

●PSF-OSS: February 1945 (16-28)

Box 171

OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

16 February 1945

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CONTROL

file

Miss Grace Tully
The White House

Dear Grace:

The President will probably be interested in the enclosed VESSEL report, numbered 67-a and dated 10 February 1945. Will you kindly see that it reaches his desk? Thank you.

Sincerely yours,

WJ

William J. Donovan
Director

Enclosure.

DECLASSIFIED
By Authority of CIA 007622
3 State Dept Hc 8/10/72
By ABJ Date JUN 11 1973

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PSF: O.S.S. feeder 5-45

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WASHINGTON, D. C.

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16 February 1945

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State Dept Hq. 8/10/72
By ABJ Date JUN 11 1973

MEMORANDUM FOR THE PRESIDENT:

The following is a resume of the first talk between Myron Taylor and Harada Ken, Japanese Ambassador to the Holy See, as reported by Vessel:

Harada declared that Japanese elements desirous of peace are not responsible for the Pacific war, and that those elements might be able to make their will felt if the Anglo-Americans would offer acceptable terms.

Taylor reminded Harada that American public opinion still remembers the unprovoked attack on Pearl Harbor. He promised, however, to initiate a friendly investigation of the possibilities for negotiation.

Taylor and Harada agreed that the terms of the two belligerent groups, as they knew them, were too far apart to permit negotiations.

Harada stated that the United States' chief war aim apparently was a victory that would give Japanese pacifist elements ascendancy over the military and prevent any future militarist aggression. He added that Japan was exhausted by the

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war she has been fighting since 1937, and that she needs a long period of peace.

Donovan

William J. Donovan
Director

VESSEL 67-a
Report of 10 February 1945

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By ABJ Date JUN 11 1973

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

File

17 February 1945

Miss Grace Tully
The White House

Dear Grace:

I think the President will be interested in the enclosed memorandum, which contains a report from our representative in London. Will you kindly see that it reaches his desk? Thank you.

Sincerely yours,

WJD

William J. Donovan
Director

Enclosure.

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By DBJ Date JUN 11 1973

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

17 February 1945

that in view of the fact that the King
over the Cabinet meeting that very afternoon

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By ABJ Date JUN 11 1973

MEMORANDUM FOR THE PRESIDENT:

The following letter from the OSS representative in London, dated 8 February 1945, contains background information on King Peter's nomination of Yuray Shutey (Sutej) and General Dushan Simovic for the Yugoslav regency council. Attached is a copy of a letter from General Simovich to Premier Subasich, explaining and defending the General's seemingly conciliatory attitude toward Italy and Germany in March and April 1941.

"On the morning of 7 February, King Peter received Yuray Shutey (Sutej) after Shutey had been informed of the rejection of his candidacy for the regency council by Marshal Tito. The King told Shutey of his conference on 6 February with Yuray Krnyevich (Knrjevic), who had insisted that the King retain Shutey as regent. Krnyevich allegedly advised the King to insist upon Shutey even if the latter should attempt to offer his resignation.

"Dr. Shutey told the King that he found himself in a most embarrassing position but he would, of course, serve the King in any capacity that he wishes. Shutey suggested

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that in view of the fact that the King was going to preside over the Cabinet meeting that very afternoon, it would be desirable that Shutey should in the presence of the other members of the Cabinet offer his resignation and ask the King to release him from his appointment as Regent. He advised the King to put on a little act and to pretend that he was annoyed at Shutey's attempt to resign, insisting in no uncertain terms that he, Shutey, had no right to withdraw after being appointed by the King.

"In the afternoon the King presided over the Cabinet meeting as scheduled and specifically asked each member of the Cabinet not to leave London for Belgrade until and unless the Regency question had been settled. He called the Premier's attention to the fact that he signed an agreement with the King about two weeks ago that he would not leave for Yugoslavia until he obtained the consent of the King and until the Regency had been appointed. Interior Minister Kosanovich and Shutey promised the King not to leave without his consent. Premier Subasich was silent throughout the meeting but towards the end allegedly assured the King that he would not leave until the Regency question is smoothed out.

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By ASJ Date JUN 11 1973

"Justice Minister Marushich, however, pointed out to the King that the King's demand that the Cabinet remain put Marushich in an embarrassing position with the National Committee of Liberation. The King replied that 'You have taken an oath to the King and you must abide by his request. I cannot let you go and remain here alone in the lurch. The Regency question must be settled before you move to Belgrade.'

"During the Cabinet session, related the King, Shutey put on the act as agreed upon. He made a speech begging the King to release him as Regent in view of Tito's reply. The King reprimanded Shutey, telling him that he had no right even to suggest such a course of action; that he was appointed by the King and he must stick to it. Shutey then assured the King that the will of His Majesty would be heeded and that he would, of course, be at the complete disposal of the King.

"Late in the evening Shutey informed the King that British Ambassador Stevenson had seen Subasich and demanded that the Cabinet leave for Belgrade. He allegedly told Subasich that the planes would be ready at the airport on Saturday, 10 February, and that the planes would wait no longer. This report corresponds with Subasich's statement to me on 6 Febru-

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By WPS Date JUN 11 1973

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ary that he is contemplating leaving London by plane on the morning of 10 February. He is all packed and ready to go. The King's statement that Subasich promised to remain until the Regency question is settled seems to be contrary to what Subasich told me that very same day.

"At 6:30 p.m. I saw the original letter forwarded by General Simovic to Subasich. I am enclosing a copy of it herewith. I asked the King in the evening whether he contemplates insisting upon General Simovic as Regent. The King told me that he has not decided and he did not raise that question at the Cabinet session referred to above. He told me that he was having difficulty trying to find another Serb who would be acceptable to him and at the same time would not be anathema to Tito. He was giving some thought to appointing Bozo Markovich, who is now in New York, but he was told by several people that Markovich's health is so poor he would probably not accept.

"The King has not made up his mind as to who should be substituted for General Simovic if the latter is to be replaced."

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By ABJ Date _____

William J. Donovan
William J. Donovan
Director

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COPY

To The Prime Minister,
Dr. Ivan Subasic,
Royal Yugoslav Government,
London.

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By SPJ Date JUN 11 1973

Sir,

H. M. The King, by a decision communicated to the Government on 2 February, has nominated me a member of the Royal Regency Council. This decision also has reached the press.

Marshal Tito, in reply to my query, has agreed with the decision of H. M. The King. His reply was communicated to me by General Velebit, the head of Marshal Tito's Military Mission, and also by you.

However, today you informed me that you have obtained a certain document which bears the date April 1941, as a result of which you have decided to oppose the decision of His Majesty and Marshal Tito.

On my request to produce this document, you stated that it consists of a note bearing my handwriting, and that it represents my instructions to the then Minister of Foreign Affairs for carrying on negotiations with Germans and Italians. You also--from another note of yours--explained to me the

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By AS Date JUN 11 1973

contents of this note. As far as I can remember, you said it contained the following statements:

- a. That no particular Anglophile feelings should be shown;
- b. That some sort of neutrality should be followed, whereby the Italian left and German right flanks would be covered;
- c. That we would occupy Salonica to prevent disembarkation of forces hostile to Germany.

On my further request to name the person who supplied you with this document, and to explain why it was not produced during the last three or four years by the now apparently conscientious holder, you replied that you could not do this but would supply me without delay with a photographic copy of this note. You even refused to hand me your own notes about this note.

This immediately raised the question in my own mind as to what interpretation you were now placing on this note. But not for a moment did I have any doubts as to the purpose of the note at the time when it was written (if it was indeed written by me) as it must have been very necessary in view of the following situation which then prevailed.

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By ABS Date JUN 11 1973

The Government of 27 March 1941, which by its historic advent alone had in fact dissolved the Tripartite Pact, was engaged in diplomatic efforts to at least postpone the outbreak of war. This was necessary to gain badly needed time for the mobilization already ordered by me, and to prepare the country's defense, which previous governments neglected.

In my capacity of Prime Minister, and apart from the Foreign Minister, I was working in two directions:

- 1) to secure help from Britain and the United States,
- 2) to obtain an agreement of mutual assistance with Soviet Russia.

I negotiated with the British Ambassador, Sir Ronald Campbell, on 2 and 3 April. The Chief of the Imperial General Staff had negotiations with him during his secret visit. He was accompanied by Mr. Eden's secretary. During these negotiations, carried on in the offices of our General Staff, we received prospects of Allied help. Consequently, I sent the head of the operating department of our General Staff to Greece in order to contact Generals Maitland and Wilson, then commanding the Allied forces in Greece.

At the same time, through our Ambassador in the United States, I made efforts to obtain material help from there. This was promised to us.

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By APD Date JUN 11 1973

I negotiated with the Soviet Chargé d'Affaires in Belgrade, Mr. Lebediev. He finally transmitted to me the suggestion of Mr. Molotov that authorized representatives be sent to Soviet Russia in order to conclude a pact of mutual assistance. On 1 April, I sent Colonel Simich and Colonel Savich to Moscow. At the same time, our Minister in Moscow was instructed to contact Mr. Molotov, and, in his capacity as head of our delegation, to conclude the pact. These activities of mine resulted in the pact of mutual assistance which was in fact signed on the night of 5 April.

Nevertheless, we needed time to complete our mobilization and to realize our other plans without provoking the Germans and Italians. In view of this fact, and after receiving confidential reports of German troop concentrations on our frontiers, I asked our Ministry of Foreign Affairs to adopt a policy of conciliation towards Germany and Italy in order to conceal our real intentions. This was also the attitude of the entire Government.

But if proof be needed that the conciliatory policy adopted toward Germany in March and April 1941 was a purely fictitious one, it is hardly necessary to bring up old notes

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007622
By DBS Date JUN 11 1973

of the period, whether or not they be in my handwriting. The true policy of the Yugoslav Government is clearly established in the world press of that time.

Besides, a similar conciliatory policy was adopted by Soviet Russia as soon as the danger of war approached that country. With the same end in view, namely to gain time, Soviet Russia even concluded a political pact with Germany. I therefore ask myself, today when the war is nearing a successful end, if the leading responsible Russian statesmen are also to be **attacked** for adopting such a policy?

It is regrettable that today, when our people badly need all our energies for constructive work, you Sir, from your responsible and high place are, by this action of yours, wasting our energies and imposing unnecessary difficulties upon our highest leadership both here and at home.

GENERAL D. SIMOVIC
Former Prime Minister of Yugoslavia

London, 6 February 1945

File

OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

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19 February 1945
19 February 1945

MEMORANDUM FOR THE PRESIDENT:

Miss Grace Tully
The White House

Dear Grace:

I believe the President will be interested in the enclosed memorandum, which quotes a letter from the OSS representative in London. Will you kindly see that it reaches his desk? Thank you.

Sincerely yours,

Bill

William J. Donovan
Director

Enclosure.

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

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19 February 1945

I gather that Ambassador Stevenson is probably carrying out the instructions...

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MEMORANDUM FOR THE PRESIDENT:

By DBL Date JUN 11 1973

The following letter, dated 9 February 1945, from the OSS representative in London, contains background information on the attitude of Premier Subasich toward the departure of the Yugoslav cabinet for Belgrade:

"On 8 February, Premier Subasich reported to me on the cabinet meeting of 7 February at which King Peter had presided. He confirmed the King's statement that he (King Peter) had requested the cabinet to remain in London until the question of the regency was settled. After the King left, according to Subasich, he and his cabinet remained for further discussion. They agreed unanimously that it would be ill-advised to rush to Yugoslavia without the King's consent before settlement of the regency problem.

"Towards the end of the cabinet meeting British Ambassador Stevenson called up and asked to speak to Subasich. The members of the cabinet begged him not to see this "Mephistopheles". It seems that members of the Royal Yugoslav Government, as well as the King, are annoyed at Stevenson's constant pressure to have them leave for Yugoslavia. From various sources

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I gather that Ambassador Stevenson is 100 percent pro-Tito, and is probably carrying out the instructions of the British Foreign Office in his approach to the whole problem. Subasich informed Stevenson that he was attending a meeting of the cabinet and would have to postpone seeing him.

"In the late afternoon Subasich saw Stevenson, who insisted upon the immediate departure of the Royal Yugoslav Government for Belgrade without waiting for the settlement of the regency question. Subasich told me that Stevenson claimed to have received a message from the Soviets, who insisted upon the immediate departure of the Government. Stevenson allegedly added: 'We cannot put off the planes any longer; you must be all ready by the morning of 10 February.' 'For the first time', said Subasich, 'I blew up. I told Ambassador Stevenson: "By making us go to Belgrade immediately you will probably please the Russians. But what will the world think of me and what opinion will you personally, Mr. Stevenson, have of me if I, as Prime Minister of the King's Government, leave the King here against his wish without settling the question of the regency?"' Subasich told Stevenson that under no circumstances could he see his way clear to an immediate departure. He also let Stevenson

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By ABS Date JUN 11 1973

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know that even if he personally went, the rest of the Government would not follow him in disregarding the King's request.

"I immediately transmitted this information to Ambassador Patterson and suggested that he verify this by speaking to Stevenson, particularly with reference to the contemplated departure of the Royal Yugoslav Government. Patterson spoke to Stevenson, who confirmed the whole matter. Stevenson remarked to Patterson, 'It looks as if Subasich got cold feet.' Stevenson admitted that he tried to rush the cabinet to Belgrade by plane on 10 February, but that Subasich was undecided and refused to commit himself as to the exact date of his departure. Stevenson also confirmed Subasich's statement that as the Prime Minister of the Royal Yugoslav Government he could not leave until the question of the regency is settled. Ambassador Patterson asked Stevenson how he proposed to solve this new crisis, and Stevenson replied, 'Let them fight it out amongst themselves.'

"Subasich expressed considerable doubt to me about the future that is awaiting him. He told me, and his wife confirmed it, that they may yet leave for the United States instead of Belgrade. Subasich told me that he is very much disheartened by Partisan attacks on his friend, the Croat Peasant Party

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leader, Machek. He told me that during his last trip to Yugoslavia he spoke to Tito, Ivan Ribar, and Edvard Kardely, asking them to promise him one thing only, and that was not to permit any attacks on Machek. He told me further that when he was in Yugoslavia he received a note from the representatives of the Domabrans (whom he identified as the Home Guard of the Croatian Peasant Party, 150 thousand strong) to prevail upon Tito not to attack Machek. OSS analysts in Washington comment that the Domabrans, who originally constituted the Home Guard of the Croat Peasant Party, were largely dissolved during the war and absorbed by the Ustashi and the army of the Croat puppet government. The latter organizations, however, now appear to be disintegrating. If the Domabrans should regain their unity they might carry some political weight in liberated Yugoslavia. 7 Before his departure, according to Subasich, Tito and his colleagues gave him a solemn promise not to attack Machek. A week after his departure the most vicious and slanderous attacks were commenced against the Croat Peasant Party leader.

"Subasich told me that General Velebit came in one day and started to talk against Machek, repeating the attacks which were disseminated in the Communist press in Yugoslavia. Subasich

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By WPL Date JUN 11 1973

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By DBS Date MAY 1 1973

upbraided Velebit in no uncertain terms. But, said Subasich, Velebit was just following the line taken by Tito and his colleagues despite their promise to Subasich.

"This incident", said Subasich, 'makes me wonder how they are going to treat me after I reach Belgrade, and whether the fate which befell Kosutich is awaiting me.' Kosutich, the Vice-President of the Croatian Peasant Party, escaped from Zagreb to negotiate with Tito, and when he refused to follow the line laid down by the National Committee of Liberation, was placed under home arrest.

"Subasich told me that he is still anxious to go to Yugoslavia and to do what he can for his country, but that he fears he will be isolated among the 28 members of the Government. He complained to me, 'I cannot even rely on the members of the Royal Yugoslav Government, who are talking against me behind my back. I am going there alone.' Time and again he repeated that he is flirting with the idea of returning to America and retiring to private life.

"Subasich said that Tito is going too far on the question of the regency. At first, Tito approved of Simovich and later retracted his approval. Subasich felt that the King should be accorded the privilege of naming his own regents and

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that if Tito were as strong as he claims to be he would not have insisted upon having Ante Mandich and Sretan Vukosavlyevich. 'If Tito kills Machek', said Subasich, 'the whole of Croatia will arise against him, and that will be in addition to the Serbian problem with which he is faced now. The Serbian people will not stand for totalitarianism.'

"Speaking of the Yugoslav press, Subasich pointed out that during all these weeks, since he had concluded negotiations with Tito, not a single line or article was devoted to him in the press. There is complete silence as to his activities and efforts to bring about a compromise. Not once was his picture printed in the papers. His name is only referred to when they speak of the Tito-Subasich agreement, and that he regards as exceedingly significant.

"Late in the evening Subasich stated that Churchill, before his departure for the Big Three conference, had told him that a great deal would depend upon the results of the conference. 'Perhaps', said Mr. Churchill, 'the control of Yugoslavia will be placed in the hands of the Big Three, in which case the whole situation will change considerably. But, frankly, I can not tell at this time what is going to happen there.'

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BY DBS JUN 11 1973

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By APL Date JUN 11 1973

"From the whole conversation I gathered that Subasich had decided to await Churchill's return and find out what exactly was decided about Yugoslavia. He told me that he is hopeful that the United States will play a more active part in Yugoslavia, which would enhance Subasich's prestige when he gets to Belgrade.

"From this day on, Subasich asserted, he will not reveal, even to his colleagues, the exact date of his departure for Belgrade, if he goes there. He will try to postpone the trip, if possible, until Churchill's return.

"To summarize Subasich's attitude at the present moment: He is much perturbed by the uncertainty that is awaiting him in Belgrade. He is beginning to have serious doubts whether he will be given an opportunity to play an important role in the new government. He is much perturbed by the constant attacks on Machek, since they are both members of the same party. He is greatly harassed by his own colleagues in the Government on one side, and by the King's insistence to remain here, on the other. He is becoming annoyed with Ambassador Stevenson's pressure to leave things undone and to rush to Belgrade to settle the regency question.

"In the light of all this, he is tempted to throw up everything and go to the United States to write his memoirs.

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Enbasich is not a happy man at this moment."

Donovan

William J. Donovan
Director

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By DBJ Date JUN 7 1973

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

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21 February 1945

MEMORANDUM FOR THE PRESIDENT:
Miss Grace Tully
The White House

Dear Grace:

The President will probably be interested in the enclosed memorandum, containing intelligence transmitted by our London representative. Will you be good enough to see that it reaches his desk?

Thank you.

Sincerely yours,

Bill

William J. Donovan
Director

Enclosure.

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By SR Date NOV 27 1973

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

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21 February 1945

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Division on the Western Front. The majority of the officers and men under his command are said to hold similar views.

MEMORANDUM FOR THE PRESIDENT: Many other Polish officers of

all ranks. The following information, transmitted by the OSS representative in London, has been supplied by a usually reliable source in the Polish Ministry of Information: *ly with high-ranking officers.* President Wladislaw Raczkiwicz is seriously considering the idea of releasing the armed forces, under the control of the London Government, from their oath of allegiance. Such a step would enable soldiers and officers individually to decide whether to place themselves at the disposal of the proposed provisional government in Poland and return to the homeland, to offer themselves to the Western Allies as mercenaries, or to take such other action as they see fit. The intransigence among the rank and file of these Polish forces appears to be diminishing in favor of a more realistic outlook. Several Generals and a considerable number of Polish army officers of all ranks are reported privately to have indicated a readiness to return to the new Poland. The most important of these is reported to be General Stanislaw Maczek, commander of the Polish First Armored

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Division on the Western Front. The majority of the officers and men under his command are said to hold similar views.

Source believes that many other Polish officers of all ranks would declare themselves in favor of returning to Poland, except for the recent statement by General Michal Rola-Zymierski that the new regime will deal harshly with high-ranking officers and will only accept those below the rank of major. Even among the Polish General Staff in London sentiment appears to be veering towards a return to Poland. Surprising activity in favor of a return is reported taking place on high levels of the General Staff Deuxieme Bureau (Intelligence). General Tabor, deputy Chief of Staff, has repeatedly mentioned that he favors returning home, though General Stanislaw Kopanski, the Chief of Staff, remains undecided. Opposition to a return is apparently still prevalent in the Polish Navy and in the Polish Corps under the command of General Anders in Italy.

Source's Czech contacts report that the following three former Polish leaders are actively participating in the formation of the new government: ex-President Stanislaw Wojciechowski; the aged ex-President Wicenty Witos, and the

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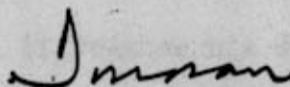
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well-known Socialist leader, Puzak. Source comments that the participation of Puzak or some other well-known Socialist in the provisional government could effect a complete reversal in the hitherto irreconcilable position of the Socialists in London. Among the latter, Jan Stanczyk and Ludwig Grosfeld reportedly already are willing to go to Poland if Mikolajczyk does.



William J. Donovan
Director

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

22 February 1945

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MEMORANDUM FOR THE PRESIDENT:

Miss Grace Tully
The White House

Dear Grace:

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

Sincerely yours,

Bill

William J. Donovan
Director

Enclosure.

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By SR Date NOV 27 1973

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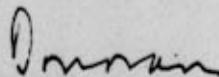
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There is urgent need for UNRRA assistance, for medical supplies, food, clothing, and transportation. The Hungarians, however, are afraid to ask the Western Allies for assistance lest the Soviets misinterpret such a request.

As of 14 February, 9000 Hungarian soldiers were being held as prisoners in Debrecen. Previously they had been released as the nucleus of the new army, but they were seized again as prisoners of war, by order of Marshal Malinovski. Moscow is now to determine their status.

Hungarian officials claim that the Soviets are moving large groups of persons from the rural areas, and that 200,000 such persons have already been sent to the USSR. Spring planting has been reduced by 80 percent due to the loss of farmstock and equipment.

Famine and disease is reported in Budapest. The Government plans to remain in Debrecen at least six weeks longer.



William J. Donovan
Director

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D.C.

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APPENDIX

Sub-sources mentioned in foregoing Memorandum:

Minister of War, Janos Voros,

Minister of Education, Geza Teleki

Minister of Health, Eric Molnar

Secretary to Premier Bela Miklos, Tarnay

in the enclosed source file for London reference
level. Will you kindly see that it reaches the desk?
Thank you.

Sincerely yours,

William J. Donovan
Director

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By SR Date NOV 27 1973

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OFFICE OF STRATEGIC SERVICES

WASHINGTON, D. C.

22 February 1945

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Miss Grace Tully
The White House
Washington, D. C.

Dear Grace:

I shall appreciate it if you will bring to the President's attention the enclosed memorandum and its appendices regarding Thailand.

Sincerely yours,

Bill

William J. Donovan
Director

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O. S. S. folder 5-45
OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

22 February 1945

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MEMORANDUM FOR THE PRESIDENT

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By SR Date NOV 27 1973

A representative of ours, an American sent in especially for the purpose, has just returned here from Bangkok, where he conferred personally with several high Thai officials, including Luang Pradit, Regent of Thailand.

He brought with him certain political intelligence and proposals, including a proposal of the Regent for the formation of a provisional Free Thai government in this country, which have been referred to the State Department. (See Appendix A).

He also brought with him certain military intelligence and proposals, including a detailed account of Japanese forces in Thailand, the potentialities of the Thai armed forces for aid to the Allies, and a war plan based on these dispositions which are being referred to the Joint Chiefs of Staff. (See Appendix B).

Both the political and military proposals are also being presented in Washington on behalf of the Regent by Suni Theparaksa, a delegate of the Foreign Office, who came out of Thailand for this purpose with one of our missions.

An American officer is at present in Bangkok, where he has personal access to the Regent, and his principal aides in the

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Free Thai movement, and radio communication to our base on Ceylon. (He constitutes a channel of communication to the Regent.) He is sending to us information received directly by him, and by this means also we hope to establish an additional line of penetration to Japan.

William J. Donovan
Director

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007622 NOV 27 1973 APPENDIX "A"

By SR Date DEVELOPMENTS IN THAILAND

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In October 1944 OSS operating under South East Asia Command from Ceylon was able to introduce a number of American-trained Thai agents into Thailand by airplane. These agents followed by about four months another group of American-trained Thais which had been introduced by OSS officers overland from China. The China group had been all picked up by Thai police, and as at that time the Government in Thailand was that of Premier Pibul, who was pro-Axis in his actions, they were all held incommunicado by the police in Bangkok. The Ceylon group arrived after the new Government of Premier Kowit had come into power.

Fortunately, two of these agents were able to make contact with the Free Thai movement directly, thus avoiding the police. Through their friendly Thai associates they met Luang Pradit, the Regent of Thailand and the leader of the Free Thai Movement.

As they had lost their radio, Pradit instructed the police to give them every facility in making contact with Ceylon. This involved using the radios brought in by the China group of Thais.

By November OSS had started to receive a series of intelligence messages from both groups of agents, which, as time went on, assumed an increasingly greater significance. By December, intelligence was coming out which was forming the basis for B-29 raids in Thailand and Singapore, and a considerable body of

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military intelligence on Japanese dispositions and intentions in the area was made available to us. Material also began to come in from Japan and Indo-China through Thai representatives in those countries.

One of the most important reasons for the success of these OSS operations in Thailand has been that OSS had used Free Thai representatives abroad, such as Mr. Sanguan Tularak, as advisors and instructors for their students. It was inevitable that contacts would be made with the Free Thai Movement which would succeed in producing the most valuable type of military intelligence but which would also bring up political questions.

As a result of the successful development of these initial operations, for by this time the China group of Thai agents were receiving far better treatment, a second phase of these general operations was proposed.

This phase involved the introduction of an American Mission into Thailand consisting of OSS officers prepared to discuss the possibilities of a greater development of intelligence networks throughout the area and also underground operations involving resistance groups and guerrilla forces to fight the Japanese.

In the beginning, our Thais in Thailand sent a series of messages indicating that the situation was still critical in the

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country, and that no further agents should be introduced until the all-clear signal was given. By the middle of December, however, the situation had improved, and by the thirtieth of that month OSS had received a message saying that Pradit had approved the designation of a site in southern Thailand at which an amphibious airplane could land carrying American officers. The following day (the 31st) OSS received a message from Pradit wishing; "on the evening of this auspicious New Year, 1945, long life and happiness to the Allies, and looking forward to the day when Siamese Armed Forces and people will have the privilege to march shoulder to shoulder with the Allied Armies for the liberation of oppressed peoples from Axis domination".

During January, a further series of messages from Pradit indicated that in return for introducing this American Mission he would like to have a prominent Thai diplomat exfiltrated from the country in order to set up a Committee of Free Thais outside the country to initiate negotiations with America and Great Britain for the approval of some sort of executive committee or provisional government which would be recognized by the United Nations. Pradit feels that a free government on Allied territory would with U.S. backing be eligible for membership in the United Nations and that post-war Thai independence would thus be assured. Such government beyond Japanese influence and recognized by the Great Powers would

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bring over all within Thailand who are still uncertain as to what course to follow.

Despite suggestions to the contrary originating partly from British sources, there is but one party in Thailand -- anti-Axis and united behind Pradit, who alone has a popular following.

As a result, on January 25, OSS despatched a mission from Ceylon by British Catalina consisting of Thai students to reinforce our Thai group already in the country, and two American officers to continue negotiations with the Free Thais for further development of intelligence and resistance activities.

This plan was successfully met and greeted by our Ceylon Thais, and the return journey to India carried a Thai from the Foreign Affairs Department who bore letters of reference signed by the Regent and Vice-Premier authorizing the setting up of a Free Thai Committee.

This spokesman for Pradit states that the Regent now has complete control over the Marine Corps and the Navy. In the case of the Army, the C in C, who is Pradit's man, is ill, but his Chief of Staff is also with the Free Thai Movement. He feels that Pradit will receive more than 50% support from the Thai army. The reason for this is his power under the constitution to appoint any officers whom he may choose to the command of the army. He thus has the whip-hand over any uncooperative officers. He feels also

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that the army, in general, is only waiting impetus from events outside Thailand to become wholeheartedly pro-Allied.

The Free Thai Movement inside has so far been financed by Pradit from his own means and by secret contributions from his followers; outside activities, even some of those implemented by OSS, have been paid for by Thai assets in the U. S. A., unfrozen for this purpose. Government Department funds in Bangkok are so carefully scrutinized by law that security would be broken by using moneys available there. Owing to the expansion of clandestine activities the methods formerly used can no longer be continued. Pradit now has requested that 500,000 dollars more of Thai gold be brought in by OSS for continuance of his work. Plans for carrying out this request are under way.

At the time of the arrival of Allied troops on Thai territory, the Regent will accept the resignation of the present government. He will then appoint a new government, presumably formed around the Thai officials coming with the troops, i.e. the executive committee or provisional government at present under discussion to be formed outside the country. This government will then declare war on Japan and, by constitutional decree, the Regent will order the Thai Army, Navy, and Marine Corps to cooperate with the Allies and to fight Japanese troops. According to this procedure the activities of the Regent will remain constitutional throughout.

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On the question of territorial gains made by Thailand under the Japanese the Regent was extremely frank in conversation with the OSS officer. He stated that Thailand was prepared wholeheartedly to return to four northern states of Malaya and the Shan states to Great Britain. So far as the territory acquired from Indo-China was concerned, he felt that this had been obtained by legal and proper negotiations and, furthermore, that the areas rightfully belong to Thailand. He suggested that the proper procedure will be to submit the rightful claims of Indo-China and Thailand for this territory to an arbitrating power or committee of powers after the War. It is hoped that some message of encouragement will be able to be delivered to the Regent and his stout associates in the Free Thai Movement who have already contributed so much to the Allied cause. It may be pointed out here that any encouragement that can be given by the United States Government to the cause of the Free Thais, and in the negotiations now about to be undertaken by the Free Thai delegates in Washington, will have an inestimable value in strengthening the development of military intelligence in South East Asia and hastening the resistance activities to be initiated at the time of Allied campaign across the Peninsula of Burma and Indo-China.

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APPENDIX "B"

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The following information concerns the Japanese troop concentrations in Thailand and Thai estimates of the actual fighting strength of such forces. The proposal is that of the Regent Luang Pradit.

1. Japanese Strength in Thailand as of 30 January 1945

The total number of Japanese troops in Thailand as of 30 January 1945 was 39,403. Of these, approximately 7,500 constituted fighting forces. The Japanese troops are spread throughout Thailand, but are heavily concentrated in three general areas - the Kanchanaburi district, where 15,052 troops are used to guard the Burma-Thailand Railway and Allied prisoners of war; Bangkok, where 3,754 Japanese troops, consisting for the most part of service forces, are stationed; and Chumporn, in lower peninsular Thailand, which is the headquarters of one Japanese Division. In addition, one Brigade of Japanese troops is headquartered at Prachuab Khirikhan, but most of its strength is located in Burma on the Mergui-Tavoy Coast.

The exact location of Japanese forces in Thailand, together with details of field guns, antiaircraft weapons, tanks, and other military elements is shown on a map which is attached hereto and marked "Map # 1".

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2. Strength of Thai Armed Forces

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A) The Army

By SR Date NOV 27 1973

The total activated strength of the Thai Army as of 30 January 1945 was five divisions and elements of a sixth, aggregating

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approximately 80,000 men. Representatives of the Thai General Staff informed the OSS Officers that by the end of March 1945, each of these divisions would be at full strength, fully armed and well supplied with ammunition. These Thai forces are strategically stationed with respect to Japanese forces in Thailand.

The Thai Army forces are stationed throughout Thailand at points which permit ready control of lines of communication between Thailand and surrounding territories. Thus the southernmost portion of peninsular Thailand is covered by the 6th Army division. The northern portion of the peninsula and the trails and roads leading from Burma to Thailand in that section are protected by Thai Regiments stationed at Pechaburi and Ratburi. The Bangkok area is covered by the Thai 1st division with headquarters at Lobpuri, a city near Bangkok. A regiment stationed at Aranyapradet controls the railroads and road extending into French Indo-China on the east. Lines of communication between Thailand and French Indo-China in the northeast are under the control of the Thai 7th division. Finally, the northern and northwest portions of the country are covered by the Thai 3rd division, with headquarters in Kengtung, and the 2nd and 4th divisions, stationed in the Chiangmai-Chiangrai, Uttaradit area.

B) The Marines

The Thai Marine Corps is a relatively small force which was first organized during Thailand's recent conflict with French Indo-China.

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Its headquarters is located at Sattahib, the Thai Naval Station on the east shore of the Gulf of Siam. Total strength of this force is approximately one brigade, consisting of 5,000 combat troops and 1,000 auxiliary units. These marines have little mobility at this time, due to lack of tires for their vehicles. However, they are highly trained and should constitute an effective fighting force if properly utilized.

C) The Navy

The Thai Navy consisting of some 16 torpedo boats and destroyers, 6 submarines, and additional auxiliary craft is presently immobilized for lack of fuel oil. The ships, however, are in commission and are staffed with trained crews.

D) The Military Police

The Thai Military Police, an organization similar to the Japanese Kempei, is a rapidly growing force under the command of Admiral Luang Sangwan, a highly respected national naval hero. This organization, some time ago, had in its ranks over 1,000 men and recently has been expanding. Its personnel is strategically placed proximate to Thai Army installations and has the duty of keeping Thai Army Officers and men under constant surveillance. The Military Police are ready at any time to arrest Army Officers of all ranks who prove disloyal to the King's Regent.

E) The Field Police

The Thai Field Police is a para-military organization

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charged with the duty of maintaining order in north land and certain outlying communities in other sections of the country. The heaviest armament of the Field Police is heavy machine guns, but these forces would be useful in quelling incipient riots, subduing recalcitrant civilians and enemy sympathizers, and guarding prisoners. The present leader of the Field Police, Lt. General Luang Adul, is a political opportunist whose loyalty to the Regent is open to question. The Regent has stated categorically to the OSS Officers who interviewed him that he is prepared to remove Luang Adul from office in the event he cannot count on his loyalty.

The relative positions of the Thai Army, Marines, and Field Police are presented on "Map # 2", which is appended to paragraph 3.

3. The Plan of the Regent for Subduing the Japanese in Thailand and Assuring Isolation of Japanese in Burma, Malaya, and French Indo-China

The purpose of this plan is to enable the Thais, with aid of one American Division plus two regiments, to destroy the Japanese in Thailand and block off the enemy in Burma, Malaya, and French Indo-China. The plan involves the cooperation of the Thai forces, which has been verbally guaranteed by the Regent. Its various phases will be outlined below. In addition, "Map # 2", which is attached hereto, shows the duties each military element would be required to perform in order to assure success.

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A) Landing of American Forces

The Regent states that the only location in Thailand at which the Japanese do not expect an Allied landing is the Thai Coast on the Gulf of Siam. It is his suggestion, therefore, that American forces land at two points on opposite sides of the Gulf.

a) The major force, consisting of one full American Division, should land at Hua Hin, well known Thai summer resort, which has an excellent beach. One infantry battalion would be required to protect the beachhead, while two infantry battalions would proceed south to a point west of Prachuab, where, with the aid of underground guerrillas, they would cut the Japanese line of communication leading from Burma to Thailand at Singhorn Passage. The remainder of the division would advance rapidly to the north, where it would effect a junction south-east of Kanchanaburi with two Thai regiments previously based at Pechaburi and Ratburi, respectively. These forces, again aided by the underground, would be required to cut the Bangkok-Moulmein Railroad at Kanchanaburi and would block the return to Thailand of the large concentration of Japanese troops stationed along the railroad. If it appeared that the point can be held by a lesser number of troops, the excess would proceed to Bangkok to assist the Thai 1st Division in subduing the Japanese there.

b) The smaller American force, consisting of two infantry regiments, would land at Sattahib, on the east shore of the Gulf. This

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force would join with the Thai Marines and drive towards Bangkok, leaving perhaps a battalion to proceed south to Chantaburi to protect the line of communication from French Indo-China passing that point. The force proceeding to Bangkok would be required to protect the ferry across the Bang Pa Kong River at Petru, and, if possible, to throw a pontoon bridge across at the narrowest point. This would assure a first class one-way traffic road to Bangkok. The American troops, together with the Thai Marines, could then proceed to Bangkok to assist in the subduing of Japanese located in that area. If the American forces should carry out the above described tasks, the Thai forces should be able to complete the liberation of Thailand.

B) Duties of Thai Army

This war plan requires the Thai Army to control absolutely all lines of communication extending from Thailand to surrounding territories. Specific tasks for the Thai Army are:

- a) Regiments at Ratburi and Pechaburi will join elements of American Division at point southeast of Kanchanaburi and together these forces, with underground assistance, will cut the railroad line at Kanchanaburi and hold there.
- b) Thai 1st Division located in Bangkok area will subdue Japanese there.
- c) Thai Sixth Regiment located at Nakorn Saworn will protect first class road extending to Tak.

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- d) Thai Regiment now stationed at Aranyapradet will form a line of resistance along the railroad from Aranyapradet to Prachinburi and will also block the railroad at Battambang.
- e) The Thai Seventh Division, with headquarters at Korat, and elements at Sakorn Nakorn, Ubon, and Korat will block lines of communication from French Indo-China on the northeast at Bassac, Savanaket, Thakek, and along the Mekong River.
- f) In the north, the Third Division, stationed at Kengtung, will protect the road from Burma leading from Taunggyi to Kengtung and by maintaining an advance position at Tokaw will guard the east side of the Salween River.
- g) The Thai Second and Fourth Divisions, now stationed in the area bounded by Chiengrai, Chiengmai, Sampang and Uttaradit will protect the road from Chiengmai to Chiengrai and the road from Chiengmai to Mehongsorn.

C) Duties of Thai Marines

The Thai Marines would be required to join forces with the two American regiments landing at Sattahib and proceed with them to Bangkok, where they would assist the Thai 1st Division in subduing the Japanese in the Bangkok area.

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D) Duties of Thai Military Police

The Military Police would have the duty of arresting any Thai Army, Navy, or Marine Officers who refuse to comply with the Regent's order to attack the Japanese upon the landing of American troops.

E) Duties of Thai Field Police

This organization would be required to maintain order among civilian Japanese and to perform guard duty in volatile areas.

F) Duties of Thai Navy

The Navy would assist in transportation of Army units from place to place, and to the extent possible, aid shore units with naval firepower.

G) Duties of Organized Underground

The underground would undertake to assist American troops in cutting the Japanese road at Singhorn passage, would be required to cut unassisted the new Japanese road from Tavoy to Ratburi, and would assist the Allied Armies in cutting the Bangkok-Moulmein Railroad at Kanchanaburi. In addition, the underground would perform acts of sabotage against the Japanese at all possible points. It would also assist OSS paratroopers in cutting the Bangkok-Singapore Railroad above and below Chumporn, and sabotaging the Kra Isthmus Railroad and road.

H) Supporting Requirements

- a) An offensive by China's Armies against Japanese divisions located just north of French Indo-China border would be:

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helpful.

- b) American landings at Vinh and Cam Ranh Bay, on the east coast of French Indo-China, would be able to control the two divisions of Japanese in that country.
- c) A British attack on the Mergui-Tavoy Coast, simultaneous with American landings in Thailand, would have the effect of surprise to the Japanese with thinly spread lines of resistance.
- d) OSS paratroopers should cut the railroad north and south of Chumporn and also block the Kra Isthmus Railroad, utilizing to the extent possible the organized underground.
- e) OSS paratroopers and/or British paramarines should occupy Don Muang air field, located 20 miles from Bangkok. This air field has runways long enough to accommodate B-29s.
- f) All lines of communication other than those to be used by Allied troops must be heavily bombed by Allied planes for several days preceding D-day.
- g) As of 30 January 1945, there were 29,620 white Allied prisoners of war held by the Japanese in Thailand. Most of these are concentrated in the Kanchanaburi district. Any plan for liberation of Thailand should contemplate the freeing of these prisoners, in order that they might assist the Armies in eliminating the Japanese.

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The Regent stated that the Thai portion of the plan will be put in action immediately upon landing of American troops by the Regent's acceptance of the present Premier's resignation (to which the Premier has already agreed), the formation of a new government around Thais who will land with Allied troops, declaration of war against Japan by the new government, and the ordering of all Thai armed forces to attack the Japanese. All of these acts would be in accord with the Thai constitution and would be legally valid in every respect.

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

22 February 1944

Miss Grace Tully
The White House
Washington, D. C.

Dear Grace:

Will you please hand the attached memorandum to the President. I think it will be of interest to him.

Thank you.

Sincerely,

Bib

William J. Donovan
Director

Attachments

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CIA Ltr 5/24/73 & JCS 6/14/73
By DBS Date JUL 2 1973

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

O.S.S. folder
5-45
file

22 February 1945

MEMORANDUM FOR THE PRESIDENT

In the event that the question should arise you might wish to know the assistance given by the British to the investigation and trial of espionage cases within the United States since the beginning of the war from January 1942 to February 1945.

This information has been submitted by the British at my request.

Donovan
William J. Donovan
Director

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By DBS Date JUL 2 1973

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20th February 1945

To date there have been 20 cases of espionage or sabotage in the U.S. which have been brought to trial. Of these 20 cases, 16 have already been brought to a successful conclusion, 1 case is currently being tried, and 3 await trial.

In 12 of these cases, the original tip-off that the individual was a German agent came from outside the U.S. from the British.

In 2 other cases, the agent was uncovered through agents who in turn had been uncovered by the British.

In 2 more cases, background information on the German Intelligence Organization controlling the agents was given by the British.

In only 4 cases was no assistance given by the British.

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By DBS Date JUL 2 1973

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20th February, 1945

<u>NAME</u>	<u>SENTENCED</u>
1. The DUQUESNE Case	2nd January, 1942
2. LUDWIG, Kurt Frederick	13th March, 1942
3. FREUNDT, Richard	1st September, 1942
4. The EIGHT SABOTEURS' Case	3rd August, 1942
5. BAHR, Hubert Karl Friedrich	2nd September, 1942
6. KROEGER, Johannes	17th December, 1942
7. LEHMITZ, Ernst Frederick	28th September, 1943
8. LANAS VALLECILLA, Robert	9th November, 1943
9. BUCHANAN-DINEEN, Grace BEHRENS, Therese	25th March, 1944
10. PURVIS, John da Silva	19th November, 1943
11. VEJARANO, Carlos	27th December, 1943
12. von RAUTER, William Albrecht	10th October, 1944
13. DICKINSON, Velvlee	14th August, 1944
14. OTHMER, Waldemar	31st July, 1944
15. STRIEPE, Adolf	Trial pending
16. BRACKX, Laurent Hendrikus Johannes	Trial pending
17. KOEDEL, Simon Emil KOEDEL, Marie Hedwig	March 1st, 1945
18. SUHL, Heinrich Ludwig	Trial pending

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CIA Ltr 5/24/83 # JCS 6/14/73

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<u>NAME</u>	<u>SENTENCED</u>
19. KREPPER, Carl Emil Ludwig	Trial current
20. COLEPAUGH, William Curtis GIMPEL, Erich	14th February, 1945

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E. O. 11652, Sec. 3(E) and 5(D) or (E)

CIA Ltr 5/24/73 JRS 6/14/73

By DBS

Date JUL 2 1973

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

23 February 1945

Miss Grace Tully
The White House
Washington, D. C.

Dear Grace:

I think the attached memorandum will be of interest to the President. Will you please see that it reaches his desk.

Thank you.

Sincerely,

W. J. Donovan

William J. Donovan
Director

Attachments

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

23 February 1945

MEMORANDUM FOR THE PRESIDENT

1. On 9 February 1945 there appeared in the Chicago "Tribune" and the Washington "Times Herald" articles headlined "New Deal Plans Super-Spy System" and "Donovan Proposes Super-Spy System for Post-War New Deal" (Appendix A), and on 11 February 1945 the same papers carried articles headlined "Army Submits Own Plans For Super-Spy Unit" and "Army, Navy Want Control of Spy Setup" (Appendix B).

2. A reading of these articles makes clear that the disclosure was no mere leak but a deliberate plan to sabotage any attempt at reorganization of this government's intelligence services.

3. The document reprinted in the 9 February articles was my letter of 18 November to you (with enclosure) as edited, mimeographed and distributed by the JCS. In the 11 February articles the document reproduced was the recommendation of the Joint Intelligence Committee of the JCS. Therefore, in both instances the security involved was that of the Joint Chiefs

of Staff organization. By Authority of CIA

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By SR Date NOV 20 1973

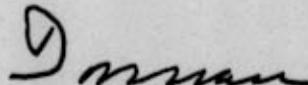
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4. The characterization of the plan as "Gestapo" is fully refuted by the specific provision in my paper that the organization have no police or law enforcement functions, either at home or abroad. Comment by other newspapers recognizes this and the need for the reorganization of intelligence services (Appendix C).

5. The entire situation is most disturbing because it looks like "an inside job" or at least, it was abetted by someone on the inside.

6. I attach a copy of my letter to the JCS urging that the matter be investigated by those who have the power to take testimony under oath (Appendix D).

7. You will note that the strong effort in the revised plan is to avoid the direct reporting of the Director of the Intelligence Agency to you.



William J. Donovan
Director

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New Deal Plans Super Spy

Chicago Daily Tribune Feb. 9, 1944

SLEUTHS WOULD SNOOP ON U.S. AND THE WORLD

Order Creating It Already Drafted.

BY WALTER TROHAN.
(Copyright, 1944, by The Chicago Tribune.)
Washington, D. C., Feb. 8.—Creation of an all powerful intelligence service to spy on the post-war world and to pry into the lives of citizens at home is under consideration by the New Deal.



THE TRIBUNE today secured exclusively a copy of an unpublished memorandum from Brig. Gen. William J. Donovan, director of the office of strategic services, which coordinates intelligence information, to President Roosevelt proposing to set up the super-spy agency. Donovan left the decision as to whether the unit should be created by legislative action or executive order up to the President.

Copy of Order Obtained.
THE TRIBUNE also obtained a copy of a secret suggested draft of an order setting up the general intelligence service, which would combine all existing federal police and intelligence units, including military intelligence, naval intelligence, the federal bureau of investigation, the secret bureau of investigation, the secret bureau of investigation, and the federal communications commission, which monitors all radio airways. The order gives the unit a wholesale grant of power.

Only 13 copies of the memorandum and draft order were made. Each was plastered with security injunctions. These went to such high officials as Adm. Leahy, chief of staff to the commander in chief; Gen. Marshall, chief of staff of the army; Adm. King, chief of naval operations; Secretary of State Stettin; Secretary of the Navy Forrestal, and Secretary of War Stimson.

Yank Rings Peep.
Obviously the purpose of the super-intelligence unit is to spy on America's neighbors through the world by the purpose of formulating a foreign policy and developing strategy. This stated purpose would indicate that neither Mr. Roosevelt nor Gen. Donovan expects the end of the war to usher in an era of perpetual peace.

Under the draft order the director of the super-spy unit would have tremendous power in being charged with gathering and sifting intelligence for the White House and all federal agencies. It would be possible, under the order, for him to determine American foreign policy by weeding out, withholding, or coloring information gathered at his discretion.

Altho the agency would be concerned primarily with foreign intelligence, and would have no police powers at home or abroad, the draft order would empower the spy chief to coordinate all intelligence agencies of the government, establish a general policy for them and

(Continued on page 16, column 1.)

NEW DEAL PLANS TO SPY ON WORLD AND HOME FOLKS

Super Gestapo Agency Is Under Consideration.

(Continued from first page.)

call upon them for any work or information. This would permit spying at home and employment of the police powers of existing agencies whenever needed.

Frankfurter in Picture.
The spy director could employ the facilities of such agencies and enjoin them from reporting to their superiors. Under this provision of the draft order the director might employ the FBI on some task and charge the G-men not to report to J. Edgar Hoover, their chief, or even Atty. Gen. Biddle.

In the high circles where the memorandum and draft order are circulating the proposed unit is known as "Frankfurter's Gestapo," because the sister of Supreme Court Justice Frankfurter is said to hold a confidential personnel post in the OSS. It is assumed she would pick key personnel at the suggestion of her brother for Donovan when, as he expects, he would be named spy chief. She is Miss Stella Frankfurter.

The unit would operate under an independent budget and presumably would have secret funds for spy work along the lines of bribing and luxury living described in the novels of E. Phillips Oppenheim.

Donovan's Memorandum.
The Donovan memorandum, secured by THE TRIBUNE, is dated Nov. 18, 1944, and reads as follows:
Secret Enclosure
18 November 1944.

Memorandum for the President.
Pursuant to your note of 11 October, 1944, I have given consideration to the organization of an intelligence service for the post-war period.

In the early days of the war when the demands upon intelligence services were mainly in and for military operations, the office of strategic services was placed under the direction of the joint chiefs of staff. Once our enemies are defeated the demand will be equally pressing for information that will aid us in solving the problems of peace.

This will require two things:
"1. That intelligence control be returned to the supervision of the President.

"2. The establishment of a central authority reporting directly to you, with responsibility to frame and coordinate the intelligence material required by the executive branch in planning and carrying out the national policy and strategy.

Deny Conflict in Authority.
"I attach in the form of a draft directive (appendix) the means by which I think this could be realized without difficulty or loss of opportunity.

You will note that coordination and centralization are placed at the policy level, but operational intelligence (that pertaining primarily to department action) remains within the existing agencies concerned. The creation of a central authority thus would not conflict with or limit necessary intelligence functions within the army, navy, department of state, or other agencies.

"In accordance with your wish, this is set up as a permanent long range plan. But you may want to consider whether this (or part of it) should be done now, by executive or legislative action. There are common sense reasons why you may desire to lay the keel of the ship at once.

Point to Economics.
"The immediate revision and coordination of our present intelligence system would effect substantial economies and aid in the more efficient and speedy termination of the war.

Information Important to the national defense, being gathered now by certain departments and agencies, is not being used to full advantage in the war. Coordination at the strategy level would prevent waste, and avoid the present confusion that leads to waste and unnecessary duplication.

"The in the midst of war, we are also in a period of transition which, before we are aware, will take us into the tumult of rehabilitation. An adequate and orderly intelligence system will contribute to informed decisions.

"We have now in the government the trained and specialized personnel needed for the task. This talent should not be dispersed."

Suggested F. D. R. Order.
The suggested order draft, sent to the White House by Donovan in an appendix to the memorandum, reads as follows:

"Substantive authority necessary in establishment of a central intelligence service

"In order to coordinate and centralize the policies and actions of the government relating to intelligence

System

1. There is established in the executive offices of the President a central intelligence service, to be known as the at the head of which shall be a director appointed by the President. The director shall discharge and perform his functions and duties under the direction and supervision of the President. Subject to the approval of the President, the director may exercise his powers, authorities, and duties thru such officials or agencies and in such manner as he may determine.

Advisory Board Provided.
"2. There is established in the an advisory board consisting of the secretary of state, the secretary of war, the secretary of the navy, and such other members as the President may subsequently appoint. The board shall advise and assist the director with respect to the formulation of basic policies and plans of the

"3. Subject to the direction and control of the President, and with any necessary advice and assistance from the other departments and agencies of the government, the ... shall perform the following functions and duties:

"(A) Coordination of the functions of all intelligence agencies of the government, and the establishment of such policies and objectives as will assure the integration of national intelligence efforts.

Collection of All Information.
"(B) Collection either directly or thru existing government departments and agencies, of pertinent information, including military, economic, political and scientific, concerning the capabilities, intentions, and activities of foreign nations, with particular reference to the effect such matters may have upon

the national security, policies, and interests of the United States.

"(C) Final evaluation, synthesis and dissemination within the government of the intelligence required to enable the government to determine policies with respect to national planning and security in peace and war, and the advancement of broad national policy;

"(D) Procurement, training and supervision of its intelligence personnel;

"(E) Subversive operations

"(F) Determination of
"For aid coordination of facilities essential to the collection of information under subparagraph 'B' hereof, and

"(G) Such other functions and duties relating to intelligence as the President from time to time may direct.

No Police Powers.
"4. The ... shall have no police or law enforcement functions, either at home or abroad.

"5. Subject to paragraph 3 hereof, existing intelligence agencies within the government shall collect, evaluate, synthesize, and disseminate departmental operating intelligence, herein defined as intelligence required by such agencies in the actual performance of their functions and duties.

12.733

Chicago Daily Tribune 2/9 cont

"6. The director shall be authorized to call upon departments and agencies of the government to furnish appropriate specialists for such supervisory and functional positions within the _____ as may be required.

"7. All government departments and agencies shall make available to the director such intelligence material as the director, with the approval of the President, from time to time may request.

Provides Separate Budget.

"8. The _____ shall operate under an independent budget.

"9. In time of war or unlimited national emergency, all programs of the _____ in areas of actual or projected military operations shall be coordinated with military plans and shall be subject to the approval of the joint chiefs of staff. Parts of such programs which are to be executed in a theater of military operations shall be subject to the control of the theater commander.

"10. Within the limits of such funds as may be made available to the . . . the director may employ necessary personnel and make provision for necessary supplies, facilities, and services. The director shall be assigned, upon the approval of the President, such military and naval personnel as may be required in the performance of the functions and duties of the . . . The director may provide for the internal organization and management of the . . . in such manner as he may determine."

[The blank spaces are for names of executives and agencies to be filled in later by the President.]

SEEK IDENTITY OF MAN FOUND DEAD.
Police sought the identity of a man about 50 years old who was found dead of natural causes yesterday at the rear of 118 N. Clark st.

Page E. Phillips Oppenheim:

Donovan Proposes Super Spy System for Postwar New Deal

Would Take Over FBI, Secret Service, ONI and G-2 to Watch Home, Abroad

By WALTER TROHAN

Creation of an all-powerful intelligence service to spy on the postwar world and to pry into the lives of citizens at home is under consideration by the New Deal.

The Washington Times-Herald and the Chicago Tribune yesterday secured exclusively a copy of a highly confidential and secret memorandum from Brig. Gen. William J. Donovan, director of the Office of Strategic Services, which co-ordinates intelligence information, to President Roosevelt proposing to set up the super-spy agency.

Wholesale Grant of Power

Donovan left the decision as to whether the unit should be created by legislative action or the Executive order up to the President.

Also obtained was a copy of an equally secret suggested draft of an order setting up the general

intelligence service, which would supersede all existing Federal police and intelligence units, including military intelligence, G-2, naval intelligence, ONI, the Federal Bureau of Investigation, the Secret Service, the Internal Revenue agents and the Federal Communications Commission, which monitors all radio airways. The order gives the unit a wholesale grant of power.

Spying at Home Indicated

Only 15 copies of the memorandum and draft order were made, each plastered with secrecy injunctions. These went to such high officials as Admiral Leahy,

(Turn to Page 2, Col. 2)

Donovan, in Secret Memorandum, Proposes Super Spy System for Postwar New Deal

Wants Intelligence Offices Under 1 Head

(Continued From First Page)

chief of staff to the Commander in Chief; General Marshall, chief of staff of the Army; Admiral King, chief of naval operations; Secretary of State Stettinius, Secretary of Navy Forrester and Secretary of War Stimson.

Ostensibly the purpose of the super-intelligence unit is to spy on good neighbors throughout the world for the purpose of formulating a foreign policy and developing strategy. This stated purpose would indicate that neither Mr. Roosevelt nor General Donovan expects the end of the war to usher in an era of perpetual peace.

Super Spies Would Have Tremendous Power

Under the draft order the director of the super-spy unit would have tremendous power in being charged with gathering and sifting intelligence for the White House and all Federal agencies. It is possible, under the order, for him to determine American foreign policy by weeding out, withholding or coloring information gathered at his direction.

Although the agency would be concerned primarily with foreign intelligence, and would have no police powers at home or abroad, the draft order would empower the spy chief to co-ordinate all intelligence agencies of the Government, establish a general policy for them and call upon them for any work or information. This would permit spying at home and employment of the police powers of existing agencies whenever needed.

The spy director could employ the facilities of such agencies and enjoin them from reporting to their superiors. Under this provision of the draft order the director might employ the FBI on some task and charge the G-men not to report to J. Edgar Hoover, their chief, or even Attorney General Biddle.

Confidentially Called 'Frankfurter's Gestapo'

In the high circles where the memorandum and draft order are circulating the proposed unit is known as "Frankfurter's Gestapo," because the sister of Supreme Court Justice Frankfurter is said to hold a confidential personnel post in OSS. It is assumed she would pick key personnel, at the suggestion of her brother, for Donovan when, as he expects, he would be named spy chief. She is Miss Stella Frankfurter.

co-ordination and centralization are placed at the policy level but operational intelligence (that pertaining primarily to department action) remains within the existing agencies concerned. The creation of a central authority thus would not conflict with or limit necessary intelligence functions within the Army, Navy, Department of State, or other agencies.

"In accordance with your wish, this is set up as a permanent long-range plan. But you may want to consider whether this (or part of it) should be done now, by executive or legislative action. There are common-sense reasons why you may desire to lay the keel of the ship at once.

"The immediate revision and co-ordination of our present intelligence system would effect substantial economies and aid in the more efficient and speedy termination of the war.

"Information important to the national defense, being gathered now by certain departments and agencies, is not being used to full advantage in the war. Co-ordination at the strategy level would prevent waste, and avoid the present confusion that leads to waste and unnecessary duplication.

"Though in the midst of war, we are also in a period of transition which, before we are aware, will take us into the tumult of rehabilitation. An adequate and orderly intelligence system will contribute to informed decisions.

"We have now in the Government the trained and specialized personnel needed for the task. This talent should not be dispersed."

Suggested Form For Drafting Order

The suggested order draft, sent to the White House by Donovan in an appendix to the memorandum, reads as follows:

"Substantive authority necessary in establishment of a central intelligence service:

"In order to co-ordinate and centralize the policies and actions of the Government relating to intelligence:

"The blank spaces are for names of executives and agencies to be filled in later by the President.

"1. There is established in the executive offices of the President a central intelligence service, to be known as the _____, at the head of which shall be a director appointed by the President. The director shall discharge and perform his functions and duties under the direction and supervision of the President. Subject to the approval of the President, the director may exercise his powers, authorities and duties through such officials or agencies and in such manner as he may deter-

Vast Plan Outlined In Report to President

and the advancement of broad national policy;

"(d) Procurement, training and supervision of its intelligence personnel;

"(e) Subversive operations abroad;

"(f) Determination of policies for and co-ordination of facilities essential to the collection of information under subparagraph 'B' hereof, and

'Such Other Functions As President May Order'

"(g) Such other functions and duties relating to intelligence as the President from time to time may direct.

"4. The . . . shall have no police or law-enforcement functions, either at home or abroad.

"5. Subject to Paragraph 3 hereof, existing intelligence agencies within the Government shall collect, evaluate, synthesize and disseminate departmental operating intelligence, herein defined as intelligence required by such agencies in the actual performance of their functions and duties.

"6. The director shall be authorized to call upon departments and agencies of the Government to furnish appropriate specialists for such supervisory and functional positions within the . . . as may be required."

Goes Under Military In Time of War

"7. All Government departments and agencies shall make available to the director such intelligence material as the director, with the approval of the President, from time to time may request.

"8. The . . . shall operate under an independent budget.

"9. In time of war or unlimited national emergency, all programs of the . . . in areas of actual or projected military operations shall be co-ordinated with military plans and shall be subject to the approval of the joint chiefs of staff.

"10. Within the limits of such funds as may be made available to the . . . the director may employ necessary personnel and make provision for necessary supplies, facilities and services. The director shall be assigned, upon the approval of the President, such military and naval personnel as may be required in the performance of the functions and duties of the . . . The director may provide for the internal organization and management of the . . . in such manner as he may determine."

Donovan
sent to
President
10/15

the spy chief to co-ordinate all intelligence agencies of the Government, establish a general policy for them and call upon them for any work or information. This would permit spying at home and employment of the police powers of existing agencies whenever needed.

The spy director could employ the facilities of such agencies and enjoin them from reporting to their superiors. Under this provision of the draft order the director might employ the FBI on some task and charge the G-men not to report to J. Edgar Hoover, their chief, or even Attorney General Riddle.

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In the high circles where the memorandum and draft order are circulating the proposed unit is known as "Frankfurter's Gestapo," because the sister of Supreme Court Justice Frankfurter is said to hold a confidential personnel post in OSS. It is assumed she would pick key personnel, at the suggestion of her brother, for Donovan when, as he expects, he would be named spy chief. She is Miss Stella Frankfurter.

The unit would operate under an independent budget and presumably have secret funds for spy work along the lines of bribing and luxury living described in the novels of E. Phillips Oppenheim.

The secret Donovan memorandum is dated November 14, 1944, and reads as follows:

"Secret

"Enclosure

"18 November 1944.

"Memorandum for the President.

"Pursuant to your note of 31 October, 1944, I have given consideration to the organization of an intelligence service for the postwar period.

"In the early days of the war, when the demands upon intelligence services were mainly in aid for military operations, the Office of Strategic Services was placed under the direction of the joint chiefs of staff. When our enemies are defeated the demand will be equally pressing for information that will aid us in solving the problems of peace.

'Set Up As Permanent Long-Range Plan'

"This will require two things:

"1. That intelligence control be returned to the supervision of the President.

"2. The establishment of a central authority reporting directly to you, with responsibility to frame intelligence objectives and to collect and co-ordinate the intelligence material required by the executive branch in planning and carrying out the national policy and strategy.

"I attach in the form of a draft directive (appendix) the means by which I think this could be realized without difficulty or loss of time. You will note that

Suggested Form For Drafting Order

The suggested order draft, sent to the White House by Donovan in an appendix to the memorandum, reads as follows:

"Substantive authority necessary in establishment of a central intelligence service:

"In order to co-ordinate and centralize the policies and actions of the Government relating to intelligence:

[The blank spaces are for names of executives and agencies to be filled in later by the President].

"1. There is established in the executive offices of the President a central intelligence service, to be known as the _____, at the head of which shall be a director appointed by the President. The director shall discharge and perform his functions and duties under the direction and supervision of the President. Subject to the approval of the President, the director may exercise his powers, authorities and duties through such officials or agencies and in such manner as he may determine.

"2. There is established in the _____ an advisory board consisting of the Secretary of State, the Secretary of War, the Secretary of the Navy, and such other members as the President may subsequently appoint. The board shall advise and assist the director with respect to the formulation of basic policies and plans of the _____.

"3. Subject to the direction and control of the President, and with any necessary advice and assistance from the other departments and agencies of the Government, the _____ shall perform the following functions and duties:

Provides for Training, Supervision of 'Spies'

"(a) Co-ordination of the functions of all intelligence agencies of the Government, and the establishment of such policies and objectives as will assure the integration of national intelligence efforts;

"(b) Collection either directly or through existing Government departments and agencies, of pertinent information, including military, economic, political and scientific, concerning the capabilities, intentions and activities of foreign nations, with particular reference to the effect such matters may have upon the national security, policies and interests of the United States;

"(c) Final evaluation, synthesis and dissemination within the Government of the intelligence required to enable the Government to determine policies with respect to national planning and security in peace and war.

Goes Under Military In Time of War

"7. All Government departments and agencies shall make available to the director such intelligence material as the director, with the approval of the President, from time to time may request.

"8. The _____ shall operate under an independent budget.

"9. In time of war or unlimited national emergency, all programs of the _____ in areas of actual or projected military operations shall be co-ordinated with military plans and shall be subject to the approval of the joint chiefs of staff.

"10. Within the limits of such funds as may be made available to the _____, the director may employ necessary personnel and make provision for necessary supplies, facilities and services. The director shall be assigned, upon the approval of the President, such military and naval personnel as may be required in the performance of the functions and duties of the _____. The director may provide for the internal organization and management of the _____ in such manner as he may determine."

Army, Navy Want Control Of 'Spy' Setup

Generals, Admirals
Declare War on OSS

By WALTER TROHAN

A pitched battle for control of the super-intelligence agency the New Deal is projecting to spy on the postwar world and the postwar home front has developed between the high command of the Army and Navy and the Office of Strategic Services, The Chicago Tribune and Times-Herald learned exclusively yesterday.

The joint chiefs of staff, United States, which is composed of the five-star generals and admirals in Washington, have declared war on Brig. Gen. William J. Donovan, OSS director, who advanced a scheme, at the behest of President Roosevelt, for unification of intelligence activities abroad and superseding existing intelligence agencies at home.

No Quarrel With Objective

The membership of the joint chiefs of staff is composed of Admiral Leahy, chief of staff to the commander in chief; General Marshall, chief of staff of the Army; Admiral King, commander in chief of the United States Fleet and chief of naval operations, and General Arnold, chief of the Army Air Forces.

The Army and Navy officers have no quarrel with the objectives of the Donovan plan, which was assailed by members of Congress as a Gestapo program, but vigorously dispute its control. They are fighting for co-ordination of intelligence activities, under tight control of the Army and Navy, with the State Department and the White House in subordinate roles.

The Times-Herald and the Chicago Tribune secured a copy of a highly secret letter from the generals and admirals to the President urging rejection of the plan. Also obtained was a copy of the substitute program, offered by the officers, which would give the super-spy agency an almost unlimited grant of powers subject to constant supervision by a board of four on which the Army and Navy would have three votes.

Released by Papers Friday

The Donovan plan, contained in a memorandum to the President and an appended suggested order, was released exclusively by the Chicago Tribune and Times-Herald Friday morning. In the memo-

Army, Navy Want Control Of New Deal Postwar Spy Plan

Joint Chiefs of Staff Declare War
On Office of Strategic Services Head

(Continued From First Page)

aid because they are concerned with postwar plans, which may be submitted to Congress or released through presidential directive, and do not come under security restrictions imposed on war activities.

The military leaders expressed themselves in favor of the unification of intelligence activities proposed by Donovan, but against the grant to his proposed agency of power to supersede operation of existing intelligence agencies without responsibility to the heads of such agencies.

Existing intelligence agencies include the Army, Navy, Diplomatic Service, FBI, Secret Service, Internal Revenue agents and world-wide radio monitoring system of the Federal Communications Commission.

The generals would create a national intelligence authority composed of the secretaries of State, War and Navy and representatives of the joint chiefs of staff. This authority would create a central intelligence agency to be headed by a director. Under this arrangement the Army and Navy would have three votes to one against the State Department in naming a director.

Draft Makes Director Responsible to Board

The draft provides that the President shall appoint or remove the director at the recommendation of the National Intelligence Authority, which would put the Chief Executive in a passive role and leave the hiring and firing up to the authority.

It is provided that the director shall be responsible to the board and not to the President as was contemplated under the Donovan plan.

The director would be advised by a board consisting of the heads of the principal military and civilian intelligence agencies. The draft provides that director shall perform such functions as the authority may direct, which would leave the unit to operate as the four members of the authority directed at home and abroad.

It is provided that present agencies shall continue their functions, but the central intelligence agency is empowered to inspect the reports and operations of the other agencies.

Grant Unlimited Policing Authority

The agency would be given an unlimited police power. The draft states that the agency shall have no police or law enforcement functions. However, neither the President nor Congress could give the unit such functions abroad and for such functions at home the unit could operate through existing police agencies. The generals and admirals proposed an independent budget for the super in-

development and co-ordination of intelligence activities related to the national security:

1. A national intelligence authority composed of the Secretaries of State, War, and the Navy, and a representative of the joint chiefs of staff, is hereby established and charged with responsibility for such overall intelligence planning and development, and such inspection and co-ordination of all Federal intelligence activities, as to assure the most effective accomplishment of the intelligence mission related to the national security.

Shall Establish Central Agency

2. To assist it in that task the national intelligence authority shall establish a central intelligence agency headed by a director who shall be appointed or removed by the President on the recommendation of the national intelligence authority. The director shall be responsible to the national intelligence authority and shall sit as a non-voting member thereof.

3. The director shall be advised by a board consisting of the heads of the principal military and civilian intelligence agencies having functions related to the national security, as determined by the national intelligence authority.

4. Subject to the direction and control of the national intelligence authority, the central intelligence agency shall:

A. Accomplish the synthesis of departmental intelligence relating to the national security and the appropriate dissemination within the Government of the resulting strategic and national policy intelligence.

Co-ordination of All Activities Stressed

B. Plan for the co-ordination of the activities of all intelligence agencies of the Government having functions related to the national security, and recommend to the national intelligence authority the establishment of such over-all policies and objectives as will assure the most effective accomplishment of the national intelligence mission.

C. Perform, for the benefit of departmental intelligence agencies, such services of common concern as the National Intelligence Authority determines can be more efficiently accomplished by a common agency, including the direct procurement of intelligence.

D. Perform such other functions and duties related to intelligence as the National Intelligence Authority may from time to time direct.

and navy, with the State Department and the White House in subordinate roles.

The Times-Herald and the Chicago Tribune secured a copy of a highly secret letter from the generals and admirals to the President urging rejection of the plan. Also obtained was a copy of the substitute program, offered by the officers, which would give the super-spy agency an almost unlimited grant of powers subject to constant supervision by a board of four on which the Army and Navy would have three votes.

Released by Papers Friday

The Donovan plan, contained in a memorandum to the President and an appended suggested order, was released exclusively by the Chicago Tribune and Times-Herald Friday morning. In the memorandum Donovan said the plan, which was pointed toward his directing all intelligence, was drawn at the suggestion of the President.

All the documents secured were stamped with secrecy injunctions. A handful of copies went to top military leaders and Cabinet members of the White House. They were and are published by the Chicago Tribune and the Times-Her-

(Turn to Page A-6, Col. 1)

ald provides that director shall perform such functions as the authority may direct, which would leave the unit to operate as the four members of the authority directed at home and abroad.

It is provided that present agencies shall continue their functions, but the central intelligence agency is empowered to inspect the reports and operations of the other agencies.

Grant Unlimited Policing Authority

The agency would be given an unlimited police power. The draft states that the agency shall have no police or law enforcement functions. However, neither the President nor Congress could give the unit such functions abroad and for such functions at home the unit could operate through existing police agencies. The generals and admirals proposed an independent budget for the super intelligence agency.

The joint chiefs of staff letter to the President follows:

APPENDIX DRAFT

Letter to the President

The memorandum of the Director of Strategic Services, dated 18 November, 1944, on the establishment of a central intelligence service was referred to the joint chiefs of staff for comment and recommendation. The matter has received careful study and consideration.

The joint chiefs of staff recognize, as does the Director of Strategic Services, the desirability of (A) further co-ordination of intelligence activities related to the national security; (B) the unification of such activities of common concern as can be more efficiently conducted by a common agency, and (C) the synthesis of departmental intelligence on the strategic and national policy level.

They consider that these three functions may well be more effectively carried on in a common intelligence agency, provided that suitable conditions of responsibility to the departments primarily concerned with national security are maintained. They believe, however, that the specific proposal to these ends made by the Director of Strategic Services in the appendix to the subject memorandum is open to objections.

Notably, the language used would appear to grant to the proposed agency power to control the operations of department intelligence agencies without responsibility to the heads of the departments concerned, thus violating the integrity of the chain of command. Consequently, the joint chiefs of staff cannot recommend the adoption of the draft directive of the Director of Strategic Services.

Recommends Early Directive Issuance

The joint chiefs of staff append hereto (annex) an alternative draft which, they believe, retains the merits of the director's proposals while obviating the objections thereto. They recommend early issuance of the appended draft directive.

ANNEX DRAFT

Directive regarding the co-ordination of intelligence activities.

In order to provide for the

Activities Stressed

B. Plan for the co-ordination of the activities of all intelligence agencies of the Government having functions related to the national security, and recommend to the national intelligence authority the establishment of such over-all policies and objectives as will assure the most effective accomplishment of the national intelligence mission.

C. Perform, for the benefit of departmental intelligence agencies, such services of common concern as the National Intelligence Authority determines can be more efficiently accomplished by a common agency, including the direct Procurement of Intelligence.

D. Perform such other functions and duties related to intelligence as the National Intelligence Authority may from time to time direct.

3. The Central Intelligence Agency shall have no police or law-enforcement functions.

Shall Continue

To Collect, Evaluate

6. Subject to co-ordination by the National Intelligence Authority, the existing intelligence agencies of the Government shall continue to collect, evaluate, synthesize and disseminate departmental operating intelligence, herein defined as that intelligence required by the several departments and independent agencies for the performance of their proper functions.

Such departmental operating intelligence as designated by the National Intelligence Authority shall be freely available to the Central Intelligence Agency for synthesis. As approved by the National Intelligence Authority, the operations of the departmental intelligence agencies shall be open to inspection by the Central Intelligence Agency in connection with its planning function.

7. The National Intelligence Authority shall have an independent budget upon which the central intelligence agency shall be dependent for budgetary support. The National Intelligence Authority budget shall also be available for other intelligence activities as the National Intelligence Authority may direct.

May Employ All

Necessary Personnel

Within the limits of the funds made available to him the director may employ necessary personnel and make provision for necessary supplies, facilities and services. With the approval of the National Intelligence Authority, he may call upon departments and independent agencies to furnish such specialists as may be required for supervisory and functional positions in the central intelligence agency, including the assignment of military and naval personnel.

Although these documents and those submitted to the White House by General Donovan were made available to the Chicago Tribune, they were never officially in possession of the newspaper. They were copied by its representative on paper belonging to the Tribune.

ARMY SUBMITS OWN PLANS FOR SUPER-SPY UNIT

Opposes Control by Donovan Agency.

BY WALTER TROHAN.

(Chicago Tribune Staff Service.)

Washington, D. C., Feb. 10.—A pitched battle for control of the super-intelligence agency which the New Deal is projecting to spy on the post-war world and the post-war home front has developed between the high command of the army and navy on one hand and the office of strategic services on the other, THE TRIBUNE learned exclusively today.

The joint chiefs of staff, United States, which is composed of the five star generals and admirals in Washington, have declared war on Brig. Gen. William J. Donovan, OSS director, who advanced a scheme at the behest of President Roosevelt to unify intelligence activities abroad and to supersede existing intelligence agencies at home.

The membership of the joint chiefs of staff is composed of Adm. Leahy, chief of staff of the com-



Adm. Leahy.



Adm. King (left), Gen. Arnold (center), and Gen. Marshall.

mander in chief, Gen. Marshall, chief of the staff of the army; Adm. King, commander in chief of the United States fleet and chief of naval operations, and Gen. Arnold, chief of the army air forces.

Dispute Control.

The army and navy officers have no quarrel with the objectives of the Donovan plan, which was assailed by members of congress as a Gestapo program, but vigorously dispute its control. They are fighting for coordination of intelligence activities under tight control of the army and navy, with the state department and the White House to

ARMY SUBMITS OWN PLANS FOR SUPER-SPY UNIT

Battles OSS for Control of Agency.

(Continued from first page.)

and cabinet members. They were stamped with secrecy injunctions, although they are concerned with post-war plans and do not come under security restrictions imposed on war activities.

The military leaders expressed themselves in favor of the unification of intelligence activities proposed by Donovan but against the grant to his agency of power to supersede operation of existing intelligence agencies without responsibility to the heads of such agencies. Existing intelligence agencies include the army, navy, diplomatic service, FBI, secret service, internal revenue agents, and the world-wide radio monitoring system of the federal communications commission.

The generals would create a national intelligence authority composed of the secretaries of state, war, and navy and a representative of the joint chiefs of staff. This authority would create a central intelligence agency to be headed by a director. Under this arrangement the army and navy would have three votes to one against the state department in naming a director.

President in Passive Role.
The draft provides that the President shall appoint or remove the director at the recommendation of the national intelligence authority, which would put the chief executive in a passive role and leave the hiring and firing up to the authority. It is provided that the director shall be responsible to the board and not to the President, as was contemplated under the Donovan plan.

The director would be advised by a board consisting of the heads of the principal military and civilian intelligence agencies.

The draft states that the agency shall have no police or law enforcement functions. Neither the President nor congress, however, could give the unit such functions abroad, and for such functions at home the unit could operate thru existing police agencies. The generals and admirals proposed an independent budget for the superintelligence agency.

Letter to F. D. R.

The joint chiefs of staff letter to the President follows:

APPENDIX DRAFT.

"The recommendations of the director of strategic services, dated 10

merits of the director's proposals while obviating the objections therein. They recommend early issuance of the appended draft directive."

ANNEX DRAFT.

Directive regarding the coordination of intelligence activities.

"In order to provide for the development and coordination of intelligence activities related to the national security:

"1. A national intelligence authority composed of the secretaries of state, war, and the navy, and a representative of the joint chiefs of staff, is hereby established and charged with responsibility for such over-all intelligence planning and development, and such inspection and coordination of all federal intelligence activities, as to assure the most effective accomplishment of the intelligence mission related to the national security.

Authority Controls Director.

"1. To assist it in that task the national intelligence authority shall

establish a central intelligence agency headed by a director who shall be appointed or removed by the President on the recommendation of the national intelligence authority. The director shall be responsible to the national intelligence authority and shall sit as a nonvoting member thereof.

"2. The director shall be advised by a board consisting of the heads of the principal military and civilian intelligence agencies having functions related to the national security, as determined by the national intelligence authority.

"3. Subject to the direction and control of the national intelligence authority, the central intelligence agency shall:

"(a) Accomplish the synthesis of departmental intelligence relating to the national security and the appropriate dissemination within the government of the resulting strategic and national policy intelligence.

Coordinating Agencies.

"(b) Plan for the coordination of the activities of all intelligence agencies of the government having functions related to the national security, and recommend to the national intelligence authority the establishment of such over-all policies and objectives as will assure the most effective accomplishment of the national intelligence mission.

"(c) Perform, for the benefit of departmental intelligence agencies, such services of common concern as the national intelligence authority determines can be more efficiently accomplished by a common agency, including the direct procurement of intelligence.

"(d) Perform such other functions and duties related to intelligence as the national intelligence authority may from time to time direct.

"4. The central intelligence agency shall have no police or law enforcement functions.

Existing Agencies Continue.

"5. Subject to coordination by the national intelligence authority, the existing intelligence agencies of the government shall continue to collect, evaluate, synthesize, and disseminate departmental operating intelligence, herein defined as that

intelligence required by the several departments and independent agencies for the performance of their proper functions. Such departmental operating intelligence as designated by the national intelligence authority shall be freely available to the central intelligence agency for synthesis. As approved by the national intelligence authority, the operations of the departmental intelligence agencies shall be open to inspection by the central intelligence agency in connection with its planning function.

"6. The national intelligence authority shall have an independent budget upon which the central intelligence agency shall be dependent for budgetary support. The national intelligence authority budget shall also be available for other intelligence activities as the national intelligence authority may direct. Within the limits of the funds made available to him the director may employ necessary personnel and make provision for necessary supplies, facilities and services. With

the approval of the intelligence agencies upon request as may be required and functional intelligence personnel."

Altogether submitted to Gen. Donovan to THE TRIBUNE in a paper. The representative to THE TRIBUNE

The draft provides that the President shall appoint or remove the director at the recommendation of the national intelligence authority, which would put the chief executive in a passive role and leave the hiring and firing up to the authority. It is provided that the director shall be responsible to the board and not to the President, as was contemplated under the Donovan plan.



Adm. King (left), Gen. Arnold (center), and Gen. Marshall.

commander in chief; Gen. Marshall, chief of the staff of the army; Adm. King, commander in chief of the United States fleet and chief of naval operations, and Gen. Arnold, chief of the army air forces.

Dispute Control.

The army and navy officers have no quarrel with the objectives of the Donovan plan, which was assailed by members of congress as a Gestapo program, but vigorously dispute its control. They are fighting for coordination of intelligence activities under tight control of the army and navy, with the state department and the White House in subordinate roles.

THE TRIMBUNK obtained a copy of the letter from the generals and admirals to the President urging rejection of the plan.

Also obtained was a copy of the substitute program offered by the officers, which would give the spy agency an almost unlimited grant of powers subject to constant supervision by a board of four on which the army and navy would have three votes.

The Donovan plan, outlined in a memorandum to the President and an appended suggested order, was made public exclusively by THE TRIMBUNK Friday morning. In the memorandum Donovan said the plan, which was pointed toward his directing all intelligence, was drawn at the suggestion of the President.

Stamped with Secrecy.

A handful of copies of the documents went to top military leaders

[Continued on page 12, column 2.]

President in Passive Role. 4

The draft provides that the President shall appoint or remove the director at the recommendation of the national intelligence authority, which would put the chief executive in a passive role and leave the hiring and firing up to the authority. It is provided that the director shall be responsible to the board and not to the President, as was contemplated under the Donovan plan.

The director would be advised by a board consisting of the heads of the principal military and civilian intelligence agencies. The draft states that the agency shall have no police or law enforcement functions. Neither the President nor congress, however, could give the unit such functions abroad, and for such functions at home the unit could operate thru existing police agencies. The generals and admirals proposed an independent budget for the superintelligence agency.

Letter to F. D. R.

The joint chiefs of staff letter to the President follows:

APPENDIX DRAFT.

"The memorandum of the director of strategic services, dated 18 November 1944, on the establishment of a central intelligence service was referred to the joint chiefs of staff for comment and recommendation. The matter has received careful study and consideration.

"The joint chiefs of staff recognize, as does the director of strategic services, the desirability of (a) further coordination of intelligence activities related to the national security; (b) the unification of such activities of common concern as can be more efficiently conducted by a common agency, and (c) the synthesis of departmental intelligence on the strategic and national policy level.

[Synthesis: Combination of parts to form a whole.]

"They consider that these three functions may well be more effectively carried on in a common intelligence agency, provided that suitable conditions of responsibility to the departments primarily concerned with national security are maintained. They believe, however, that the specific proposal to these ends made by the director of strategic services in the appendix to the subject memorandum is open to objections.

Submit Substitute.

"Notably, the language used would appear to grant to the proposed agency power to control the operations of department intelligence agencies without responsibility to the heads of the departments concerned, thus violating the integrity of the chain of command. Consequently, the joint chiefs of staff cannot recommend the adoption of the draft directive of the director of strategic services.

"The joint chiefs of staff append hereto (annex) an alternative draft which, they believe, retains the

* 2 To assist it in that task the national intelligence authority shall nominate departmental operating intelligence, herein defined as that

URGE CENTRAL UNIT FOR INTELLIGENCE

Backers of Donovan Proposal, Drawn for President, Stress Coordination in Peacetime

WASHINGTON, Feb. 9 (AP)—A plan to set up a central agency to coordinate all United States intelligence activities—military and otherwise—is under study by President Roosevelt, Cabinet members and military officials. The service would operate directly under the President and would function mainly as a post-war agency.

Major Gen. William J. Donovan, director of the Office of Strategic Services, drew up the outline at Mr. Roosevelt's request. His plan is designed to achieve more efficiency in the now widely scattered intelligence activities of the Army, Navy, State and Commerce Departments, Federal Bureau of Investigation, Secret Service, Internal Revenue agents and Federal Communications Commission.

Proponents said the plan would eliminate duplication. Each agency would continue to pursue its own intelligence operations without interference from the centralized service, but information gathered by them would be pooled automatically and analyzed for the benefit of each.

Under present arrangements, if one agency is interested in information obtained by another it must request it. Sometimes an agency is not aware of information possessed by another and gathers its own.

Advocates of the plan said it would be stipulated that the service should have no police or law-enforcement functions, either here or abroad. They asserted that this provision would prevent it from becoming a coercive organization. In fact, they added, the service would not undertake activities beyond those already performed by the separate services, departments and agencies.

Congressional reaction was mixed. Senator Edwin C. Johnson, Democrat of Colorado, endorsed it as a move that would "stop aggression cold at the very outset." Representative Clare Hoffman, Republican of Michigan, said it was another Roosevelt move "along the Hitler line—to centralize power in Washington."

General Donovan's proposal contemplates that the agency may be created now by executive order under the War Powers Act, and has tentatively drawn up such an order. However, one of the major considerations is the permanent establishment of the agency during the peace years to serve national policy.

The President, therefore, might find it expedient to ask Congress to pass enabling legislation. His war powers expire six months after peace is established. In any event, Congressional approval would be needed for very large appropriations.

suggested executive order would call for establishment of a service in the President's office, under a director appointed by the President. It would participate in formulating basic policies and plans and coordination and analysis of the combined intelligence efforts would give the President a complete picture on the basis of which he and his Cabinet members could formulate policy.

During the peace years, United States military intelligence was obtained from other countries on an exchange basis. The United States did not engage in espionage or undercover operations. Under General Donovan's proposal, watchfulness against countries which arouse future suspicion could be undertaken in line with policies formulated by the service and its advisory board, which would be the Secretaries of State, War and Navy.

10 Feb 1945
N.Y. Herald Tribune
Roosevelt Plans Post-War Global Secret Service

Donovan Maps New Agency to Keep U. S. Alert to Threat of a New War

By Carl Levin

WASHINGTON, Feb. 9.—President Roosevelt was disclosed today to have on his desk at the White House the draft of a directive for establishment of a world-encompassing central intelligence service to serve after this war as the eyes and ears of the United States in collecting military, economic, political and scientific information reflecting the intentions and capabilities of other nations to make war.

The proposed directive, it was learned, was prepared by Major General William J. Donovan, Director of the Office of Strategic Services, which during the war is charged with co-ordination of intelligence information. It was drawn up at the specific request of the President, who last Oct. 31 asked General Donovan, in private a New York attorney, to give consideration to establishment of such an organization for the post-war period.

During the period between the World War and the present war, when Germany and Japan were secretly building their mighty war machines, the United States had no such intelligence system. It had to depend entirely on the usually restricted observations of its military attaches.

Although no one in authority
Continued on page 4, column 2

Roosevelt Plans

(Continued from page one)

would comment today on the intelligence system now being planned to fill that void. It was learned that the President is determined that the United States in the future shall not be ignorant of threats to its own and to world security.

At the same time, the President is said to be anxious to prevent any misconception of the project, which, according to the wording of the proposed directive, "shall have no police or law-enforcement functions either at home or abroad."

It was just such a misconception that resulted today in disclosure of the secret memorandum on the subject to the President, The McCormick-Patterson press, obtaining the secret documents, reported that "creation of an all-powerful intelligence service to spy on the post-war world and to pry into the lives of citizens at home is under consideration by the New Deal." The headline on the story in "The Washington Times Herald" proclaimed: "New Deal Gestapo Proposed."

The planning for the proposed agency was not in New Deal hands but in the hands exclusively of General Donovan, who, like Henry L. Stimson, Secretary of War, and the late Frank Knox, Secretary of the Navy, was a nationally known Republican when President Roosevelt appointed him to a key war post.

The secret memorandum to the President informed him that in accord with his wish the proposed organization was "set up as a permanent long-range plan." It said that he might wish to consider whether the central intelligence service, or part of it, should be established now, by executive or legislative action. "There are common-sense reasons," General Donovan wrote, "why you may desire to lay the keel of the ship at once."

"You will note," he said, "that co-ordination and centralization are placed at the policy level, but operational intelligence (that pertaining primarily to department action) remains within the exist-

ing agencies concerned. The creation of a central authority thus would not conflict with or limit necessary intelligence functions within the Army, Navy, Department of State or other agencies."

As outlined by the general, the central service would have a director and an advisory board which would advise and assist the director with respect to formulation of basic policies and plans of the service. The board would consist of the Secretary of State, the Secretary of War, the Secretary of the Navy and such other members as the President might appoint.

Two provisions of the proposed directive considered significant here are that the service would operate on an independent budget and that in time of war or unlimited national emergency all programs of the organization in areas of actual or projected military operations would be co-ordinated with military plans and would be subject to approval of the joint chiefs of staff, as the Office of Strategic Services is now.

The first of these latter provisions is taken here as assuring Congress an opportunity to pass upon and review the work of the organization even though it might be set up by executive directive rather than legislative action. This would be the case, because Congress would have to appropriate funds for an independent budget for the service and could kill it off by lack of appropriation if it chose.

The provision that the organization would go under the joint chiefs of staff in time of war would appear to assure that it would not become a super-agency which would outrank the military in time of war as the Gestapo does in Nazi Germany.

DONOVAN UPHELD ON PEACE SPY PLAN

Comparison of Proposal for
Intelligence Service to the
'Gestapo' is Denounced

Special to The New York Times.

WASHINGTON, Feb. 12.—Comparing the proposal of Maj. Gen. William J. Donovan, director of the Office of Strategic Services, for information of a strategic authority to coordinate United States intelligence services in peacetime to the organizing of an "American Gestapo" was received with surprise and not a little disapprobation in informed circles today.

It was pointed out that such a conclusion is refuted in General Donovan's memorandum to the President and has aroused discussion which can only create an impression of a glaring national weakness in respect to dealings with enemy countries. They could take this as notice that they were licensed to proceed with subversive activities unhampered by any vigilance on our part.

General Donovan's proposal, it was said, provides for an organization essentially unlike the terrorist character of a Gestapo, because its personnel would be without police authority over United States citizens and would operate only from the point of view of information and interpretation.

Agency for Inquisition is Scouted

The inference that such an organization could be turned into an agency for intimidation or inquisition over the American public is declared to be denied by the fact that the aim of the proposed intelligence system is to analyze and utilize to best advantage the floods of information already being collected by existing intelligence services of the Army, Navy, State Department and the Treasury.

Its purpose is to supplement this information by action of trained specialists whose services have been found essential in wartime, and whose absence in peace would place the United States at a disadvantage at a time when this country would be virtually making its debut in intelligent participation in world affairs.

Control of this organization is vested with Congress. Congress could therefore prevent its being turned into an agency for terrorism by limiting its appropriation.

One Source of Opposition

One possible source for opposition to the proposal might be, it is believed, in possible competition among government services for control and direction of its opera-

tions. But unless a superior authority is imposed, with powers to estimate, coordinate and draw conclusions affecting policy from all available information, the situation which prevailed before the war whereby each service kept its documents to itself would be perpetuated.

The OSS is expected to be dissolved at the end of the war, and nearly all government departments are said to be agreed on the need for a higher level service, which would coordinate intelligence, make use of the information obtained in framing policies, and assure exchange of information.

The system of intelligence abroad in war had to be organized under the military supervision, but in peacetime the military or diplomatic services could not engage in the required activities. Much supplemental work would have to be done by agents who could report on activities abroad which might be harmful to the United States.

The Gestapo, it is pointed out, is made up of active policemen, armed and directed to operate by force. In the proposal made by General Donovan to President Roosevelt the personnel would be trained observers and would include men wholly removed from the policing realm and fitted for the guiding of our policy.

Failure to support the proposal, it is held, would lay open the country to grave dangers from without.

Donovan's Plan

A good deal of whatever unfavorable reaction there was on Capitol Hill to the plan for a central intelligence service may be traced to headline reading. The plan should be read as a whole. It should be reviewed in the light of what in this war intelligence has actually accomplished. It should be pondered with the aid of a little exercise of the imagination on what a better intelligence service might have accomplished. This is important. For the basic assurance of our national security in time to come is the absorption of the lessons of the last four years. And the greatest lesson is that national security depends upon knowledge of what is going on in the world, not appraised merely as a fact-finding or informational job, but synthesized by brains at the elbow of the policy-makers.

As to the plan itself, it is said to be the product of General Donovan, head of the Office of Strategic Services. Donovan is one of the trail blazers in our war organization. Before the war, in studies on the spot of 'tween war campaigns, he was impressed by the lamentable showing of intelligence services. Only the German had a rating on a par with the advancement in new war techniques. Accordingly, when this war broke out, he organized the group now known as the OSS, which functions under the Joint Chiefs of Staff. It is a kind of brain trust for the men charged with making decisions based upon exact knowledge of all the detailed elements in hitherto unknown situations.

The proposed central intelligence service does not call for the absorption of existing intelligence agencies, either civilian, like the Federal Bureau of Investigation, or military, like G2 of the Army and the Office of Naval Intelligence. It would simply use their product, and evaluate it. It would be put in position to call for the interchange of the data they possess and collect. It would be responsible for policy directives. It would channel the "dope" to the Executive for the formulation of national and international policy. More than the saving of the present system from a postwar break-up is envisaged, more than transfer of authority over the military side of it from the Joint Chiefs to the executive office. There would be the addition of the priceless ingredient of coordination and over-all control which is still lacking in intelligence work as in so many other phases of our administration.

Examples galore could be given of faulty intelligence which has produced disaster and worse to modern nations. Russia got a bloody nose in Finland in 1939 because of a failure to appreciate the Finnish situation. For the same reason Britain tripped up recently in Greece. The same deficiency led to our own discomfiture when Rundstedt lunged through the Ardennes. In these cases what is called strategic intelligence was at fault. An excellent example of strategic intelligence was the job done in Normandy before the liberation of France. But there are all kinds of intelligence work. There is, for example, technical intelligence, which remits to the factories the lessons learned on the battlefield on weapons. We cannot pretend that in this war it has been either first class or expeditious. Then there is such a thing as clandestine intelligence. Mr. Sumner Welles was using it when he forewarned the Russians six months prior to the event that the Germans intended to invade Russia in mid-1941. Perhaps the greatest coup in clandestine intelligence in this war was the report of the robot bomb factories in the Baltic which were subsequently destroyed by the RAF. The man who got this news through saved Britain.

Brains make intelligence, not snooping. No correct "estimate of the situation," which precedes all military planning, is possible without this kind of intelligence service. Intelligence should equally be the eyes and ears of the Nation in time of peace. After the war the Government should not be left to frame policy on the basis of blind guesses. Statesmen in peace as well as generals in war require "estimates of the situation."

The German radio, picking up the details of the Donovan proposal, makes great play of the plan, which is called an evil design to control the postwar world. Most of the headlines are faithfully repeated, except, of course, the charge that the new plan is a super-Gestapo. That would not do in a country which is at the mercy of secret police. It so happens that no police or law enforcement function would be vested in the proposed over-all intelligence service, either at home or abroad. It would simply save policy-making from being done in the dark. If, for instance, the President is asking for appropriations for the armed forces, those appropriations must be for the purpose of meeting situations which, as we have learned from experience 'tween wars, are not known to ordinary observers, but are discoverable only by trained intelligence officers.

WASHINGTON POST
Feb 16, 1945

The Donovan proposal deserves consideration on its merits as a contribution to our national security. It is an effort to make a sum out of the parts of our intelligence services. Some of those parts have done

well, some have done ill. Working together they could do an economical, efficient and fundamental service which hitherto has been neglected on the ground that intelligence work is somehow tainted. For our part we have not yet gone beyond the stage of wanting to see the military intelligence branches strengthened and unified as a basic preliminary to the merger of the armed forces.

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15 February 1945

MEMORANDUM FOR THE JOINT CHIEFS OF STAFF

I deem it my duty to place before the Joint Chiefs of Staff certain considerations relating to recent newspaper publications of JCS documents.

1. Under date of 18 November 1944 I forwarded to the President a memorandum concerning the necessity for a central intelligence service, to which was attached a draft of the substantive authority required by such a service. The President referred this memorandum to the Joint Chiefs of Staff, who issued J.C.S. 1181 reproducing the original documents (with certain formal and now significant changes) and referring them to the Joint Intelligence Committee for consideration.

2. On 1 January 1945 the JIC issued J.I.C. 239/5 containing certain recommendations to the JCS (through the Joint Strategic Survey Committee) with respect to the original proposal. The contents of J.C.S. 1181 and J.I.C. 239/5 were published in the Chicago "Tribune" and the Washington "Times-Herald", with the by-line of Walter Trohan, Washington correspondent of the Chicago "Tribune", in their issues of 9 February and 11 February 1945.

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3. Proof that the newspapers published the contents of J.C.S. 1181 and J.I.C. 239/5 - and not my original memorandum - is clearly evident from a comparison of all documents, revealing that:

- (a) In both J.C.S. 1181 and the newspaper articles the word "Enclosure" is placed at the head of the memorandum to the President; this word was not contained in the original memorandum;
- (b) In J.C.S. 1181 and the newspaper articles the terms "Joint Chiefs of Staff" and "the Office of Strategic Services" are employed where the original memorandum used the abbreviated references "JCS" and "OSS";
- (c) The draft of authority attached to the original memorandum was referred to therein as "Tab A"; in both J.C.S. 1181 and the newspaper articles it is referred to as "Appendix".

4. Such public disclosure of a secret JCS paper strikes at the heart of military security. Unless this act is speedily investigated and punished, the future security of JCS documents may be jeopardized. Further, thousands in Government service who would see such a violation occur with impunity might well feel no need of discretion in their own activities.

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5. To invade the security of the JCS, by publishing the detailed text of a pending plan, is a serious offense. It is even more serious to disclose to our enemies official expressions of the inadequacies of our intelligence services and the conflicts engendered by an attempt to remedy these deficiencies. This has already been capitalized and ridiculed by the German radio, which has asked two specific questions: (1) How were these secret documents made available to the press, (2) Who could have been interested in the publication of the documents?

6. Study of the articles leads to the conclusion that the publication was not the result of an accident or a "leak", but a deliberate plan to sabotage any reorganization of the U.S. intelligence services. The falsehood concerning the Frankfurter employment, the characterization of the proposal as a "Gestapo" and "super-spy" scheme of the President, the immediate canvassing of Congress based upon misstatements and distortions of fact, all make clear a design and intent, through the incitement of suspicion and antagonism, to prevent adoption of any proposal.

7. The first article alone might have been construed as an attempt to discredit a specific agency or individual. But the second article containing and attacking the recommendations of the JIC confirms the conclusion that whoever transmitted the

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documents or their contents to the newspapers was motivated by a determination to destroy any project, by whomsoever proposed, which might lead to the establishment of a central intelligence system.

8. The past history of the newspapers concerned may explain their readiness to make a political attack on the President by any means. Whatever the motive of the newspapers, it is clear that the producer of the document used these newspapers to create fear of an American Gestapo and to prevent ultimate approval of any plan for a central intelligence service. Further bearing upon intent and motive is the clear evidence in the newspaper articles that consideration was given to legal advice before publication. The disclosure then made, in wilful disregard of consequences to the nation, at so critical a moment in the war and in the planning of peace, is in the nature of a treasonable utterance.

9. While the above inferences are clear, establishment of the facts is more difficult. For example, there can be no dispute that when this proposal was presented to the various JCS committees there were differences of opinion and hostile comments. Participating in these discussions were both officers and civilians. The relationships of all having access to these docu-

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ments must be inquired into by counsel, skilled in the investigation and trial of cases, in order to explore possible channels of disclosure and to assess possible motives. Statements made must be measured - whether they be those of witnesses before the committees or arguments made in separate or private conferences outside committee meetings - they must be measured and compared with the substance of similar statements in the articles.

10. This can be effectively accomplished only by a judicial or quasi-judicial body armed with the power to subpoena and to compel testimony under oath. Creation of such an authority under the JCS is perhaps not feasible. However, a body with power to accept testimony under oath may be immediately constituted.

Therefore, I respectfully recommend that a body be designated, and properly empowered, to inquire into and to report upon the facts and circumstances surrounding the public disclosure of the JCS documents.

William J. Donovan
Director

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

24 February 1945

file
~~RESTRICTED~~

Miss Grace Tully
The White House

Dear Grace:

I am enclosing the latest radiotelephone message from our representative in Berne, which I believe the President will find interesting. Will you kindly see that it reaches his desk? Thank you.

Sincerely yours,

Bill

William J. Donovan
Director

Enclosure.

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By SR Date NOV 26 1973

PSF; O. S. S. folder 5-45

OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

24 February 1945

file ~~RESTRICTED~~

MEMORANDUM FOR THE PRESIDENT:

I think you will be interested in the enclosed radiotelephone report from the OSS Berne representative, which concerns (1) present political conditions in Germany, and (2) a summary of the situation in Germany by the Berlin correspondent of the Neue Zuercher Zeitung.

Donovan

William J. Donovan
Director

Enclosure.

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By SR Date NOV 26 1973

OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

DATE 22 February 1945

#280

FROM Berne

1104

PRIORITY

ROUTINE

DEFERRED

TO DIRECTOR, OFFICE OF STRATEGIC SERVICES

DISTRIBUTION

(FOR ACTION)

(FOR INFORMATION)

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By Authority of CIA

007622

By SK Date NOV 26 1991 RECEIVED IN PLAIN TEXT

~~RESTRICTED~~

GERMANY

Each time that Germany suffers a severe reverse, such as the break-through in France or the recent Russian break towards Berlin and Dresden, we are too apt to conclude that the end has come, only to be disappointed. The end is coming, but it will probably have to be fought out some weeks, possibly even some months longer.

The sensational stories in the press about disorder and disruption in Germany are partly correct, but also partly out of focus. There are hundreds of thousands of refugees streaming westward from the eastern part of Germany, communications are in a precarious condition, Berlin is largely a ruined city, food distribution is apparently breaking down to a serious extent in some of the heavily bombed-out cities, such as Berlin, and public food kitchens are more and more replacing household feeding in many cities. But, with all this, there are no signs yet of total military or internal collapse, and Germany may still have strength for a few limited counterblows yet if we let ourselves get caught unprepared.

Unless the Wehrmacht turns against the Party and SS, or unless there is a break in the ranks of the SS, a quick total collapse is unlikely. It is becoming daily more difficult for the Wehrmacht to do anything on its own initiative in the face of increasing SS control. Individual German generals here and there might decide the struggle is hopeless and even harmful for Germany and give in. Some weaker sisters might even appear in the ranks of the SS, but we cannot count with great assurance on either of these events' occurring. We must, therefore, reckon with the possibility of having to fight the last remnants of the German Army and SS into their mountain and forest retreats.

The situation, as viewed in Germany, is well presented by the Berlin correspondent of the Neue Zuercher Zeitung in a telegram of February 20. It should, of course, be taken into account that any report sent from Berlin must present in temperate language the extraordinary difficulties the Germans are facing and possibly also overstress somewhat their possibilities of restoring the strategic situation. Here is a summary of the correspondent's report.

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OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

REF ID: A60

FROM Berlin

TO DIRECTOR, OFFICE OF STRATEGIC SERVICES

RECEIVED

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(Beginning of summary) General Guderian did not rush to the assistance of the hard-pressed troops defending Lower Silesia, but left it to them to extricate themselves. The impression is gaining that he intends to hold back the reserves which he has been forming during the past few weeks for the so-called "operative counter-measures" to which the German strategy is committed. His front-line troops must defend themselves meanwhile as best they can. Everything else is subordinated to the operative counter-measures. Even serious losses of territory, as in Silesia are now taken without flinching, because a terrific counter-blow is planned which will not merely relieve the Eastern Front for a considerable time, but is expected to bring about a turning-point in certain respects. The blow is expected in the immediate future. It is hoped that at least a part of the lost territory will be regained, and that is necessary if the conduct of the war is not to be fatally weakened. The Upper Silesian industrial area is indispensable to Germany's armament, and the same thing can be said of the rich agricultural provinces of the East in connection with the food supply. The contour of the front affords ideal opportunities for strategic operations. The northern sector in particular actually invites a push to the South.

When the crisis on the Eastern Front reached its climax at the beginning of February, it seemed many times that the catastrophe would come very quickly. The military situation gave rise to the gravest apprehensions. Far and wide people lost faith that they could be saved. A wave of defeatism swept through the hinterland. All seemed lost. The people were more or less resigned to the inevitable. Panic reigned in the areas immediately threatened with invasion. Even Dr. Ley admits this in a recent article. Morale in Berlin was especially depressed on account of the stream of fugitives and alarming reports of a break-through of Russian tanks across the Oder. Now things have calmed down. The population has become accustomed to the new condition. There is a breathing spell. The population of Berlin takes particular note of the impressive measures taken for the defense of the capital and the reinforcement of the front everywhere. People are recovering from the shock and are regaining their courage.

Of course, the leading circles see farther than the ordinary citizen. They can measure the gravity of the great losses of territory since January 12. They can estimate the relationship of forces on the one side and the other, and they know that any repetition of the events that have occurred since the launching of the Russian offensive would infallibly mean the end. Feelings in the Wilhelmstrasse remain very curious. Dr. Goebbels writes that Germany is determined to have recourse to the most desperate means. The results of the Yalta Conference are not calculated to brighten the picture. Party circles in particular have never ceased, even in the most critical moments to speculate on disunity in the enemy camp.

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By JR

Date

NOV 25 1973

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OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

REF. No. 290

FROM Bernd TO DIRECTOR, OFFICE OF STRATEGIC SERVICES

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believing that the coalition would fall apart as soon as its innate weakness became obvious. This would have given the Third Reich a chance, at least, to extricate itself with a whole skin. Any such hopes have been thoroughly discouraged in Yalta. It is perhaps possible that the Allies will be openly hostile to each other in the not too remote future, but it is clear that they have again bridged over their differences for the time being. The war against their common enemy, Germany, holds them together despite all that divides them.

Thus, the Third Reich has no alternative but unconditional resistance, as Goebbels proclaimed. There must not be a single German who would ever think of ending this struggle of the nation by cowardly surrender. Even the slightest thought of it would constitute a deviation from the clear and uncompromising line of the German conduct of war with which Germany must sink or swim. There is only one salvation in the present situation, and that is unconditional bravery of one and all. The National Socialists are resolved to carry on the struggle come what may, and they will shrink from no measures, no matter how brutal, in order to have their way.

This attitude explains the setting-up of courts-martial for the civilian population in regions immediately behind the front menaced by the enemy. The people of the hinterland are subject to the most severe discipline and are more completely under the power of the local authorities and Party organs than ever before. The ordinance establishing martial law is quite enlightening. It demands of every German the determination to fight and devotion to the very end. Whosoever endeavors to evade his duty towards the community, from cowardice or for selfish gain, will be punished. These are very broad definitions. The text of the ordinance reads further: "The competence of the courts-martial extends to all punishable acts whereby the German fighting power or determination to fight is impaired." Naturally, that covers a lot of ground. The authorities have received the fullest powers. The courts are composed of a president, a functionary of the Nazi Party, and an officer of the Waffen SS, Wehrmacht, or police who are accorded by the Commissioner of Defense of the Reich, that is to say, by the Gauleiter of the district. This official, therefore, is promoted to be a lord vested with unlimited power over the life and death of his subjects.

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

SECRET

24 February 1945

Miss Grace Tully
The White House

Dear Miss Tully:

I believe the President will be interested in the enclosed memorandum, containing intelligence transmitted by the OSS representative in Bern. Will you kindly see that it reaches him? Thank you.

Sincerely yours,

Charles S. Cheston
Charles S. Cheston
Acting Director

Enclosure.

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

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By Authority of CIA

24 February 1945

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By SR Date NOV 27 1973

MEMORANDUM FOR THE PRESIDENT:

The following information, transmitted by the OSS representative in Bern, has been supplied by a source of uncertain reliability, but appears plausible in the light of information from other sources available to the representative:

An official of the German Embassy in North Italy whose name source did not disclose has come to Switzerland to convert to Swiss francs some marks belonging to members of Marshal Kesselring's staff. This official declares that Marshal Kesselring and Rudolph Rahn, Ambassador to the Mussolini regime in North Italy, are ready to surrender and even to fight against Hitler, if the Allies can make it worth their while. Kesselring, according to the official, feels that under present trends he is destined to retire to the Alps and, subordinate to SS officials, to die in the final resistance or be killed for not resisting the Allies. As long as Kesselring is still in Italy he feels he still has power and is willing to use that power to surrender, in return for concessions. The official did not make it clear as to whether concessions to Kesselring and his staff or to Germany in general are desired.

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[Attention is invited to memorandum dated 9 February,
concerning Kesselring's attitude toward negotiating with the
Western Allies.]

Charles S. Cheston
Charles S. Cheston
Acting Director

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

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file
25 February 1945

Miss Grace Tully
The White House
Washington, D. C.

Dear Grace:

I think the President will be interested in the attached memorandum. Will you please see that it reaches his desk.

Thank you.

Sincerely,

Bill

William J. Donovan
Director

Attachment

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By SR Date NOV 27 1973

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

25 February 1945

MEMORANDUM FOR THE PRESIDENT

In the course of a search for the official and personal papers of Marshal Graziani (which were found in their hiding place in the Catacombs), our people recovered certain boxes of personal property. This property evidently represented booty taken by the Marshal in the Abyssinian campaign. Of chief interest are the silver service, Coptic cross and ceremonial garments of Haile Selassie and certain of his chieftains.

If it meets with your wishes we shall deliver these to him for you. In this event, I wonder if you would care to prepare a note of transmittal.

William J. Donovan
Director

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By SR Date NOV 27 1973

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

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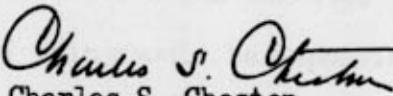
26 February 1945

Miss Grace Tully
The White House

Dear Miss Tully:

I think the President will be interested in the enclosed memorandum, containing information forwarded by our Caserta representative. Will you kindly see that it reaches him? Thank you.

Sincerely yours,


Charles S. Cheston
Acting Director

Enclosure.

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By SK Date NOV 27 1973

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

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26 February 1945

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MEMORANDUM FOR THE PRESIDENT:

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

Premier Subasich, who is currently negotiating with
Partisan leaders in Belgrade, states that he continues to find
Marshal Tito most reasonable, but that Tito's subordinates are
more difficult. Many of the latter, Subasich explains, have
had little opportunity to learn about the United States or Brit-
ain, and hence underrate their importance. Subasich said he
would endeavor to carry out King Peter's instructions concern-
ing the regency council, but if this should be impossible and
the King should refuse to ratify the counterproposals of Tito
and Subasich, the result would be "very bad". Subasich would
not say whether, in such case, he would proceed without the
King's approval, but stated that he definitely would not re-
turn to London.

Edvard Kardely, Vice President of the National Libera-
tion Committee (the Partisan provisional cabinet) and one of the
leading negotiators, asserted on 22 February that the basic

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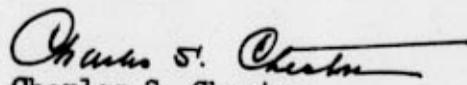
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conflict between the King and Tito is due to the fact that the King insists on nominating politically prominent men to the regency, while Tito feels the regents should exercise only the royal prerogatives and should be non-political figures. "Otherwise", added Kardely, "we would have a regency following one political line while we would be following another." This, said Kardely, was Tito's reason for rejecting Milan Grol and Yuray Shutey (Sutej), the latter of whom is unacceptable to the Partisans for other reasons as well.

[The OSS representative in Belgrade comments that the statement of Kardely, who is a shrewd but honest Communist, sums up the fundamental conflict on the regency issue. While King Peter wishes his regents to take an active part in the crucial political developments of the coming months, Tito intends that their role shall be limited to that of a British constitutional monarch. Tito and his followers are adamant on this point and it is suggested that if the King does not agree within the next week or ten days, the negotiations may fall through.]


Charles S. Cheston
Acting Director

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

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26 February 1945

Miss Grace Tully
The White House

Dear Miss Tully:

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

Sincerely yours,

Charles S. Cheston
Charles S. Cheston
Acting Director

Enclosure.

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WASHINGTON, D. C.

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26 February 1945

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By WBS Date JUN 11 1973

MEMORANDUM FOR THE PRESIDENT:

The following information, transmitted by the OSS representative in Bern, is a sequel to a memorandum dated 9 February:

Alexander Constantin von Neurath, the German Consul at Lugano, while visiting his father (the former Foreign Minister and Protector of Bohemia and Moravia) near Stuttgart on 10 February, received a telephone call from Marshal Kesselring, advising him to go to a secret rendezvous where he found Lieutenant-General Siegfried Westphal, chief of staff to Rundstedt, and Marshal Johannes Blaskowitz, former (?) commander of Army Group "G" on the Western Front. Von Neurath knew Westphal well, having served with him for two years as liaison officer in North Africa; he knew Blaskowitz less well.

The three frankly discussed the possibility of opening the Western Front to the Allies. Westphal and Blaskowitz questioned the value of taking such a step, if they were merely to be considered as war criminals. They added that it was increasingly difficult to organize any large-scale move to open the front because of the technical difficulties presented by the

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By AAJ Date JUN 11 1973

SS and the state of mind of the troops. They said that their armies included large elements of Germans from East Prussia and eastern Germany whose fighting qualities had been stiffened by the Soviet occupation of their home areas. These troops, they explained, motivated by the feeling that they have lost everything and having no homes or families to which to return, consider it better to stay on and fight. Westphal even declared that the troops sometimes refuse to obey orders from headquarters to retire, stating that since they are holding good positions and may not find as good ones in the rear, they prefer to fight it out where they are.

Neither Westphal nor Blaskowitz made definite suggestions. They appear, however, (a) to be working with Kesselring, (b) to have uppermost in their minds the idea of opening up the Western and Italian Fronts to the Allies, and (c) to be approaching the point where they might discuss such an arrangement on purely military lines with an American Army officer. Prerequisites to such a discussion would be adequate security arrangements and personal assurances that they would not be included in the war criminals list but would be granted some basis to justify their action, such as an opportunity to help in the orderly liquidation and to prevent unnecessary destruction in Germany.

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By DBS Date JUN 11 1973

Von Neurath, now back in Switzerland, plans to report to Kesselring his conversation with Westphal and Blaskowitz and to determine whether a routine reason can be found for Westphal to visit Kesselring.

[The OSS representative comments that while von Neurath may obtain further direct access to Kesselring without arousing SS and SD suspicions, he must exercise the greatest care. The representative doubts that von Neurath will be guilty of indiscretion, since his own life is apparently at stake and since his background is non-Nazi. The representative describes von Neurath as not brilliant but a reasonably solid type who has excellent relations with the Reichswehr as a result of his long liaison work in North Africa. If Westphal makes the trip to Italy he could probably stay only a very short time without arousing suspicion, since Kesselring himself is already the subject of press rumors which may result in his elimination by Himmler.

[The London Daily Dispatch on 24 February carried a story from its Bern correspondent stating that Kesselring has offered secretly to the Allies to withdraw under pressure, leaving North Italian cities intact and preventing neo-Fascist destruction, in return for which he has asked for assurances that

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he would not be considered a war criminal and would be allowed to retire his troops to Germany to maintain order.)

The OSS representative declares that while he cannot predict the chances of successfully persuading Westphal and Kesselring to open up the Italian and Western Fronts simultaneously, he judges them to be sufficient to justify careful consideration of the idea. He believes that no political quid pro quo's or impairment of the unconditional surrender principle would be involved if conversations were held between an American officer and these German officers. Such conversations, which could be held in the Lugano area on the Swiss side of the Italo-Swiss border, would have to await the outcome of von Neurath's forthcoming meeting with Kesselring.⁷

(The OSS representative in Caserta reports that AFHQ is interested in obtaining positive and authentic confirmation of Kesselring's disposition to negotiate with the Allies. AFHQ feels that if Kesselring wishes to dispatch an emissary with an official message, he could find means to do so.)

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By DBL Date JUN 11 1973

Charles S. Cheston
Charles S. Cheston
Acting Director

OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

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28 February 1945

Miss Grace Tully
The White House

Dear Miss Tully:

The enclosed memorandum, containing information forwarded by our London representative, will probably be of interest to the President. Will you kindly see that it reaches his desk? Thank you.

Sincerely yours,

Charles S. Cheston
Charles S. Cheston
Acting Director

Enclosure.

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By SR Date NOV 27 1973

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OFFICE OF STRATEGIC SERVICES
WASHINGTON, D. C.

28 February 1945

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MEMORANDUM FOR THE PRESIDENT:

The OSS representative in London has transmitted the following information, dated 27 February:

Marshal Tito is reported to be still insisting upon his original nominees for the regency council: Dushan Sernets (Serbec) and Ante Mandich. For the third appointee, Tito and Premier Subasich will reportedly offer King Peter a choice among Srdjan Budisavlyevich, Dushan Simovich, and a third personage whose name has not yet been ascertained.

Charles S. Cheston
Charles S. Cheston
Acting Director

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