Miss Grace Tully  
The White House  

Dear Miss Tully:  

I believe the President will be interested in the enclosed memorandum, which contains information transmitted by the OSS representative in Bern.

Sincerely yours,

Charles S. Cheston  
Acting Director  

Enclosure.
MEMORANDUM FOR THE PRESIDENT:

The enclosed memorandum summarizes new authoritative information on the 20 July German coup d'état, obtained from one of the active participants in the plot, and the reasons which he has given for the failure of the putsch.

The 20 July coup appears to have failed primarily because:

(a) The conspirators were unnerved by two previous failures.

(b) General Fellgiebel failed to destroy communications at Hitler's East Prussia headquarters, and thus allowed word to get out that the bomb explosion had not killed Hitler before the plotters in the German War Ministry could seize power.

(c) The defection of Major Remer at the eleventh hour tipped off Dr. Goebbels to the conspiracy.

(d) The plotters, planning the coup along strictly military lines, failed to plan adequately to deal with the efficient Nazi police. They elected to seize buildings rather than key Nazi individuals, and failed to arrange for military forces to reach Berlin in time.
By July the plotters had come to a disagreement as to which of the Allies they should surrender to and as to the orientation of the proposed new government. The younger, active leaders like Colonel von Stauffenberg favored a pro-Soviet policy. The older and more conservative figures wanted to turn to the Western Allies. The younger men were encouraged to a Soviet orientation by a feeling that Allied policy gave no hope for Germany's future and as a result of alleged assurances from the Free Germany Committee in Moscow that Germany would receive a just peace from the Soviets and the Wehrmacht would not be wholly disarmed.

Enclosure.

Charles S. Cheston
Acting Director
THE GERMAN COUP D'ETAT (Continued)

The following information, transmitted by the OSS representative in Bern, is a sequel to a memorandum dated 22 July 1944 and subsequent memoranda concerning the "German Coup d'Etat" of 20 July 1944. The source for this information is a member and former emissary of the conspiratorial group who had a prominent part in the plot, and who has recently escaped to Switzerland. He apparently is the only one of the active plotters to reach safety.

The 20 July coup was the third attempt by the conspirators to kill Hitler and seize power. The first attempt was made on 6 July in Munich. It failed when Hitler suddenly and unexpectedly departed from the city. A second attempt was made on 16 July in East Prussia. It failed when Major General Hellmuth Stieff [later executed] lost his nerve and failed to place the bomb. The conspirators' military forces had already begun their march on Berlin, before the news of this failure had been received. This troop movement was afterward explained away as
"exercise". The plotters felt, however, that this explanation could not be used again without arousing suspicion. On 20 July, therefore, the troops were set in motion only after the bomb had actually exploded, and consequently these forces did not reach the conspirators' headquarters in the War Ministry on Bendlerstrasse in time.

By 20 July the nerves of von Stauffenberg and the other participants had reached or passed the breaking point. There was no clear directing hand. The younger officers who had the nerve to proceed, like von Stauffenberg, were too young and inexperienced. The older officers, though courageous, lacked energy and decision. Some, like General Erich Fellgiebel [later reported executed], Inspector General of the German Army Signal Corps, failed to carry out their part. Fellgiebel was supposed to destroy the Central Information Office and all communication installations at the East Prussia headquarters where the bomb was placed. The plan was to isolate Hitler and his staff in these headquarters so that even if Hitler were not killed, he would not be able to publicize the fact until the plotters had gained full control. The defection of Major Remer at the last minute also contributed to the failure of the coup.

DECLASSIFIED
When Remer received orders from the plotters at the Bendlerstrasse to march the troops at his disposal, he reported first to Goebbels and thus disclosed the plot to the Nazis.

When von Stauffenberg reached the Berlin airport, after placing the bomb, he telephoned the conspirators at the Bendlerstrasse that everything was all right and told them to go ahead. General Friederich Olbricht, Chief of the General Army Office, later courtmartialed and shot, set in motion the military forces. When von Stauffenberg arrived at the War Ministry, he admitted uncertainty as to whether Hitler was dead, to which Colonel General Ludwig Beck, who later committed suicide, replied, "For us, he is dead." About this time Marshal Keitel, unaware that Olbricht and others were in the plot, telephoned to the War Ministry and to all military commanders that Hitler was alive.

Source was saved from arrest by the fact that he had already left with a message from Beck to Wolf Graf Helldorf, head of the Berlin police, later reported executed, and SS and Police General Arthur Nebe, fate unknown, at Police headquarters. Source passed through the troops under Remer, which he thought were on their way to seize the Bendlerstrasse for the
plotters, but were actually en route to arrest the plotters at the Bendlerstrasse. Source first learned of the fiasco while he was with Helldorf. He also learned then that Nebe had been asked to send his SS police officials to East Prussia to begin an investigation of the bombing.

Helldorf and those others who were not caught at the Bendlerstrasse then tried in vain to establish alibis for themselves. Source could not even try that because his presence in Berlin was unauthorized. He found refuge in Berlin where he stayed in virtual solitary isolation until he managed to escape by using false identification papers. He was not arrested by the Nazis as previous reports from the conspiratorial group had indicated. Source believes that Dr. Carl Friederich Goerdler, co-leader with General Beck of the conspiratorial group, is still alive. Goerdler, he says, was sent out of Berlin by von Stauffenberg a few days before 20 July. Goerdler was subsequently arrested by the Nazis. Other reliable reports have indicated that the Nazis were keeping Goerdler for future use.

In general, source indicates that the plot failed for the following reasons:
Prior to source's arrival in Berlin on 11 July, the plans had been made along strictly military lines and the police aspects were largely neglected. The plotters relied upon the occupation of government buildings rather than making plans to arrest key Nazi individuals. When the plans for the use of the military were executed too slowly, counter-measures by the Nazi police wrecked the whole program.

Another important reason for the failure was the last-minute divergence of views among the plotters. Von Stauffenberg and his younger immediate collaborators reached a decision in favor of an Eastern solution which would involve opening the fronts at once to the USSR without even trying to negotiate with the Soviets. Von Stauffenberg alleged to his fellow conspirators that he had been in touch with General von Seydlitz and the Free Germany Committee in Moscow. He said he had obtained assurances from von Seydlitz, through Madame Kollantay, the Soviet Ambassador to Sweden, that Germany would receive a fair peace and that the Wehrmacht would not be completely disarmed. Trott zu Solz [later executed] had tried to contact the British in Stockholm, and having received no encouragement, had also come to favor an Eastern solution and gave his support to von Stauffenberg.
As a result, the plotters disagreed as to the composition of the government they planned to set up. The conservative, Western-oriented group of older men favored a government headed by Goerdler and General Beck. The younger, pro-Soviet faction, while willing to have Beck as Chief of State, wanted a leftist premier like Hans Leuschner, a prominent Socialist and former Minister of the Interior in Hesse, or preferably Dr. Julius Leber, a former right-wing Social Democrat Deputy. It would seem highly unlikely that either Leuschner or Leber would have proved acceptable to the Soviets.

The younger men like von Stauffenberg constituted the dynamic force in the plot. The older men, though disagreeing on policy, cooperated, on the theory that anything was better than Hitler. The younger men like von Stauffenberg and Trott zu Solz saw in American policy, or lack of policy, no hope for Germany's future, and therefore were prepared to take their chances with the USSR.

Source foresees only chaos for Germany. He says that the Germans expect a harsh but realistic policy from the USSR. They believe that the Soviets will need Germany's economic resources and will permit Eastern Germany to work, though it may...

DECLASSIFIED
only be for Soviet benefit. On the other hand, they feel that the Western Powers are not interested in seeing any economic life rebuilt in Germany. Hence the Germans feel little hope for a Germany under American or British occupation.

A prominent and well-placed German industrialist, according to British intelligence reports, states that "thinking Germans are amazed and disappointed by the ineptness of Allied propaganda", which they feel is playing directly into Goebbels' hands and stiffening the will to resist of the average German, thus prolonging the war.

Source believes that the conditions in Germany which American and British occupying forces will have to meet will seem so intolerable to persons accustomed to the Western way of life and Western culture, that it will be next to impossible, from the point of view of morale and living conditions alone, to maintain occupying forces in Germany. The Soviets are hardened to such things, source comments. In any event, he adds, the cities in the "Soviet zone", with the exception of Berlin, will have suffered less destruction from bombing than the other German cities.

DECLASSIFIED
MEMORANDUM FOR THE PRESIDENT:

Source has been informed by connections in Japan that the Japanese Government is confident that Stalin will categorically refuse to abrogate the non-aggression pact with Japan. The Japanese hope for new Soviet-Japanese pacts strengthening the non-aggression pact.

The Japanese Government feels that Japan can continue the Pacific war indefinitely in view of Russia's certain refusal to enter the war. Japan therefore cannot reduce its minimum terms for a peace settlement. Cf. VESSEL 44-a.7

Charles S. Cheston
Acting Director

VESSEL 58-a
Report of 31 January 1945
Miss Grace Tully
The White House

Dear Miss Tully:

I believe the President will be interested in the enclosed VESSEL report, numbered 58-a and dated 31 January 1945.

Sincerely yours,

Charles S. Cheston
Acting Director

Enclosure.
MEMORANDUM FOR THE PRESIDENT:

On 25 January, Harada Ken, Japanese Ambassador to the Holy See, made the following assertions to the Pope:

The Japanese Government would be willing to interpret the Vatican's wishes to the Kremlin.

The Kremlin has assured the Japanese Ambassador in Moscow that Russia will ask the Anglo-Americans to attempt to reach a negotiated peace in the Pacific, provided the Japanese Government accepts the Soviet proposal that the Far East peace conference include Russia, China, Great Britain, the United States, France, and Japan.

The German Communist Party, with the aid of Social-Democrats and military elements, had formed a German Committee of Liberation [The Free Germany Committee] in Russia. As soon as the Russians have penetrated Germany in depth this Committee will transfer to German soil and pronounce itself the Provisional German Government. Should this occur by the time of the "Big Three" Roosevelt-Churchill-Stalin conference, the Provisional Government will, with the support of the Kremlin, negotiate an armistice with the "Big Three".
Miss Grace Tully  
The White House  

Dear Miss Tully:  

I think the President will be interested in the enclosed VESSEL report, numbered 59-a and dated 31 January 1945.  

Sincerely yours,  

Charles S. Cheston  
Acting Director  

Enclosure.
MEMORANDUM FOR THE PRESIDENT:

The Holy See has been informed as follows:

A very important White House spokesman advised the Apostolic Delegate to Washington that he could tell the Holy See that President Roosevelt will take account of all the Pope's communications, especially concerning Poland and spheres of influence, at the "Big Three" conference. The spokesman said the President intends to adhere closely to Dumbarton Oaks policy.

Charles S. Cheston
Acting Director
Miss Grace Tully
The White House

Dear Miss Tully:

I believe the President will be interested in the enclosed VESSEL report, numbered 60-a and dated 31 January 1945, which is being sent only to the President.

Sincerely yours,

Charles S. Cheston
Acting Director

Enclosure.
Miss Grace Tully
The White House

Dear Miss Tully:

I believe the President will be interested in the enclosed report, which was transmitted by the OSS representative in London.

Sincerely yours,

Charles S. Cheston
Acting Director

Enclosure.
MEMORANDUM FOR THE PRESIDENT:

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

King Peter presided over the Yugoslav Cabinet meeting on 2 February, with General Dushan Simovich and Juraj Sutej (also spelled Shutay) attending. The King announced that he will appoint as Regents both Simovich and Sutej, and, as originally designated in the Tito-Subasich agreement, a Slovenian. The Cabinet reaction to this announcement was favorable. Subasich said he would cable Tito immediately asking for his approval. Subasich indicated to Peter that the Cabinet is contemplating leaving for Belgrade on 6 February.

Charles S. Cheston
Acting Director
Miss Grace Tully  
The White House

Dear Miss Tully:

I believe the President will be interested in the enclosed report from our representative in London.

Sincerely yours,

Charles S. Cheston  
Acting Director

Enclosure.
5 February 1945

MEMORANDUM FOR THE PRESIDENT:

The OSS representative in London has transmitted the following information, dated 4 February:

Premier Subasich states that Marshal Tito has accepted General Dushan Simovich and Dushan Serenech as regents but has disapproved of Juraj Sutej (also spelled Shutay), suggesting Ante Mandich instead. Subasich describes Mandich as an unknown, honest Croat with no political affiliations.

Charles S. Cheston
Acting Director
MEMORANDUM FOR THE PRESIDENT:

On 5 February, source's connection in Tokyo submitted the following information:

Japanese public morale has been greatly depressed by German military defeats, despite attempts by Japanese officials to belittle their importance. The Japanese Government, which considers the Philippines lost, will be seriously compromised when the Japanese public learns of this disaster.

Japan anxiously awaits the "Big Three" conference and hopes for some Russian support. Should there be no Russian support and should Germany collapse, the military-dominated Government will probably be replaced with a government dominated by civilians. In that event peace would probably be sought at any price.

If the Catholic Church could induce the Anglo-Americans to offer Japan something less harsh than unconditional surrender, its prestige would be greatly enhanced and millions of Japanese might turn to Catholicism.

Charles S. Cheston
Acting Director

VESSEL 62-a
Report of 6 February 1945
Miss Grace Tully  
The White House

Dear Miss Tully:

I believe the President will be interested in the enclosed VESSEL report, numbered 62-a and dated 6 February 1945.

Sincerely yours,

Charles S. Cheston  
Acting Director

Enclosure.
Miss Grace Tully  
The White House

Dear Grace:

I believe the President will be interested in the enclosed memorandum, an appraisal of the Moscow Free Germany Committee by a member of the 20 July conspiracy against Hitler. Will you kindly see that it reaches his desk? Thank you.

Sincerely yours,

[Signature]

William J. Donovan  
Director

Enclosure.

DECLASSIFIED  
By Authority of CIA  
807677  
JUN 11 1973  
By Date
MEMORANDUM FOR THE PRESIDENT:

The following appraisal of the Soviet-sponsored Free Germany Committee has been given the OSS representative in Bern by a member of the 20 July conspiracy against Hitler who recently escaped from Germany to Switzerland. Source belonged to the older and more conservative group among the plotters which favored a peace arrangement with the Western Allies, in contrast to the pro-Soviet policy adopted by the younger group which claimed to be in contact with the Free Germany Committee.

Source is convinced that the Soviets will come to Germany with a carefully assembled and thoroughly indoctrinated group of Germans which will probably include von Paulus, von Seydlitz, and other leaders of the Free Germany Committee and of the Union of German Officers. In view of probable Anglo-American opposition to establishing this group as the German Government, the Soviets will probably use it only in their zone of occupation. Since this will be the only comparable organization of Germans and since it will enjoy the advantages of long-term publicity and the prestige of Soviet backing,
this group increasingly will be regarded by the German people as the Government of Germany. Initially, of course, it may be set up as a committee and follow a course parallel to that of the Lublin Committee.

Source believes the Anglo-Americans have only three alternatives: (1) to accept the Free Germany Committee as the new German Government, (2) to set up one or probably two rival committees, one in the British and one in the American zone of occupation, or (3) to organize jointly with the Soviets some type of German committee which will be subject to the Allied occupation authorities. This jointly-sponsored committee, as successor to the present German regime, would assist in transacting current affairs with the understanding that final authority rests solely with the military occupation. Such a committee, source declares, might be composed largely of technical men who are experts in their respective fields of finance, transportation, food rationing and distribution, public works, labor relations and police. It would presumably include some of the Free Germany group. Source believes that unless the Anglo-Americans enter Germany with some such plan as this, something like the Free Germany Committee will eventually be imposed.
The OSS representative in Bern reports that certain German diplomats who are not too compromised as Nazis are expecting either that they will shortly be asked to join the Free Germany Committee in Moscow or that the Committee will send its own representatives to Switzerland and endeavor to infiltrate the German diplomatic and consular establishment there.

In the event that you find merit in the above appreciation, we are in a position through our representative in Switzerland to prepare to select certain individual Germans who have maintained close contact with Germany and who would be competent to advise on certain phases of German affairs. This is especially true of source, who over a period of more than ten years has been in close touch with prominent Wehrmacht and German civilian personalities and has sought to persuade them to overthrow the Hitler regime.

William J. Donovan
Director

DECLASSIFIED
By Authority of C/A

Date JUN 11 1973
Miss Grace Tully
The White House

Dear Grace:

I believe the President would be interested in the enclosed report from our representative in London. I will appreciate your seeing that it reaches his desk. Thank you.

Sincerely yours,

[Signature]

William J. Donovan
Director

Enclosure.

DECLASSIFIED
By Authority of C(A)

[Signature]

June 1, 1973
7 February 1945

MEMORANDUM FOR THE PRESIDENT:

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

On 5 February Premier Subasich showed King Peter a copy of a secret letter written by General Dushan Simovich, whom Peter had nominated for the regency council, indicating that Simovich had collaborated with the Germans after the coup d'etat of 27 March 1941. The King appeared greatly surprised at this revelation. Subasich also delivered a message from Tito, which reportedly rejected the candidacy of Simovich and Juraj Sutej and insisted on the inclusion of Ante Mandich and Sreten Vukosavljevich, Partisan Minister of Supply in the Subasich cabinet.

On 4 February Subasich had advised the King that Tito had accepted Simovich for the regency council. See my memorandum of 5 February 1945. Also, on 6 February Tito advised the OSS representative in Belgrade that he was entirely willing to agree to the appointment of Simovich.

TOP SECRET

William J. Donovan
Director
Miss Grace Tully
The White House

Dear Grace:

The enclosed memorandum for the President, for your records, is a somewhat fuller and annotated version of the message which was forwarded to you on 8 February, concerning a meeting between the German Consul in Lugano, von Neurath, and Field Marshal Kesselring.

Sincerely yours,

William J. Donovan
Director

Enclosure.
MEMORANDUM FOR THE PRESIDENT:

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

Alexander Constantin von Neurath, German Consul at Lugano, has just returned from a meeting with Field Marshal Albert Kesselring, Commander of German Army Group "C", Italy; Rudolph Rahn, German Ambassador to the Mussollini regime in North Italy; and Obergruppenführer and General der Waffen SS Karl Wolff, the Higher SS and Police leader in Italy and chief of Himmler's personal staff.

Von Neurath declares that he did not gain the impression at the meeting that an immediate withdrawal of German forces in Italy was planned. According to Neurath, even high German officials in Italy appear to be somewhat surprised that the bulk of the German reinforcements for the Eastern Front have been coming from the west rather than from the south. Neurath feels that a possible explanation for this is that the German Army in Italy is being kept largely intact for eventual protection of the southern flank of the German "inner
fortress which would be based on the Bavarian and Austrian Alps. (The OSS representative comments that other reports he has received indicate that certain withdrawals from North Italy have already taken place.)

OSS WASHINGTON COMMENT: Allied intelligence reports indicate that two German divisions have been withdrawn from Italy since the start of the Soviet offensive on the Eastern Front. One of these, an infantry division, has been replaced by a training unit already in Italy which has been upgraded and is now carried as a division. The other, a Panzer Grenadier which very recently completed its withdrawal northward across the Italian border, has not been replaced. These reports also suggest that the Germans could withdraw four additional divisions and still effectively maintain their present positions in Italy.

Neurath also reports that Kesselring recently saw Field Marshal Gert von Rundstedt. The two men are on friendly terms, Neurath declares, but neither is yet ready to come over to the Western Allies. With respect to the Free Germany Committee, Neurath quotes Kesselring as indicating that General Walter
von Seydlitz has little prestige with the Wehrmacht, but that if Field Marshal Friederich Paulus were to agree to form a government this might have substantial effect upon the Wehrmacht. Neurath has a contact with Generalleutnant Siegfried Westphal, Rundstedt's Chief of Staff, but was advised by Kesselring not to attempt to see Westphal immediately in view of the suspicions which such a trip might arouse.

William J. Donovan
Director
Miss Grace Tully
The White House

Dear Grace:

I believe the President will be interested in the enclosed message from our representative in London. Will you kindly see that it reaches his desk? Thank you.

Sincerely yours,

William J. Donovan
Director

Enclosure.
MEMORANDUM FOR THE PRESIDENT:

The following information, dated 10 February, has been transmitted by the OSS representative in London:

British Ambassador Stevenson is reported to be exerting pressure on Premier Subasich and his government to leave London immediately for Belgrade. Subasich appeared annoyed and refused Stevenson's request on the ground that King Peter had asked him not to leave until the matter of the regency had been settled.

William J. Donovan
Director
Miss Grace Tully
The White House

Dear Grace:

I believe the President will be interested in the enclosed memorandum, in which is incorporated a letter from our representative in London. Will you be good enough to see that it reaches his desk? Thank you.

Sincerely yours,

Bill

William J. Donovan
Director

Enclosure.

DECLASSIFIED
By Authority of CIA

08/24/72

By Date JUN 11 1973
MEMORANDUM FOR THE PRESIDENT:

The following letter from the OSS representative in London, concerning recent negotiations between King Peter and Marshal Tito on the subject of the Yugoslav regency council, contains background information which may be useful for your files. The letter concerns primarily General Simovic, one of King Peter's nominees for the regency council, who is now revealed, according to Premier Subasich, to have offered to assist Italy and Germany in the occupation of Yugoslavia.

"On Sunday, 4 February, I dined with Subasich, who informed me that he had come into possession of a secret document which will have the effect of a bombshell not only to the King but to the British as well. It concerned General Simovic, the man who was responsible for the coup d'etat in Yugoslavia on March 27, 1941, and who later became the Prime Minister and got Yugoslavia out of the Tri-Partite Pact, allying Yugoslavia on the side of the United Nations.

"Subasich stated that the original of the letter was actually in the possession of a friend in London and that as soon as he could get permission to reveal the source he would..."
convey the contents of it to the King and the British. This letter allegedly was written on April 4, 1941 by General Simovic and is a definite offer on his part to collaborate with the Germans, permitting certain Italian divisions to enter Yugoslavia and pave the way for the German Army to enter Yugoslavia. The whole letter is drafted in the most treacherous terms and is definitely anti-British and anti-American. This letter was discovered, according to Subasic, a couple of days ago, but he was bound by a promise not to reveal the name of the person in possession of the original.

"Subasic told me that he was going to speak to the King on the following day and would convey to him the contents of the letter so that the King would be aware that one of the Regents appointed by him was a traitor.

"Subasic also informed me that he received a reply from Tito rejecting Sutej, a present member of the Royal Yugoslav Government, as a Regent. This, said Subasic, puts Sutej in a very embarrassing position and might even prevent his returning to Yugoslavia as was originally contemplated or his being sent as Minister to Switzerland as agreed upon by Subasic and Tito.

"I asked Subasic how he could explain Tito's rejection of Sutej, who is an outstanding leader of the Croatian
Peasant Party. Subasich told me that he was puzzled by it and could not tell me the true reason for Tito's action.

"In discussing the Regency Subasich told me that he tried to get the opinion of the Serbian leaders as to who would be the most desirable person to represent the Serbs as Regent for the King. He consulted with Mr. Groll and Mr. Budislavevic and they felt that Boja Markovic, who is now residing in New York, would be the ideal person. The Cabinet spoke to the King about it and he agreed that the Government should send a cable to Markovic inquiring whether he would consent to act as Regent. Subasich related that after said cable was sent the King called a Cabinet meeting and announced to them his choice: Simovic, Sutej and Sernec. The members of the Cabinet were surprised at the King's sudden action after giving his consent to send a cable to Markovic, but it seems, said Subasich, that someone prevailed upon the King to appoint General Simovic. 'I am sure', added Subasich, 'that after the King sees the letter he will think twice before insisting upon having the General as his Regent.'

"Subasich was not in a very happy state of mind at the thought of returning to Yugoslavia. He told me frankly that he does not know how much influence he will personally
have on the new Cabinet and he sees many difficulties ahead of him. 'Although', he said 'I am all packed, yet I still do not know where I will go. It will either be Belgrade or 277 Park Avenue.' (Subasich resided in New York City at that address.)

"Subasich's wife during the evening said, 'We may want to later go to America but we do not know whether we will be allowed to get out of there in case we decide to leave the country.'

"Kosanovic spoke to Subasich again, asking him to send him in some capacity to the United States. He does not insist any more upon the post of Ambassador to the United States. He will be satisfied if he is sent in some other capacity for he too is not too anxious to return to Yugoslavia.

"With regard to broadening the base of the Cabinet to include Groll and Budislavevic, representing the Democratic Serbian Party, Subasich told me he could not make any headway with the King, who insists upon having them in the Cabinet. Yet when he spoke to them, both refused to commit themselves about entering the Cabinet unless guarantees are given to them that their parties will have freedom of political action. Subasich exclaimed, 'How can I give them such a guarantee? I don't know myself what is facing me when I get there.' As a result Groll and Budislavevic are reluctant to accept membership in the
Cabinet. They express the fear that once they get to Belgrade they will find themselves in opposition to 26 other members of the Cabinet and that their political career will thus come to an end. They fear that if Tito follows the one-party system without permitting the democratic parties to function freely the Serbs will take to the woods and will organize themselves into resistance groups against the regime.

"On 5 February, the King spent two hours with me and told me of his conference with Subasich. The King was completely stunned by the letter allegedly written by Simovic and shown to him by Subasich. He told me that he insisted upon giving General Simovic an opportunity to defend himself and to explain it if possible. Subasich promised the King that he would be glad to confront General Simovic with the letter the following morning, to wit, Tuesday, 6 February. The King stated that if it is established to his satisfaction that this letter is not a forgery, he will not insist upon General Simovic and will be glad that his true character was revealed to him before it was too late. But the King was determined at this time not to give in to Tito as far as the Regency is concerned. He said that he reached a definite agreement with the Royal Yugoslav Government that he, the King, would have the right to nominate the Regency
and he cannot understand Tito's withholding his approval of the Regents named by the King. The King feels especially keen about retaining Sutej as Regent because he regards Sutej as a true friend and wants to have him as a representative of the Croatian Peasant Party.

"It looks as if a new crisis has arisen. Subasich is very anxious to depart for Belgrade as soon as possible so as not to get into a new impasse with the King with respect to the Regency. The King insists on Subasich's promise not to leave London until the Regency has been appointed and sworn in by the King. I expect that today, 6 February, will bring forth some new developments which will be reported to you by pouch."

William J. Donovan
Director

DECLASSIFIED
By Authority of C/A
007622
By ASA Date JUN 11 1973
Miss Grace Tully
The White House

Dear Grace:

I think the President would be interested in the attached radiotelephone message from our Berne office. Will you kindly see that it reaches his desk? Thank you.

Sincerely yours,

Bill

William J. Donovan
Director

Enclosure.
MEMORANDUM FOR THE PRESIDENT:

I believe you will be interested in the enclosed radiotelephone message from our representative in Berne, which deals with (1) the effect of the collapse of organized German military resistance on the inner fortress of Nazi resistance, and (2) a report from the Nationalzeitung of Basle.

[Signature]
William J. Donovan
Director

Enclosure.
Germay

1. When organised German military resistance collapses, there will probably be more than one "reduit" or inner fortress of Nazi resistance which may remain. It seems generally accepted now that a delayed defense fortress will lie in the Bavarian and Austrian Alps. Swiss sources have information which they consider reliable that substantial amounts of foodstuffs are being collected here, and that some underground factories are being prepared to supply arms required for mountain warfare. The difficulty about these reports is that it is impossible to put your finger on the particular area where the foodstuffs are being collected, or where these underground factories are being prepared. In connection with the above, it is also reported that the Nazi authorities are taking careful measures to prevent the refugees from the evacuated areas and Berlin from going into the general area of southern Germany and the Reduit. Apparently, these evacuations are being moved in a westerly rather than in a southerly direction.

In addition to the main Reduit, people here believe that there will be other isolated centers of Nazi resistance, for example, in the area of Tübingen, around Weimar, and also in the Black Forest area, flanked by the northern frontier of Switzerland at the Rhine.

2. Here is a report from the Nationalmuseum of Basel of a few days ago, which gives clearer (?) picture of the German maquis plan. (Beginning of summary) The rapid advance of the Russians and the threatened collapse of the German Eastern Front have forced the Nazi command, not only to concentrate its reserves in front of Berlin, but also to rush its preparations for the German maquis. The most important centers of resistance of this maquis are to be in Tübingen, south of Stuttgart, and in Middle Bavaria and Austria. There is plenty of protection there by mountains there by mountains and hills, and many fortifications have been constructed. There is already an armament industry in operation, with field guns available to run it, while it is reported...
that measures to evacuate the useless civilian population have been prepared.

The so-called ideals of National Socialism are nothing new. They are those of the old pan-Germanism developed to the most radical and utmost degree. Similarly, the idea of a maquis existed in 1918, although not anything like as complete as the plan which the Nazis are preparing to present the war-weary world in the last stages of the second world war. In 1918 and after, there was a "black" Reichswehr. There were Freikorps and secret organizations. Great stores of arms were hidden away and never disclosed to the Allied Control Commission -- all this with the idea of organizing and maintaining secret resistance until such time as a new international constellation, such as, perhaps, an agreement with Russia, would permit the movement to come out into the open. Even then, the watch-word was "Death to the traitors!" Only the prominent victims, such as Erberger, Hachenau, Eisener, Landauer, Liebknecht, and Rosa Luxemburg, came to public notice. No one has yet told the whole tale of the many others who were murdered, especially those who betrayed plans and secret depots of arms to the Allies. Similar plans are now to be carried into effect by the Nazis, with their habitual thoroughness, and aided by their secret resistance movement in occupied countries, such as Tito's guerrilla war. There are special schools for recruits taught by selected officers from the front. The establishment of huge underground ammunition plants and tremendous stores of ammunition and food serve the same purpose.

(This report is incomplete due to technical difficulties.)
Miss Grace Tully
The White House

Dear Grace:

I believe the President will be interested in the enclosed message from our London representative. Will you be good enough to see that it reaches his desk? Thank you.

Sincerely yours,

William J. Donovan
Director

Enclosure.
MEMORANDUM FOR THE PRESIDENT:
The OSS representative in London has transmitted the following information:

Premier Subasich has stated that the entire Yugoslav Cabinet will leave on Thursday, 15 February, for Belgrade with the consent of King Peter. The King's nominations for the Regency, Milan Grol, Yuray Shutay (Sutej), and Dushan Sernets (Sernec), will be submitted by Subasich for Tito's approval.

William J. Donovan
Director
Dear Grace:

The President will probably be interested in the enclosed radiotelephone report from our representative in Berne. Will you be good enough to see that it reaches him? Thank you.

Sincerely yours,

Bill

William J. Donovan
Director

Enclosure.

DECLASSIFIED
By Authority of CIA 007622
By SP Date Nov 26 1973
MEMORANDUM FOR THE PRESIDENT:

I think you will be interested in the enclosed radiotelephone message from our Berne representative, which is a continuation of the report of 13 February, setting out the remainder of the article in the Basle Nationalzeitung concerning the German post-defeat maquis.

Director

William J. Donovan

Enclosure.
It is obvious that the German maquis will lack neither men nor leaders, neither arms nor ammunition, neither food nor supplies. Nothing will be missing but the love of freedom which kept the resistance movements alive in France, Belgium, Holland, Poland, Czechoslovakia, and everywhere else in Europe. It was the love of liberty which united the underground with the rest of the populations. They could not have carried on without it, and the faith that the Anglo-Saxons would leave no stone unturned to come to their rescue, and that the Russian armies of millions would overwhelm their persecutors because they were imbued with a like faith.

All these material and spiritual powers stood behind the European maquis. The leaders of the German maquis are not dismayed at the lack of such powers. They believe that they possess simpler and greater forces in terrorism. They owe most of their successes to the people of their own country and to Europe and to terrorism. Why, then, should it not prevail in the days of greatest danger? The German maquis never ceased to promise death to every man or woman who aided the Allies by taking any part in German civilian administration. The whole Reich is to be watched from the Bavarian and Austrian Alps in order to prevent any transition from war to peace.

The German plan cannot be permanently successful. Great world powers, whose eventual intervention was inevitable, backed up the French and other maquis movements, whereas there is nothing behind the German maquis but the desire to win on a lost cause as long as possible. The German maquis was a great help to the Allies, and they learned from its experience how to fight the maquis. The German maquis is doomed, but it may prolong the trials and tribulations of Europe for some time.

There is the chance for the German people to do something, the very last chance, probably. It has often been proclaimed in the Allied
OFFICE OF STRATEGIC SERVICES
OFFICIAL DISPATCH

FROM
Drewe

TO DIRECTOR, OFFICE OF STRATEGIC SERVICES

RECEIVED

There is a camp that the German people are identical with Nazism. The voices of those who defended the German people and believed that they are, themselves, victims of terrorism have become weaker and weaker. If, then, a Nazi terrorism is confined to a limited area, it will be ineffective without the support of the great mass of the people under the protection and orders of the Allies. This will be the test of the true feelings of the German people toward the Nazi regime. We have seen how public feeling in England has become much more bitter as a result of the V-1 and V-2 bombing, and how the Russians are demanding revenge in their "on to Berlin" drive. Perhaps the scales of German destiny may still change at the very last stage of the final struggle, and the way in which they dip will depend, not on the Nazis, but on the German people. (End of article from "Nationalzeitung" on the German post-defeat maquis.)
Miss Grace Tully
The White House

Dear Grace:

I think the President will be interested in the enclosed memorandum, containing intelligence forwarded by the OSS representative in London. Will you kindly see that it reaches his desk? Thank you.

Sincerely yours,

Bill
William J. Donovan
Director

Enclosure.
MEMORANDUM FOR THE PRESIDENT:

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

The Royal Yugoslav Government left London for Belgrade on the morning of 15 February. The United States Embassy is remaining in London ten days to await settlement of the regency question.

The following instructions are contained in a letter dated 13 February from King Peter to the royal cabinet, which Premier Subasich is to transmit also to Marshal Tito: The King's nominations for the regency council are Milan Grol, Dushan Sernets (Sernec), and Yuriy Shutey (Sutej). Shutey is reported by the OSS representative in London to have withdrawn his candidacy on 13 February. The King hopes that this carefully considered choice will be respected by the Partisan National Committee. The regency council, when accepted by the Partisan Committee, is to be sworn in by the high clergy in the presence of the royal cabinet, which is to invite the attendance of Marshal Tito. The formation of the new United Government, which should include as many parties and shades of opinion as
possible, is not to be undertaken until the regency has been officially appointed and sworn in. The royal cabinet and then the United Government are to be responsible for enabling the regency council to remain in constant touch with the King and to keep him fully informed of all important developments. The suggestions made by the Allies at the Crimean Conference are to be implemented.

William J. Donovan
Director