the Bucharest Government were expelled by the Soviets because they armed the Rumanians and incited them against the local Hungarian population. Contrary to charges made in government circles in Bucharest, the present local functionaries are not wholly Hungarian or Communist. In Cluj, for example, the mayor and prefect are Rumanians, the vice-mayor and subprefect Hungarians. Although in some villages elections have been held by secret ballot, in other centers the process of election by acclamation has been adopted, allegedly because of the lack of voting lists. Appointees by the latter method appear to have been drawn largely from young, energetic lawyers, bankers, and professors. The practice of popular demonstrations, followed by the ousting of Bucharest appointees, and the installation of new officials by acclamation or election has also spread to southern Transylvania, the Banat, and other areas.

Considering the absence of any strong Rumanian leftist political tradition, the entrenched position of the traditional Rumanian parties, the difficulties of transport and communication, and the short time since the expulsion of the Germans, the leftist parties appeared to have developed remarkable strength throughout the area. The Ploughmen's Front (originally a local
leftist group of small importance) has won about half of the electoral contests and acclamations in the villages. The Hungarian Madoss party, which embraces all leftist democratic elements of the local Hungarian population, is cooperating with the leftist Romanian National Democratic Front. The more conservative leader, Maniu, is losing ground steadily throughout the area, while his Romanian Peasant Party, which is now said to include many former Iron Guardists, is held responsible for anti-Hungarian outrages. The conservative Liberal Party has concluded a temporary political truce with the leftists pending instructions from Bucharest.

The chief economic difficulty in the area is lack of transport, which has caused fuel and food shortages. The isolation of Transylvania from both Hungary and the remainder of Rumania has made it deficient in many commodities.

In southern Transylvania the Jewish population has survived, but the larger Jewish population of northern Transylvania has been virtually destroyed.

G. Edward Buxton  
Acting Director

Caserta Cable No. 21244 - 12/23/44.
TO: Colonel Richard Park, Jr.  
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is a copy of a dispatch received from the Caserta office of this agency, concerning a report that Bonomi has offered to Tarchiani the Ambassadorship to Washington, and the Paris post to Saragat.

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

Enclosures.

cc: Department of State

DECLASSIFIED  
By Authority of  
CIA 006687  
By SR Date MAY 6, 1975

203(12)
ITALY: Bonomi Offers Tarchiani Ambassadorship to Washington, Paris Post to Saragat.

The following information dated 27 December has been transmitted by the OSS representative at Caserta:

Premier Bonomi is reliably reported to have offered the post of Ambassador to the United States to Alberto Tarchiani of the Action Party, and the post of Ambassador to Paris to the Socialist leader, Giuseppe Saragat. Both men are said to have expressed privately their willingness to accept.

(OSS Official Dispatch, Caserta, 27 December)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

27 December 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information
is copy of a memorandum which the Acting Director,
OSS, has sent today to the President. This document
concerns a shipboard conference which Prime Minister
Churchill and Foreign Secretary Eden held with Greek
Premier Papandreou and Archbishop Damaskinos.

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

Enclosure.

DECLASSIFIED
By Authority of CIA
007622
By SR Date NOV 27 1973

Regraded Unclassified
MEMORANDUM FOR THE PRESIDENT:

The following information has been transmitted by the OSS representative in Athens:

On the afternoon of 25 December Churchill and Eden held a conference on shipboard with Premier Papandreou and Archbishop Damaskinos present. Damaskinos, who was designated to preside at the conference on the following day, is said to have endorsed fully the policy of the Greek Government.

G. Edward Buxton
Acting Director

DECLASSIFIED
By Authority of CIA

By SR Date NOV 27 1973
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.
16 December 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memorandum which the Acting Director, OSS, is sending today to the President. This memorandum deals with the internal situation in Germany.

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

Enclosure.

DECLASSIFIED
By Authority of

007422
By SR Date JUN 1 1973

Regarded Unclassified
16 December 1944

MEMORANDUM FOR THE PRESIDENT:

The following information, obtained from a prominent and very reliable Swiss source, has been transmitted by the OSS representative in Bern:

The German internal situation is even more critical than it is generally believed. Himmler, however, still is hoping to find a remedy along the following lines.

Ribbentrop will probably be replaced shortly. Arthur Seyss-Inquart, Reichscommissioner for Holland; Dr. Hermann Neubacher, former Reichs Plemipotentiary for the Balkans, and Marshal Albert Kesselring, are among those under consideration to succeed Ribbentrop. (Kesselring is recovering from the injury he received recently in Italy.) Once a successor has been appointed, an effort will be made to contact the Western powers. If this fails, Himmler plans to make a series of disclosures of purported Anglo-American peace feelers to Germany. His aim would be to try to break up the Anglo-American alliance with the USSR. Ulrich Hassell and Karl Goerdeler were not executed following the 20 July putsch, and are being kept alive to be used in these diplomatic maneuvers. The OSS representative early in November was informed by another source, one close to the SS, that Goerdeler was not executed and apparently is
being kept alive on Himmler's orders to be used in an emergency for liaison with the Anglo-Americans. 7

Himmler expects a revolt of some sort to break out in the Ukraine, and in order to encourage it is preparing an expedition under General Vlassov to go into the Carpathians.

Hitler is now living in underground quarters at the Reichskanzlei in Berlin. His health is somewhat improved. He has seen some foreign diplomats but he can only talk to visitors for very short periods. Himmler proposes to keep him in the upper background as a sort of von Hindenburg. Hitler will probably not have sufficient physical strength to exercise direct control of affairs.

Conduct of military affairs is being left to Guderian and Rundstedt. Political and diplomatic moves, however, are concentrated in Himmler's hands. Obergruppenfuehrer Gottlieb Berger, under Himmler, is giving particular attention to German diplomatic and political policy.

Some honorific but innocuous post will be found for Goering, who has lost influence and would like to leave the country. Goering has not, however, made any direct overtures to Switzerland.

\textbf{LOSS WASHINGTON COMMENT:}

\textbf{Wolfgang Hassell} is a professional diplomat who married the daughter of the well-known Admiral von Tirpitz. He served as ambassador to Rome between 1932-36. In 1938 he wrote a book
entitled "European Equilibrium". In August 1944 he was reported by German sources to have confessed participation in the 20 July plot against Hitler, and was said to have been executed.

Karl Friederich Goerdeler was, with General Ludwig Beck, one of the co-leaders of the 20 July plot, and was reported by German sources to have been executed.

Gottlieb Berger, chief of the SS Hauptamt and of the SS Railway, Postal and Radio Protection Service, is a former head of a department in the Reichs Ministry for eastern occupied territories. An Obergruppenfuehrer, he holds the rank of Lieu-
tenant-General in the Waffen SS. Berger has carried out a num-
ber of diplomatic assignments in both the Balkans and the Low Countries. He is president of both the German-Croat and the German Flemish Societies.

G. Edward Buxton
Acting Director

DECLASSIFIED
By Authority of C/A

007672
By SR Date JUN 11 1973

Regraded Unclassified
GERMANY: Reported SS Efforts to Contact Allies.

The OSS representative in Bern on 10 November transmitted the following information received from a trustworthy source:

Alexander Constantin von Neurath, German Consul in Lugano and son of the former Foreign Minister, has consulted source regarding overtures allegedly made to him by Eric Grant Cable, British Consul-General in Zurich. Neurath explained to source that he had been informed through the Bishop of Lugano that Cable wanted to establish contact with the SS. Neurath said that, when he asked for evidence of Cable's intentions, he was shown a copy of an unsigned document indicating British interest in the organization of an anti-Bolshevist front in Germany and in the preservation of the Nordic race. Neurath said he then obtained Himmler's approval to bring to Switzerland an important personality at present stationed in Italy. Bernardini, the Papal Nuncio in Bern, informed by the Bishop of Lugano of developments, suggested that the OSS representative be included in any conversations between the SS representative and Cable.

(The OSS representative also reported on 10 November that it was difficult to judge whether Cable was acting on his own initiative. He considered it unlikely, however, that Cable would be assigned by his Government to a highly confidential task. He describes Cable as a very expansive person who is not considered particularly discreet. The OSS representative refrained from participation in these reported approaches and negotiations, in view of the opportunities which the matter appeared to offer the Germans with respect to the USSR.)

On 5 December the OSS representative reported that Neurath had made several efforts since 10 November to contact him through the source of the first paragraph hereof. According to this source Neurath is acting as intermediary for Generalleutnant Wilhelm Harster, commander of the Security Police and Security Service in Italy, who is said to have been given a special assignment by Himmler. Harster held a similar post in Holland prior to his transfer to Italy in 1943, and was promoted to his new rank in early November 1947. Himmler, significantly, appears to have given this assignment to Harster rather than to Harster's superior in the SS hierarchy, Obergruppenfuhrer and General der Waffen SS, Karl Wolff. Wolff is the Higher SS and Police leader in Italy and Chief of Himmler's personal staff. The OSS representative plans not to deal with Neurath directly, but through intermediaries.
On 5 December the OSS representative reported receiving the following information from a first-hand source:

Franco Marinotti, managing director of the huge Italian cellulose combine, Snia Viscosa, who has recently made several trips between Switzerland and north Italy, saw General Ing Leyers, head of the German military economy and armaments commission in Italy. Through another source, considered wholly reliable, the OSS has learned recently that Marinotti, during September 1944, arrived in Switzerland with the knowledge of the Gestapo. In the course of their conversation, Marinotti claims that he suggested to Leyers that the Germans should use some of their 25 divisions in north Italy to overthrow the Hitler regime. According to Marinotti, Leyers expressed interest in the proposal and later arranged for Marinotti to go to Italy.*

Late in October or early November, Marinotti again met Leyers, who turned him over to Harster and then disappeared. General Harster, according to Marinotti, also expressed interest in the plan and asked time to consider it and, apparently, to refer it to Berlin. On 3 November, Harster is reported to have informed Marinotti: "We are disposed to initiate negotiations. It would be desirable to know what project the other party has in mind; this is not, however, a condition but only a desire. It would be useful to have a preliminary meeting between one or two Allied representatives and a German General."

(The OSS representative in Bern believes that the reported Marinotti-Harster conversations, the efforts of Neurath to contact him, and the feelers allegedly put forth by Cable are all interconnected.)*

* Source has supplied the OSS representative with a photostat of a document dated 24 October bearing the following letterhead: "Der Befehlsheber der Sicherheitspolizei und des Sicherheitsdienst in Italien Grenz Befehls Stelle West. (The Commander of the Security Service in Italy, Frontier Command, Western Sector.) The document states that Marinotti "wird hiermit im ausdrucklichen einverstandnis mit dem Befehlshaber der Sicherheitspolizei und des Sicherheitsdienst in Italien -- SS Brigadefuehrer Dr. Harster -- die Bewilligung erteilt zu verschiedenens geschaftlichen Rucksprachen in Como und Cadorgo am 25.10.44 nach Italien einzureisen." (Marinotti, "with the express understanding of the Commander of the Security Police and Security Service in Italy, is hereby given permission to enter Italy on 25 October 1944 in order to undertake various commercial conferences in Como and Cadorgo.") The document is signed by an SS Hauptsturmfuehrer whose signature is illegible.
OSS WASHINGTON comment: It is to be noted that Cable's reported approach to Neurath apparently took place in October. Marinotti seems to have held the first conversation with General Leyers in early October and was introduced to General Harster in late October or early November. Although the OSS representative did not learn of the Marinotti conversations until some four weeks after he was apprised of the alleged Cable activities, they were apparently concurrent.

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

16 December 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the Caserta office of this agency, reporting that Sforza has again been offered the Italian Ambassadorship to Washington.

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

Enclosure.

cc: Department of State

DECLASSIFIED
By Authority of

CIA 006607
By SK Date MAY 6 1975

203(12)
ITALY: Sforza Again Offered Ambassadorship to Washington.

The OSS representative in Caserta has transmitted the following information, dated 14 December:

Sforza is reported to have advised Saragat and other political friends that Bonomi has again offered him the post of Ambassador to Washington. Sforza states that he will accept on the following conditions: First, that the Socialist and Action Parties (which are not represented in the present Bonomi cabinet) give him their unqualified approval; second, that the Italian Government exert open pressure upon him to accept, in order that both Italian and foreign public opinion may receive the impression that he is obeying a call to duty, rather than attempting to save face; and third, that the United States Government reaffirm its willingness to accept Sforza and give assurance, through private channels if necessary, that his presence in Washington will in no way embarrass the American Government in its relations with Great Britain.

(OSS Official Dispatch, Caserta, 14 December)
TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is a memorandum concerning reported SS efforts to contact the Allies. The intelligence contained in this memorandum was obtained from a series of cables from the Bern office of this agency, the latest of which is dated 5 December.

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

Enclosure.

cc: Department of State
Joint Chiefs of Staff

DECLASSIFIED
By Authority of

CIA 006687
By SR Date MAY 6, 1975

203(14)
TO: Colonel Richard Park, Jr.  
White House Map Room

SUBJECT: Report Received by OSS.

Transmitted herewith for your information is copy of a dispatch from the Athens office of this agency, dealing with the failure of the negotiations with Greek Communists, and the possibility that the British may bring General Plastiras back to Greece.

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

Enclosure.

cc: Department of State  
Joint Chiefs of Staff

DECLASSIFIED  
By Authority of  

CIA 006687  
By JR Date MAY 6 1975

Regarded Unclassified
GREECE: Negotiations with Communists Fail; British to Bring General Plastiras to Greece?

The OSS representative in Athens has transmitted the following information, dated 8 December:

On 8 December, Professor Svolos, President of PEEA, former Political Committee of EAM, met Greek Communist leaders, with the knowledge of General Scoble, to explore possible solutions to the present crisis. The discussion failed because the Communists refused the British demand that ELAS leave Attica before any further political negotiations could be held. The Communists demand the creation of a coalition government before the withdrawal of ELAS. A report dated 8 December and rated B-3 by the OSS representative in Athens, states that the British have consented to Papandreou's proposal to bring General Nicholas Plastiras back to Greece. General Plastiras, a conservative anti-monarchist, who enjoys an exceptionally high reputation for his personal and political integrity, has been frequently mentioned during the present crisis as a man whose leadership all Greek parties might be willing to accept. Plastiras has lived in exile since the abortive Venizelist coup of 1931, in which he took part.

The official EAM explanation of the presence of Germans in ELAS ranks, referred to by Churchill in his speech of 8 December in the House of Commons, is that they are Communist or leftist deserters from the German army and have been members of the ELAS for several months.

(OSS Official Dispatch, Athens, 9 December)
TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memo which the Director, OSS, has sent to the President. This memorandum reports a conference with Field Marshal Alexander, Marshal Tito, and Marshal Tolbukhin in Belgrade.

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

Enclosure.

DECLASSIFIED
By Authority of CIA

007622
By SR Date JUN 11 1973

Regarded Unclassified
MEMORANDUM FOR THE PRESIDENT:

The OSS representative in Belgrade reports that he has learned in strictest confidence that Field Marshal Alexander has proposed a conference with Tito and Marshal Tolbukhin in Belgrade sometime between Christmas and New Year's Day. Tito has concurred with great enthusiasm.

William J. Donovan
Director

DECLASSIFIED
By Authority of CIA
007622
By SR Date JUN 11 1973

For Secret
TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is a copy of a memo which the Director, OSS, has sent to the President. This memorandum deals with Churchill's reprimanding of Marshal Tito for Partisan non-cooperation with the British.

Enclosure.

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

DECLASSIFIED
By Authority of CIA
007622
JUN 11 1973
MEMORANDUM FOR THE PRESIDENT:

The following information from Belgrade has been transmitted by the OSS representative in Caserta:

MacLean has shown the OSS representative in Belgrade a lengthy, strongly-worded, and slightly menacing message from Churchill to Tito, protesting against the non-cooperative and discourteous attitude of Tito and his subordinates toward the British. The message mentioned a number of incidents involving British naval and military operations on the Dalmatian coast. MacLean states that Tito appeared much disturbed by the communication and offered profuse apologies. At the same time, however, Tito complained that the British had failed to keep him informed of their operations, and stated that the incidents were due largely to the unexpected appearance of strong British forces in various areas.

Churchill's message also emphasized the necessity for genuinely democratic elections in implementing the Tito-Subasich agreement, and expressed the hope that all democratic groups will be free to put forward their candidates and support them in election campaigns. Churchill added that he expects the question of the monarchy will be put directly to the electorate and that the vote will be by free and secret ballot. (Subasich had informed the OSS representative in Belgrade that present plans call for a
constitutional assembly and not the electorate to decide this issue.)

William J. Donovan
Director
TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memorandum which the Director, OSS, has sent to the President. The intelligence contained therein comes from Belgrade, via the OSS representative in Cetara, and deals with further developments regarding the Tito-Subasich agreement.

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

Enclosure.

DECLASSIFIED
By Authority of CIA

007672
By SR Date JUN 11 1973
The following information from Belgrade, dated 5 December, has been transmitted by the OSS representative in Caserta:

In a lengthy conversation with the OSS representative in Belgrade on 5 December, Subasich indicated that his visit to Moscow had been a difficult ordeal. Much time was spent discussing questions of government procedure pending a plebiscite, which Subasich feels will take place six months after the complete liberation of Yugoslavia. According to Subasich, Stalin insisted on the free expression of popular opinion in Yugoslavia and expressed abhorrence of any Yugoslav "experiments" in Communism or Bolshevism. Stalin appeared shocked to learn that some delegates to the Serb congress (the Supreme Anti-Fascist Assembly of National Liberation of Serbia, held in mid-November 1944) were elected by acclaim, which he characterized as an undemocratic procedure.

Subasich reportedly admitted to British authorities in Belgrade that the return of King Peter was out of the question at present. To the OSS representative Subasich admitted surprise at the attitude of the Serbs, whom he had considered monarchists, and added that if King Peter were to return it...
would cause riots and disorders. Subasich, who apparently felt that his visit to Moscow had been a failure, was scheduled to leave Belgrade on 7 December to report to King Peter in London. He gave the impression that he intended to urge the King strongly to accept the Tito-Subasich agreement as the only means of preserving the monarchy, "at least until the election of a constitutional assembly." The OSS representative reports that there seems "good reason to believe that unless Washington objects, the union of the two governments/the Tito administration and the Yugoslav Government-in-Exile] will shortly be accomplished."

The OSS representative in Belgrade comments that while Subasich probably did not expect Soviet support for the monarchy, he apparently went to Moscow to ascertain for himself what help he could expect from the USSR in maintaining a democratic Yugoslavia. Apparently the picture he received of Soviet democracy at work, taken with Stalin's protestations of support for democracy and free expression in Yugoslavia, raised some doubts in Subasich's mind as to whether they were talking about the same thing. The OSS representative doubts that the visit in any way modified the Tito-Subasich agreement; it simply modified Subasich's conception of the meaning of the words.
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

11 December 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from our representative in Caserta, concerning Tito's plans for a combined Partisan and Government-in-exile cabinet.

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

Enclosure.

cc: Department of State
Joint Chiefs of Staff

DECLASSIFIED
By Authority of
CIA 006687
By SR Date MAY 6, 1975

203(12)
YUGOSLAVIA: Tito's Plans for Yugoslav Cabinet.

The following information from Belgrade, dated 8 December, has been forwarded and rated B-2 by the OSS representative in Caserta:

Marshal Tito's present plans for a combined Partisan and Government-in-exile cabinet are said to call for 24 members with Tito himself as Prime Minister and Subasich as Foreign Minister. Six members from the present Subasich cabinet and five Communists would be included. Subasich and Major General Velebit (head of the Partisan Military Mission to the Yugoslav Government-in-exile) left Belgrade on 8 December for Bari and plan to proceed immediately to London.

(OSS Official Dispatch, Caserta, 9 December)
TO: Colonel Richard Park, Jr.
    White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is a copy of a dispatch received from the Caserta office of this agency, concerning Sforza's views on the Italian cabinet crisis.

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

Enclosures.

cc: Joint Chiefs of Staff
    Department of State
    (Mr. Fletcher Warren)

DECLASSIFIED
By Authority of
CIA 006687
By SR Date: MAY 6 1975

Regraded Unclassified
ITALY: Sforza's Views on the Cabinet Crisis

The following account of a personal interview with Count Sforza has been forwarded by the OSS representative in Rome:

Sforza asserted that he was not surprised by Churchill's opposition to him, since he and Churchill had disagreed violently when Sforza passed through London in October 1943, but he is surprised at the curt attitude of Eden, whom he believed less conservative and more open-minded than Churchill. Sforza considers it possible that the British Foreign Office, which may still believe in preventing a too close association between continental nations, was antagonized by a small book which he published ("What to Do With Italy and France") advocating close Franco-Italian collaboration as the basis of a western European reorganization, and recommending warm friendship but not vassalism to Britain. A third possible British objection, Sforza believes, may have been his conduct of epuration proceedings, which have been gradually pointing toward a trial of Badoglio himself. Sforza appears sincerely convinced that his exclusion from the post of Foreign Minister will discourage Greece, Yugoslavia, and Czechoslovakia, whose leaders, though they often criticize him, know he favors true conciliation and a sound international accord.

Sforza wishes it known that he is still deeply desirous of going as ambassador to Washington, where he could speak his mind plainly without fear of being misunderstood. After what has happened he does not feel he could go as a representative of the Bonomi government, but he is ready and eager to go if Bonomi retires and the Italian parties choose a premier on whom all can agree. He believes it would be politically advisable for him to make his stay in Washington temporary, but long enough to do "serious work."

Sforza spoke highly of Bonomi as a person, but deplored his weakness and lack of strong conviction in the crisis. Bonomi's mistake in playing into the hands of the extreme rightists, while perhaps unintentional, was, he asserted, too dangerous to condone. Sforza regards himself as a conservative, who believes that the way to curb Communism is not to combat it blindly but to offer something better and to borrow from its program those reform measures which can be constructive and timely.

(OSS Official Dispatch, Caserta, 7 December)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

9 December 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUEJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the Caserta office of this agency. This dispatch reports that, under Soviet pressure, the Rumanian Communists have cooperated in the forming of the new Rumanian Cabinet.

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

Enclosure.

cc: Department of State
Joint Chiefs of Staff

DECLASSIFIED
By Authority of
CIA 006687
By SR Date MAY 6, 1975

State 203(14)

Regraded Unclassified
RUMANIA: Communists Under Soviet Pressure Cooperate in New Cabinet.

The following information from Bucharest has been forwarded by the OSS representative in Caserta:

The Rumanian cabinet, which was reformed and sworn in on 6 December, is reported to have resulted from a last-minute change in the Rumanian Communist attitude toward the new Premier, General Radescu. The Communist acceptance of Radescu, whom they had been attacking, is believed by many local observers to have been due to pressure from the Soviets, who want a stable Rumanian government and uninterrupted industrial production. Considerable impression is said to have been made by Vyshinsky's cordiality toward Radescu at a reception on 5 December.

The program of the new government includes the immediate disarming of the Communist Guards, the initiation of social and agrarian reforms, repeal of so-called radical laws, no change in local administration except by legal means, and a newspaper truce between the various party organs. The government is also pledged to take firm action to prevent public disorders and the interruption of factory production.

The Communists, by accepting this program, which deprives them of two of their strongest weapons (street demonstrations and an aggressive press), are believed to have forfeited considerable prestige. The only concessions to Communist demands were the pledge to initiate social and agrarian reforms, and the ousting of Peasant Party Minister of Interior, Penescu. In the opinion of one prominent Rumanian official, the situation has now taken a turn for the better.

It is reported that Vyshinsky plans to leave Rumania for Moscow in three or four days, and that he appears satisfied with the results of his mission.

(OSS Official Dispatch, Caserta, 7 December)
The White House Map Room
The White House
Washington, D. C.

Attention: Colonel Richard Parks, Jr.

Gentlemen:

I am transmitting herewith one copy of each of the following reports prepared in the Research and Analysis Branch of this office and classified as confidential:

\[
\begin{align*}
&\text{R & A No. 2332, "South Germany"} \\
&\text{(Copy No.)} \\
&\text{R & A No. 2578, "Hessen and Hessen-Nassau"} \\
&\text{(Copy No.)}
\end{align*}
\]

All destroyed except for maps and summary.

Sincerely yours,

William L. Langer
Chief, Research and Analysis Branch

*Filed in Closet

Enclosures (2)
8 December 1944

The White House Map Room
The White House
Washington, D. C.

Attention: Colonel Richard Parks, Jr.

Gentlemen:

I am transmitting herewith one copy of R & A
No. 2752, "The Greek Political Crisis", prepared in the
Research and Analysis Branch of this office and classified as Secret.

Sincerely yours,

[Signature]
William L. Langer
Chief, Branch of
Research and Analysis

Enclosure

DECLASSIFIED
State Dept. Letter, 1-11-72
By [Signature]  Data  FEB 1 0 1972

203(IV)
TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memorandum which the Director, OSS, is sending today to the President. This memorandum, a sequel to the Director's memoranda of 1, 2, 5 and 7 December, concerns a proposed agreement for a German evacuation of north Italy.

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

Enclosure.

DECLASSIFIED
By Authority of CIA

007622
By SR Date JUN 1 1973

203(12)
MEMORANDUM FOR THE PRESIDENT:

The following intelligence, dated 5 December and forwarded by the OSS representative in Bern, constitutes a sequel to my memoranda to you of 1, 2, 5 and 7 December, concerning a proposed agreement for a German evacuation of north Italy:

The Papal Nuncio in Bern, with whom close OSS contact has been established, asserts that Bicchierai is a priest who has been closely associated with Cardinal Schuster of Milan and who has been used by the Cardinal for important confidential matters. Prior to Bicchierai's arrival in Bern, the Nuncio received three letters from Schuster accrediting Bicchierai and referring to the evacuation plan. The Nuncio's personal impression of Bicchierai is that he is sincere and honest. Before Bicchierai's departure from Bern, however, the Nuncio received a fourth letter from Cardinal Schuster stating that the plan was a personal project of Bicchierai. The OSS representative received the impression that the Nuncio felt this last letter was sent by Schuster merely to avoid any future complications which might arise from the Cardinal being personally identified with a project presumably doomed to failure.
The OSS representative in Bern comments that his cables on the evacuation project are sent for information purposes, since the plan would appear difficult of realization and possibly undesirable from the viewpoint of the Allied military situation. He adds that Parri (the representative, now in Rome, of the Committee of National Liberation of North Italy), who characterized Bicchierai as untrustworthy, undoubtedly reflects the hostility of the plan which Bicchierai ascribed to many members of the Liberation Committee.7

William J. Donovan
Director

DECLASSIFIED
By Authority of CIA
067622
By SR Date: JUN 11 1973

Regraded Unclassified
TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the Paris office of this agency, concerning the strike in Belgian public services.

Enclosure.

cc: Department of State
Joint Chiefs of Staff

DECLASSIFIED
By Authority of
CIA 006687
By SR Date MAY 6, 1975

203(12)
BELGIUM: Strike in Public Services.

The OSS representative in Paris has transmitted the following report on the recent strikes in Belgium:

The strikes, mainly confined to Brussels street railway operators, postal employees, and some railroad workers, were largely instigated by the Communist-inspired Front de l'Indépendance. Socialist and Christian Democratic trade union leaders sought to discourage their members from taking part.

Belgian public opinion now appears hostile to strikes, but is in sympathy with the grievances against the Government voiced by the left-wingers. Food and coal shortages and the purge issue still remain the basic causes for popular discontent.

(OSS Official Dispatch, Paris, 30 November)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

7 December 1944

TO: Colonel Richard Park, Jr.
   White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memorandum which the Director, OSS, has sent to the President. This memorandum concerns the fostering of pro-American demonstrations by the EAM guerrilla organization in Greece.

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

Enclosure.

DECLASSIFIED
By Authority of CIA

00 7622

By SR Dated NOV 27 1973
MEMORANDUM FOR THE PRESIDENT:

The OSS representative in Athens has transmitted the following information:

The EAM guerrilla organization in Greece continues to foster pro-American demonstrations in what may be an effort to embarrass the British. On 4 December the Communists in Piraeus distributed handbills featuring Stettinius’ statement that the United States will not interfere with the internal politics of liberated countries. The Communist daily RIZO-SPASTIS on 4 December published an article alleging falsely that a US protest had been made to British Ambassador Leeper stating that the Constitution Square shooting violated the Teheran and Caserta agreements.

The OSS representative in Athens comments that the EAM is apparently attempting to convince the Greek people that the US government disapproves of British policy in Greece.

William J. Donovan
Director

DECLASSIFIED
By Authority of CIA

00:76:22
By SR Date NOV 27 1973
7 December 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memorandum which the Director, OSS, is sending today to the President. This memorandum is a sequel to the Director's memoranda of 1, 2 and 5 December, concerning a proposed plan for the German evacuation of north Italy.

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

Enclosure.
MEMORANDUM FOR THE PRESIDENT:

The following information, dated 5 December and forwarded by the OSS representative in Rome, forms a sequel to my memoranda to you of 1, 2 and 5 December, concerning a proposed plan for the German evacuation of north Italy:

Representatives of the Committee of National Liberation of North Italy (CLNAI) now in Rome state that before their departure from north Italy on 1 December, official orders were issued by the CLNAI and the military command of the resistance movement forbidding any negotiations with German authorities. The CLNAI representatives further assert that they left no one in north Italy with the authority to act on matters of high policy such as are involved in the proposed agreement for a German evacuation.

It is felt that the fear of Communism in north Italy ascribed to the church is exaggerated and unfounded, and that it exists chiefly among the high ecclesiastical authorities. While they acknowledge that the church exercises some influence in the north, spokesmen of the CLNAI claim that CLNAI unity is sound and that it is capable of maintaining law and order.
The only basis on which negotiations leading to a truce for a German evacuation might be possible would be the preservation from damage of electric power installations in north Italy, since these plants form the nucleus of the whole Italian economic structure. It is feared, however, that the Germans would break their promises and destroy the plants.

While the leaders of all parties represented on the CLNAI are said to be unanimously opposed to any negotiations with the Germans, it is admitted that a few followers outside the CLNAI of the Liberal, Christian-Democratic, and Socialist Parties are inclined to favor a plan of the type advanced by Bicchierai. One representative of the CLNAI in Rome believes that the Communists might possibly agree to negotiations if the order came from Moscow. All representatives, however, emphasized that a nation's honor cannot be bargained. They feel that the outside world would severely criticize the resistance movement if it should enter into any accord with the enemy.

William J. Donovan
Director

DECLASSIFIED
By Authority of CIA

By SK Date JUN 11 1973
TO: Colonel Richard Park, Jr.
    White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memorandum which the Director, OSS, is sending today to the President, containing intelligence concerning Partisan activities in Belgrade.

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

Enclosure.
MEMORANDUM FOR THE PRESIDENT:

The following information from Belgrade has been transmitted and rated B-2 by the OSS representative in Caserta:

Minor Partisan officials in Belgrade are reported to be placing obstacles in the way of foreigners who attempt to make any contact with local civilians. Politically reliable intellectuals, with whom contact had been established, are increasingly reluctant to see Allied officers because of unconfirmed but probably accurate reports of arrests resulting solely from visits to Allied officers and journalists.

It is reliably reported that the Partisans, in filling new government posts, are ignoring many Communists and democrats of long standing, who were imprisoned by the Medich and pre-war Yugoslav regimes. This attitude is said to be causing considerable confusion and resentment among Yugoslav intellectuals. There is increasing evidence that the more prominent quislings and former Mihailovich supporters are being interrogated and tried with such haste that some are punished for trivialities, while some ardent collaborationists are acquitted.

DECLASSIFIED
By Authority of C/A

[Signature]

William J. Donovan
Director

[Stamp: SECRET]
TO: Colonel Richard Park, Jr.  
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is a copy of a memorandum which the Director, OSS, is sending today to the President. This memorandum is a sequel to the Director's memoranda of 1 and 2 December, concerning a proposal, allegedly sponsored by ecclesiastical authorities in Milan, for a German evacuation of north Italy.

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

Enclosure.  
DECLASSIFIED  
By Authority of CIA  
007622  
By SR Date JUN 1 1 1973  
TOP SECRET

Regraded Unclassified
The following intelligence, transmitted by the OSS representative in Caserta, forms a sequel to my memoranda to you dated 1 and 2 December, concerning a proposal, allegedly sponsored by ecclesiastical authorities in Milan, for a German evacuation of north Italy:

According to Ferruccio Parri [Action Party Leader] of the Committee of National Liberation of North Italy, Bicchierai is not the secretary of Cardinal Schuster. In approaching the British intelligence, SOE, and OSS representatives in Bern, Bicchierai claimed to be secretary to Cardinal Schuster of Milan, and asserted that the memorandum he presented was sponsored by Schuster and the Cardinals of Turin and Genoa. Parri characterized Bicchierai as untrustworthy and stated that he has had close relations with German authorities as well as with a Commendatore Benucci, who is reputed to be a German spy and double agent. It is reported that in September the Committee of National Liberation of North Italy was approached indirectly by the ecclesiastical authorities of Milan (in particular through one Manoza, a Christian Democrat and friend of Bicchierai) regarding a possible armistice.
in Milan, in return for which the Germans were to have left Milanese industries undamaged. The Liberation Committee, according to Parri, refused to take part in any negotiations at that time or since.

William J. Donovan
Director
TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a report which the Director, OSS, is sending to the President. This message, which forms a sequel to the Director's memorandum of 1 December, concerns a proposed agreement, allegedly sponsored by the ecclesiastical authorities of Milan, for a German evacuation of north Italy.

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

Enclosure.

DECLASSIFIED
By Authority of
CIA
007622
By SR Date JUN 11 1973
MEMORANDUM FOR THE PRESIDENT:

The following information, forwarded by the OSS representative in Bern, forms a sequel to my memorandum to you of 1 December concerning a proposed agreement, allegedly sponsored by the ecclesiastical authorities of Milan, for a German evacuation of north Italy:

Bicchierai, secretary to Cardinal Schuster of Milan, has presented the OSS representative in Bern, the British intelligence representative in Bern, and SOE, with a five-page memorandum. This memorandum, according to Bicchierai, represents the views not only of Cardinal Schuster of Milan, but also of the Cardinals of Turin and Genoa, who constitute the highest ecclesiastical authorities in the entire area of north Italy likely to be evacuated by the Germans. The four principal points of the proposed agreement are as follows:

1. The Germans are to agree not to destroy public utilities or other establishments of no immediate military importance, to cease deportations of men and the confiscation of livestock. The Germans may, however, destroy roads, railroad junctions, bridges, etc.
2. The Committee of National Liberation of North Italy is to agree through the ecclesiastical authorities not to obstruct the German withdrawal by armed or terroristic action. This agreement would bind bands under the control of the Committee of National Liberation of North Italy, as well as those bands which would be approached by the ecclesiastical authorities.

3. The geographical scope of the agreement, which could be so framed as to apply either locally or to the entire north Italian area to be evacuated, remains to be defined.

4. The agreement would presuppose the adherence of the Germans and of the Committee of National Liberation of North Italy, and at least a tacit understanding on the part of Anglo-American authorities.

Bicchierali comments that while such an agreement would appear to benefit the enemy by guaranteeing the security of the German rear during withdrawal, this advantage would be more apparent than real. For the most part the Germans use Fascist forces to check Italian partisan activity. Furthermore, the partisans themselves are disorganized by a lack of supplies to meet winter conditions. Finally, the plans drawn up by the Socialists, Liberals, Christian Democrats, and Action Party for harassing the German withdrawal have already been discovered by the enemy, who remains ignorant only of Communist plans.
It is reported that when first approached, the German Ambassador to the Fascist Government, Rahn, was opposed to the plan, alleging that previous experience in Rome had shown that the Anglo-Americans broke their agreement by using for military purposes the bridges of Rome, which otherwise would have been destroyed by the Germans. During later conferences Rahn appeared more favorably inclined, but indicated that, in order for the understanding to be binding on all German forces, an agreement would have to be reached with SS General Wolff and Marshal Kesselring as soon as the latter has recovered. Rahn also insisted that the church authorities obtain the adherence of the Communists and pointed out that, whereas any German failure to fulfill the agreement would be apparent eight or ten days before evacuation (since widespread demolitions could not be accomplished in a single day), a breach on the part of the partisans and the Liberation Committee could take place without warning.

The Liberation Committee objected that the Germans would not keep their word and would seize upon any act of terrorism as evidence of violation of the agreement. They further argued that the agreement might be violated by Fascist elements. To meet this argument, the ecclesiastical authorities suggest a rapid evacuation of Fascist forces as part of the agreement, and the immediate transfer of administrative powers to trusted
persons. Finally, the Liberation Committee objected that to
discontinue partisan warfare would be contrary to the whole
spirit of the resistance, and would prejudice north Italy in
the eyes of the Allies. The memorandum counters these objec-
tions by emphasizing the desire of the north Italian popula-
tion to avoid any further acts of destruction and the neces-
sity of preserving installations necessary to the reconstruc-
tion of north Italy.

Bicchierai states that the plan has been presented
to General Cadorna (commanding general of the resistance for-
ces under the Committee of Liberation of North Italy) through
an intermediary, and that church authorities understand Cadorna
is not opposed in principle, since he realizes the limitations
to which partisan action is subject under present conditions.
It is also reported that a copy of the memorandum is being
sent to the Vatican by the Papal Nuncio in Bern.

Church authorities are said to believe that the plan
may be accepted by the Germans and that the parties of the Lib-
eration Committee might be won over, though the reaction of the
Communists and the Action Party has so far been unfavorable.
While no specific agreement is required of the British and
American authorities, and it is not contemplated that Allied
forces would allow the Germans to withdraw unmolested, church
authorities feel that their plan can succeed only if strong
pressure is brought to bear on the north Italian Communists
by Anglo-American or Soviet authorities. Without Communist adherence to the proposed agreement, it is thought, the church plan could not be realized, and the only point of continuing negotiations would be to lull the Germans into a false sense of security.

The memorandum concludes with the statement that the Communists hope to profit from the total destruction of north Italy which would result from an abortive insurrection, and that, if the American and British forces wish to avoid Communism, they should prevent such an insurrection by supporting the plan advocated by the ecclesiastical authorities. Bicchierai, who impressed the OSS representative and his British colleagues in Bern with his sincerity, stressed the view of the Cardinals that the church now represents the only real authority for law and order in north Italy. He added that if the Allies could suggest some better plan than that set forth in the memorandum, and which fell within the proper sphere of church authorities, the latter would do their utmost to cooperate.

The OSS representative, the British intelligence representative, and SOE, stated that this was a matter for their respective military authorities, and that copies of the memorandum would be forwarded to them. Bicchierai is returning shortly to Milan, but could be called back to Bern at any time, providing a German visa could be obtained.

DECLASSIFIED
By Authority of CIA

007622
By SE Date JUN 11 1973

Regraded Unclassified
The OSS representative in Bern comments that the above information confirms previous evidence received in Bern that the Germans desire to evacuate Piedmont, Lombardy, and other north Italian areas at the earliest possible date.

William J. Donovan
Director
TO: Colonel Richard Park, Jr.  
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memorandum which the Director, OSS, is sending today to the President. This report deals with Japanese measures against infiltrated Thai agents.

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

Enclosure.
4 December 1944

The OSS representative in Kandy (Ceylon) has transmitted the following reliable information. The Japanese have strongly pressed Thai officials to surrender the custody of two (OSS) infiltrated Thai intelligence teams. General Yamada [Chief of Staff, Japanese Garrison Army in Thailand] himself went to the Thai Commander in Chief [General Yothin] with this request. The Thai agreed to send the groups to the Liaison Department for interrogation. This Department is under Thai jurisdiction and composed entirely of Thai officers, but Japanese Liaison officers have been temporarily assigned a separate reception room for interrogations. The groups may receive much better treatment than they would if turned over to the Japanese Military Police (Kempai, or gendarmerie).

The OSS representative also reports, on the basis of information received from British secret intelligence (SOE), that the Japanese have demanded: (1) the Thai Government deliver all infiltrated Thai agents to them, and (2) legislation be enacted to abolish the civil rights of Thai agents parachuted into the country. A forty million ticals payment ($16,000,000 pre-war exchange rate) was set as penalty for failure.
to comply with these demands. The British source states that the Thai Government refused to comply and is considering payment of the penalty for fear the Japanese will flood the country with valueless occupation currency.

The Thai Government's attitude of cooperation with Allied objectives is further demonstrated by their taking downed British airmen to civilian internment camps, as reported by British (SOE) intelligence.

William J. Donovan
Director.
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

2 December 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a memorandum which the Director, OSS, is sending today to the President. This memorandum sets out a purported German plan for withdrawal from north Italy.

Enclosure.

Naturally, the Germans do not wish to be molested on a withdrawal which would allow the Germans to release upwards to 20 divisions for the western front.

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

DECLASSIFIED
By Authority of CIA
203(12) 007622
By SR Date JUN 11 1973

Regraded Unclassified
DIRECTOR

WILLIAM J. DOHERTY

MEMORANDUM FOR THE PRESIDENT

2 December 1944

WASHINGTON, D.C.

OFFICE OF STRATEGIC SERVICES

5 December 1944

Following Intelligence, dated 20 November:

The OSS representative in Berlin has transmitted the

feelings of the German government and the committee of national liberation with
their communication to Berlin. Please give careful consideration.

An analysis of the Berlin and the British intelligence representative, the
man who permits British action to see the OSS representative.

We have brought a project said to have been prepared by secretaries of
chanceries, to the attention of the President.
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C. (25)

30 November 1944

The White House Map Room
The White House
Washington, D. C.

Attention: Colonel Richard Parks, Jr.

Gentlemen:

I am transmitting herewith one copy of each of
the following reports prepared in the Research and Analysis
Branch of this office and classified as secrets:

R & A No. 2715, "Latin American Reactions to
the 1944 Elections in the United States"
(Copy No. 7)

R & A No. 2337, "Russian Economic Policies in
Germany in the Period of Military Occupation"
(Copy No. 14)

Sincerely yours,

William L. Langer
Chief, Research and
Analysis Branch

Enclosures (2)

DECLASSIFIED
State Dept. letter, 1-11-78

By
Date

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

30 November 1944

TO: Colonel Richard Park, Jr.
    White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch from the OSS representative in Bucharest, dealing with certain aspects of present Soviet-Rumanian relations,

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

Enclosure.

cc: Department of State
Joint Chiefs of Staff

DECLASSIFIED
By Authority of
CIA 006687
By SR Date MAY 6 1975

203(12)
RUMANIA: Soviet-Rumanian Relations.

The OSS representative in Bucharest has transmitted the following information, via the OSS representative in Caserta:

Although the local Russians are friendly toward the British members of the ACC, it has so far been impossible to obtain definitive statements from them on matters of importance, a "high ranking, well-informed" British officer told a US observer in Rumania on 22 November. The officer cited as an example the fact that the Russians have not yet replied to the British request for permission to bring to Rumania forty oil experts whose task would be to bring Rumanian refineries to full production again. Similarly, the removal of refinery and drilling equipment, against which the British had already protested, was still continuing on 21 November.

The British informant is inclined to believe that general Russian policy is to block any measures to restore the British political and commercial position in Rumania.

The same British officer said that he had heard a rumor to the effect that the Russians are considering denouncing the armistice terms with Rumania on the grounds that the Rumanians are not complying with the terms. Such a repudiation could then be followed by an outright occupation of the country. The officer commented that, if the Russians made such a move, they could then expel the British and US sections of the Rumanian ACC.

(OSS Official Dispatch, Caserta, 25 November)
OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D.C.  

29 November 1944

TO: Colonel Richard Park, Jr.  
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a report, the intelligence in which was obtained from two dispatches from the Caserta office of this agency, setting forth certain details of the friction between Soviet and Rumanian authorities.

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

Enclosure.

cc: Department of State  
Joint Chiefs of Staff

DECLASSIFIED  
By Authority of  
CIA 006687  
By SR Date MAY 6, 1975  

Regraded Unclassified
RUMANIA: Friction Between Soviet and Rumanian Authorities.

The following intelligence, giving two almost completely opposite views of the Rumanian situation, has been transmitted by the OSS representative in Bucharest:

On 18 November the OSS representative in Bucharest was received by King Michael who, he comments, appeared well briefed for the interview.

The Soviets, according to King Michael, are disregarding Molotov's public statement and are interfering in Rumanian internal affairs. He believes that the Soviets are giving unofficial backing to the Rumanian Communists, are supplying them with arms, and encouraging them in their alleged current excesses.

The Rumanian Communists continue to insist upon General Rascanu for the post of Minister of War, and there is evidence that the Soviets have asserted more than once that Rascanu is the man for the job. Rascanu, however, is unacceptable to the throne and to the two leading conservative parties. The King expressed a belief that unless the Communists take a more reasonable stand the Cabinet may fall over the issue of this appointment.

Regarding the execution of the armistice terms, the King stated that Soviet claims were arbitrary and unreasonable. There is sufficient food and fuel in the country to meet current needs and to fulfill the armistice terms. However, the Soviets, who control the transportation system, rarely permit the Rumanians to move foodstuffs or other material. Even when permission is granted for shipping one or more loads of grain, the trains are stopped en route and taken over by Russian officers. The King claimed that the Soviets are seizing supplies without rendering accounts or keeping records. While certain current Soviet activities may result from bureaucratic confusion and military necessity, the King fears that they may actually represent a studied plan to create chaos in Rumania, with dismemberment of the country as the ultimate aim.

In Moldavia and Transylvania, where admission has been denied to Rumanian officials, the Soviets are openly sponsoring a Communist administration. In Moldavia, the King added, the Communists are encouraging a separatist movement. For this purpose they have obtained signatures on thousands of blank ballots.
which he believes will be used at the appropriate time for a plebiscite to determine the disposition of Moldavia. The King stated that he had made representations to Vyshinsky, who promised to investigate the situation in Transylvania, but two weeks have passed without further word from Vyshinsky.

A somewhat different picture of Soviet-Romanian relations was obtained by the OSS representative in Bucharest from the prominent Romanian industrialist, Max Ausnit, in an interview of 26 November. The OSS representative comments that Ausnit appears to have excellent relations both with the Soviets and with the Romanian Communists. Ausnit criticized Romanian officials severely for their bad handling of the Soviets and particularly for their stubborn resistance to all Soviet demands, whether reasonable or not. In one case, according to Ausnit, Romanian industrialists had recommended that some thirty idle Romanian factories be turned over to the Soviets. This proposal was rejected by Romanian authorities, and now the Soviets are demanding great quantities of machinery, including heavy industrial equipment from vital Romanian plants. Since the Romanians have chosen to bicker on all points, said Ausnit, the Soviets are now issuing categorical orders. However, Foreign Minister Visoiun's good sense and ability as a negotiator have slightly improved the situation, and Ausnit believes that the Soviets will be more reasonable when the Romanians start delivering goods under the armistice terms.

Reporting on a conversation with an official of the Ministry of Health, who recently returned from a trip to Moldavia, Ausnit declared that conditions in Moldavia are not as bad as they are represented in Bucharest, and that there appears to be no serious separatist movement. In Jassy, the government official in question was taken before the local council by the Communist deputy mayor, who publicly denied the rumors current in Bucharest concerning the alleged fomentation of a separatist movement by the Communists. Ausnit's informant experienced no difficulty in traveling, and commented that the reports of other officials being denied admission to Moldavia appear to have been based largely on the experience of certain disreputable police officers who attempted to return to that area. All "acceptable" officials, he said, are admitted. The Communists, according to Ausnit's source, are profiting from the fact that most important persons left Moldavia before the Soviet advance, while the Communists themselves and the Jews remained.

(OSS Official Dispatches, Caserta, 26 and 28 November)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

28 November 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the OSS representative in Bern. This report sets forth the views of former Swiss Foreign Minister Pilet-Golaz concerning German prospects.

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

Enclosure.

cc: Department of State
Joint Chiefs of Staff
Assistant Chief of Staff, G-2

DECLASSIFIED
By Authority of
CIA 006687

By SR Date MAY 6 1975

Regarded Unclassified
GERMANY: Pilet-Golaz views on German Prospects.

The OSS representative in Bern has transmitted the following report on his personal conversation with former Swiss Foreign Minister Pilet-Golaz on 23 November:

Pilet-Golaz feels that Germany is disintegrating rapidly and that German resistance will end before next spring. In previous conversations Pilet-Golaz had not shown such optimism regarding an early end to the war.

The German Minister to Switzerland and Dr. Karl Schnurre, head of the Economic Policy Department of the German Foreign Office, in recent talks both asked Pilet-Golaz what Germany should do. He told them that Germany could only open the West Front to Anglo-American forces at once. He found them pessimistic as to the possibility of effecting that, because the German Generals are too hard to reach and too closely controlled by the SS.

(OSS Official Dispatch, Bern, 23 November)
TO: Colonel Richard Park, Jr.  
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the OSS representative in Bern, concerning the threatened transport crisis in Germany.

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

Enclosure:

cc: Department of State  
Joint Chiefs of Staff  
Assistant Chief of Staff, G-2  
Assistant Chief of Air Staff, Intelligence

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By Authority of  
CIA 006687

By SR Date MAY 6, 1975

Regraded Unclassified
GERMANY: Transport Crisis Threatens.

The following information, transmitted by the OSS representative in Bern, has been supplied by a trusted and trustworthy friend of Dr. Karl Schnurre, successor to Dr. Karl Clodius as head of the Economic Policy Department of the German Foreign Office. Dr. Schnurre has just completed a visit to Switzerland.

According to Dr. Schnurre, the German transport problem is approaching catastrophic proportions, and may lead to a crisis within the next few weeks. Adequate distribution of food supplies is becoming impossible. As a result, the population for the first time cannot obtain the food to which it is entitled under rationing, and the German food distribution organization is threatened with disruption.

The Nazis most fear the possibility of a general rail strike, since continuous raids on railways and transport facilities have made railwaymen reluctant to work and since German labor feels that such action, by striking at the heart of the Nazi war machine, would serve more effectively than local factory strikes to end the war.

(OSS Official Dispatch, Bern, 20 November)
TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the OSS representative in Athens, discussing Allied proposals and counter-measures against EAM-ELAS activities.

Enclosure.

cc: Department of State
    Joint Chiefs of Staff
GREECE: Allied Proposals and Counter-Measures Against EAM-ELAS Activities.

The following information has been transmitted by the OSS representative in Athens:

On 16 November, General Scobie told EAM members of the Greek Government that EAM terrorist activities must stop and that the EAM ministers must sign an agreement accepting all responsibility for such actions in the future. EAM leaders are reported to consider this as open British intervention and will refuse to sign such an agreement. When Papandreou asked the EAM members for a new unity agreement, they replied that discussion was impossible prior to clarification of both the British status in Greek political affairs and the Government's reaction to this status.

It was also learned from a British source that General Wilson (Supreme Allied Commander in the Mediterranean) had decided to bring the political and internal military situation in Greece to a head. Road blocks have been established on approaches to Athens, and British are said to be searching all traffic for weapons. Similarly, armed patrols in Athens have orders to arrest any persons carrying arms without authority. There are unconfirmed rumors that arms are being distributed to ELAS members in the city.

(OSS Official Dispatch, Athens, 17 November)
OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D.C.  

20 November 1944

TO: Colonel Richard Park, Jr.  
White House Map Room

Subject: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the Caserta office of this agency, concerning the serious disorder which prevails at present in Breslau and Berlin.

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

Enclosure.

cc: Department of State  
Joint Chiefs of Staff  
Assistant Chief of Staff, G-2

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CIA 006687

By SR Date MAY 6, 1975

203(17)
GERMANY: Serious Disorder in Breslau and Berlin.

The OSS representative in Caserta has transmitted the following information, received from a usually reliable source:

A clandestine message to the Vatican from Germany states that the situation is critical in the Breslau diocese and in Berlin, where attempted assassinations of Nazi leaders and mass execution of civilians become more frequent.

(OSS Official Dispatch, Caserta, 18 November)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

18 November 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information
is copy of a dispatch from the Caserta office of this
agency, concerning the reaction of the Japanese peo­
ple to Stalin's "aggressor" speech.

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

Enclosure.

cc: Department of State
Joint Chiefs of Staff
Assistant Chief of Staff, G-2
Director of Naval Intelligence

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By [SR] Date MAY 6, 1975

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

18 November 1944

JAPAN: Reaction to Stalin's "Aggressor" Speech.

The OSS representative in Caserta has transmitted the following information received from a fairly reliable source:

The apostolic delegate in Tokyo has reported to the Vatican that people throughout Japan, already stirred up by news of Roosevelt's re-election and the coming conference of Roosevelt, Churchill and Stalin, had been deeply impressed with Stalin's recent reference to Japan as aggressor. Political circles in Tokyo are increasingly convinced that the three-power conference will result in Stalin's decision ultimately to denounce the USSR non-aggression pact with Japan. Some Japanese military-nationalist groups are already issuing propaganda urging Japan to preclude this possibility by denouncing the pact with the USSR first.

(OSS Official Dispatch, Caserta, 18 November)
TO: Colonel Richard Park, Jr.  
White House Map Room

SUBJECT: Reports Received in OSS.

Transmitted herewith for your information are copies of the below-listed memoranda, which the Director forwarded to the President on 16 November:

(1) Finland: Desertions from the "Kin-Folk" Battalion, and the murder of a Soviet officer in the Porkkala area (sequel to memoranda of 9, 10 and 13 November).

(2) Finland: Finnish uncertainty and fear of Soviet intentions (supplementary to memoranda of 30 October and 3 November).

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

Enclosures.

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By 5/2 Date JUN 11 1973
MEMORANDUM FOR THE PRESIDENT:

The following information, dated 14 November and forwarded by the OSS representative in Stockholm, forms a sequel to my memoranda of 9, 10 and 13 November concerning desertions from the "Kinfolk" Battalion and the murder of a Soviet officer in the Porkkala area:

Continuing Finnish investigations of the murder of a Soviet officer reported to have taken place on the night of 2 November, during the Soviet occupation of the Porkkala area, now point to the possibility that the murder was committed by a Soviet soldier over a love affair.

The OSS representative has now been informed that the "Kinfolk" Battalion, which was to have been turned over to Soviet authorities, was #4 and was composed of Ingermanlanders (Finnish inhabitants of the Leningrad area and of the southern coast of the Gulf of Finland) who came to Finland via Estonia in 1941 and 1942. Other such battalions are composed of inhabitants of Soviet East Karelia.
MEMORANDUM FOR THE PRESIDENT:

The following intelligence, received by the OSS representative in Stockholm from an official Finnish source, supplements and substantially confirms the information contained in my memoranda of 30 October and 3 November, concerning Finnish uncertainty and fear of Soviet intentions:

On 22 October the Finnish Commander-in-Chief, in accordance with the armistice terms, issued an order for the demobilization of the Finnish Army, which was to be completed before 5 December 1944. The same order provided for the creation of a peace-time army equivalent to that of 1941 and to consist of 75,000 men who would serve two years. Demobilization had begun and some 75,000 men had been given furloughs home before 27 October, when the Allied (Soviet) Control Commission ordered demobilization measures to be halted. On 31 October the chairman of the Control Commission informed the Finnish Commander-in-Chief that the civic guards, a rightist, paramilitary organization founded during the civil war of 1918, which he characterized as sympathetic to Hitler, must be disbanded by 7 November, but that army demobilization was to be resumed beginning 8 November and concluded by 5 December. Simultaneously it was ordered that the Finnish armed forces, and

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[Signature]
Date JUN 11 1973
all military installations including hospitals, be reduced to their size as of 1 January 1938, and organized according to the system of 1 January 1941. Under this order the Finnish armed forces will comprise three infantry divisions, four light infantry battalions, and one cavalry brigade totalling approximately 26,000 men, with an additional 11,000 men included in the air, naval, and coastal defense forces and at certain depots and other installations.

William J. Donovan
Director

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By Authority of CIA
007622
By SR JUN 11 1973

Regraded Unclassified
TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the OSS representative in Caserta. This message reports that (1) Prime Minister Churchill wishes to consult President Roosevelt and Marshal Stalin before reaching a decision on the Tito-Subasich agreement, and (2) Subasich has refused Churchill's invitation to London.

Enclosure.

cc: Department of State
    Joint Chiefs of Staff

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By Authority of

CIA 006687
By SR Date MAY 6 1975

SECRET

203(12)
YUGOSLAVIA: Churchill Wishes to Consult Roosevelt and Stalin Before Reaching Decision on Tito-Subasich Agreement; Subasich Refuses Invitation to London.

The OSS representative in Caserta has transmitted the following information:

British authorities reportedly planned to inform Tito by 11 November that Churchill wished to consult with President Roosevelt and Marshal Stalin before reaching a final decision on the proposed Tito-Subasich agreement. Meanwhile, Premier Subasich, after much vacillation, has refused an urgent personal request from Churchill to visit London before going to Moscow. The OSS representative in Caserta comments that Moscow rather than London appears to be calling the turns in Yugoslavia. Though it may not be apparent in London, Subasich is aware that his support in Yugoslavia is negligible and that the Partisans are in full control. While a prolonged delay in reaching a decision on the Tito-Subasich agreement or material changes in the agreement by Churchill might cause the Partisans to denounce the negotiations, such Partisan action appears unlikely, at least until Subasich has returned from Moscow. On 14 November, Subasich was still in Yugoslavia and greatly perturbed at the delay in his trip to Moscow, which has been caused by poor flying conditions.

(OSS Official Dispatches, Caserta, 11 and 15 November)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

16 November 1944

TO: Colonel Richard Park, Jr.
    White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information
is copy of a dispatch received from the Bern office
of this agency, concerning the recent German order
to evacuate northwest Italy.

JOHN MAGRUDER, Brig. Gen.
Deputy Director, OSS
Intelligence Service

Enclosure.

cc: Joint Chiefs of Staff
    Assistant Chief of Staff, G-2

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CIA 06687

By SR Date MAY 6 1975

203(12)

Regraded Unclassified
ITALY: German Order to Evacuate Northwestern Italy Reported.

The OSS representative in Bern has transmitted the following information, dated 15 November:

It is reported confidentially by a very high Swiss source that Kesselring has received orders to complete a German withdrawal from northwest Italy by 15 December. The extent of the withdrawal was not indicated, but it is assumed that it would be to the area of Lake Garda and the Adige River. Transport difficulties due to early snows are reported to constitute one of the ostensible reasons for the withdrawal.

(OSS Official Dispatch, Bern, 15 November)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

13 November 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the OSS representative in Stockholm, which the Director is today sending to the President. This report concerns the alleged murder of the adjutant of the Soviet commander of Malm airport and desertions from the "Kinfolk" Battalion.

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

Enclosure.

DECLASSIFIED
By Authority of CIA

007622
By SR Date JUN 11 1973

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

13 November 1944

MEMORANDUM FOR THE PRESIDENT:

The following intelligence, forwarded by the OSS representative in Stockholm, forms a sequel to my memorandum of 10 November concerning the alleged murder of the adjutant of the Soviet commander of Malm airport and desertions from the "Kinfolk" Battalion, which was to have been turned over to Soviet authorities:

Following persistent Finnish requests to examine the body of the allegedly murdered adjutant and to question the Finnish suspect said to have been retained, Soviet authorities have retracted their allegations, according to information just received from Finland. The Soviets reportedly state that further investigations reveal one drunken Finn to have broken into the commander's offices, which he turned upside down and then left. The Soviets have learned that no one was killed and no one is being detained. Concerning the "Kinfolk" Battalion, however, the Soviets accuse the Finns of laxity in escorting this group to the reception center where they were to be turned over to the Soviets. This latter case is not yet closed.

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By Authority of CIA

William J. Donovan
Director

By SR Date JUN 11 1973
TO: Colonel Richard Park, Jr.  
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from our representative in Stockholm, which General Donovan is today sending to the President. This document concerns the alleged murder of a Soviet officer during the Soviet occupation of the naval base area of Porkkala in Finland.

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

Enclosure.

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By Authority of  
CIA 006687  
By SR Date MAY 6 1975

Regraded Unclassified
MEMORANDUM FOR THE PRESIDENT:

The following information, transmitted by the OSS representative in Stockholm, concerns the alleged murder of a Soviet officer during the Soviet occupation of the naval base area of Porkkala:

On 8 November no progress had been made in the investigation of the alleged murder of a Soviet officer at Lauttasaari (a small island off the peninsula of Porkkala). The incident gives increasingly the impression of being the work of an agent provocateur.

Additional serious tension is developing over the "Kinfolk" Battalion, which the Soviets have demanded to have turned over to USSR authorities. (This battalion is composed of natives of Soviet East Karelia who, during the Finnish occupation of that territory, are said to have joined the Finnish Army as volunteers and were organized into a special unit.) During the journey to the point where the "Kinfolk" Battalion was to be handed over to the Soviets, more than three-quarters of the men deserted and fled into the woods.

It is further reliably reported that on the morning of 8 November the residence of the commandant of Malm airdrome (the airport of Helsinki) was broken into, allegedly by a Finnish patrol, which is said to have killed the commander's adjutant and stolen an officer's coat. The Soviets claim to have detained one suspect, but have denied Finnish officials any opportunity to question him or to inspect the body of the adjutant.

The Soviets have demanded to know what measures have been taken with regard to General Arajuuri, Colonel Kotilainen, and former police chief Anthoni, who are included in the Soviet list of war criminals and who have fled to Sweden. The Soviet note also demanded the reasons for the delay in Finnish apprehension of other alleged war criminals, and inquired whether the Finns had begun the arrests of war criminals whose names have not yet appeared on the Soviet lists. This latter inquiry has stimulated Finnish fears of an extensive Soviet war criminal list which in effect would exclude only Communists.

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By Authority of
CIA 006687
William J. Donovan
Director

By SK Date MAY 1975
Regraded Unclassified
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

10 November 1944

TO: Colonel Richard Park, Jr.
    White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the Caserta office of this agency. This message reports that the Italian Cabinet has rebuked Umberto for his public stand concerning a plebiscite on the monarchy, and states the decision of all Italian government parties to support the coming Army draft call.

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

Enclosure.

cc: Department of State
    Joint Chiefs of Staff
    Assistant Chief of Staff, G-2

DECLASSIFIED
By Authority of

CIA 006687
By SR Date MAY 6 1975

Regraded Unclassified
ITALY: Cabinet Rebukes Umberto for Public Stand on Plebiscite; All Government Parties to Support Army Draft.

The OSS representative in Caserta has transmitted the following intelligence:

Herbert Matthews' interview of the Lieutenant General published in the New York Times of 1 November caused vigorous protests at a meeting of Ministers without Portfolio on 6 November and at a cabinet meeting on the following day. The Socialist, Communist, and Action Parties charged that Umberto, through his declaration concerning a plebiscite on the monarchy, had attempted to create a division between the political parties and the Italian people. Ministers without Portfolio Sforza (Independent associated with the Action Party), Togliatti (Communist), Saragat (Socialist), and Cianca (Action Party) forced the passage of a resolution recalling to Umberto that the head of the government may not intervene on one side of a political controversy, or take a position involving policy, without prior cabinet agreement. However, on the plea of De Gasperi (Christian Democrat), Ruini (Labor Democrat), and Carandini (Liberal), that publication of the resolution would stir controversy and unrest, it was determined that the note would be delivered to the Lieutenant General by Bonomi and not made public.

On 6 November Minister of War Casati reported to the Italian cabinet that twenty Italian divisions may be put into the battle line on 15 November. Part of the troops are to march through Rome for a public demonstration between the people and the army. Each Minister without Portfolio has pledged his party to support the coming army draft call. At a meeting of the Ministers without Portfolio it was charged by Sforza, Togliatti, Saragat, and Cianca, that Italian volunteers are confronted with resistance and lack of appreciation on the part of regular Italian Army officers.

(OSS Official Dispatches, Caserta, 9 November)
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

8 November 1944

TO: Colonel Richard Park, Jr.
White House Map Room

SUBJECT: Report Received in OSS.

Transmitted herewith for your information is copy of a dispatch received from the London office of this agency, concerning plans of the Nazi underground organization in Germany.

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

Enclosure.

cc: Department of State
Joint Chiefs of Staff
Assistant Chief of Staff, G-2

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CIA

By SR Date MAY 6, 1975
GERMANY: Nazi Underground Organization Plans.

The following information, obtained by British intelligence in early October and considered by the British to be reliable, has been transmitted by the OSS representative in London:

Instructions from Hitler to the Nazi underground forces are being printed under the supervision of and for distribution by the Sicherheitsdienst (SD) under the title "Anweisungen Für Klein- und Partisanenkrieg" (Directions for Small-scale, Partisan Warfare). The section of the instructions entitled "Organization" includes the following points:

1. The military organization is to be divided into Gau (Region), Bezirk (District), and Bezirks-Kommune (District-Commune); an apparent attempt to ape the Communist structure. The smallest unit will be the underground "cell" or "Fünfergruppe" (group of five men). The five men in each "cell" are to operate independently in their districts, subject only to direct orders from the supreme central command. Contacts between the Fünfergruppen, whose leaders will be selected by SD headquarters, will be solely through headquarters. Headquarters will appoint successors to leaders who are uncovered or arrested.

2. The Fünfergruppen will be divided into intelligence, sabotage, and security sections, and will use former local district administrative officers. The intelligence sections will be chiefly composed of highly-trained radio and signal experts. Sabotage sections will be composed of Waffen SS field engineers experienced in demolition work. Former SD personnel will organize and operate counter-espionage. Women will be used wherever possible. Special underground couriers will supplement radio communications.

3. Each Fünfergruppe will have (a) secret arms dumps with guns of all types, flamethrowers, mines, chemicals and sabotage weapons; (b) a hospital; (c) a chemical laboratory; (d) document and printing plants, and (e) telephone and radio stations.

Source also reports that: 

Regraded Unclassified
1. The process of providing false identifications for agents and their infiltration into concentration camps is already under way. A high degree of preparation already appears to have been achieved in western Germany.

2. Training schools for partisan warfare have been widely established, including those at Gablonz and Reichenberg in the Sudetenland, Spandau near Berlin, Linz and Innsbruck in Austria, and Hagen and Dortmund in Westphalia.

3. The central controlling staff has been set up and is rumored to include the following: Himmler, Martin Bormann, Chief of the Party Chancellery, and Ernst Kaltenbrunner, SS Obergruppenführer, chief of the SD and rumored head of the Abwehr. The staff also is reported to include the following Waffen SS Obergruppenführers (Generals): Kurt Dalüge , former head of the Ordnungs-Polizei; Erich von dem Bach-Zelewski, at latest report German supreme commander in Warsaw and rumored head of Himmler's anti-partisan forces; Wilhelm Rediess, senior police and SS leader in Norway; Günter Pancke, senior police and SS leader in Denmark, Wehrkreis XI; Otto Hoffman, commander of Wehrkreis V (tentative Identification); and Karl Hermann Frank, senior police and SS leader in the Protectorate.

OSS WASHINGTON COMMENT: While it appears probable that these men are among the principal organizers of the Nazi underground, they will not likely serve as leaders of the underground following Germany's military defeat. Such leadership would presumably be vested in "unknowns", not men as prominent as these and as highly rated as war criminals.

(OSS Official Dispatch, London, 7 November)
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