

● PSF - OSS: March 16 - 31, 1945

Box 171

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

16 March 1945

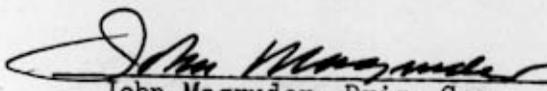
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Miss Grace Tully  
The White House

Dear Miss Tully:

We enclose herewith a copy of the latest radiotelephone message from the OSS representative in Bern, for the attention of the President.

For the Director, OSS



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

Enclosure.

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By SR

NOV 26 1973

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16 March 1945

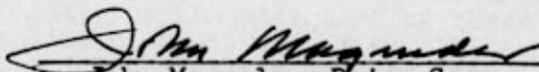
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MEMORANDUM FOR THE PRESIDENT:

Enclosed herewith for your information is copy of the latest radiotelephone message from the OSS representative in Bern, suggesting that the Allies be prepared for a final German peace offensive, if Himmler can persuade Hitler to let him put it on.

For the Director, OSS

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

Enclosure.

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By SR Date NOV 26 1973

# OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

DATE 14 March 1945

#387

FROM Berne

IIBG

PRIORITY

ROUTINE

TO

DIRECTOR, OFFICE OF STRATEGIC SERVICES

DEFERRED

## DISTRIBUTION

(FOR ACTION)

(FOR INFORMATION)

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RECEIVED IN PLAIN TEXT ~~SECRET~~

By SR Date NOV 26 1973

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### GERMANY

I think we should be prepared for a final German peace offensive, at least if Himmler can persuade Hitler to let him put it on.

It seems clear that Himmler is trying to find points of contact with the Western Powers. For this purpose he has been making use of refugee and prisoner of war matters and is now beginning to evidence a softer policy in this direction.

The German peace offensive may be based on the problem involved in the ten million-odd prisoners of war, foreign workers and deportees, and hostages. Himmler, or Hitler, if he makes the appeal, will probably say that, under existing conditions and in view of the bombings, the Nazis can no longer assume responsibility for the safeguard of these people and can no longer assure their supplies of food, etc. They will say that the fate of these people now rests with the Allies and not with Germany. They might even propose a truce while these prisoners and refugees were evacuated, or make some other seeming "humanitarian" gesture, in the hope that, in the interval, some way of entering into negotiations could be found under the cover of negotiating the evacuation of prisoners, refugees, deportees, etc. Presumably, conditions would be included by Himmler which would render the proposal impracticable of fulfillment.

It is possible that the appeal would be addressed only to the Western Powers and exclude Russian prisoners or workers in hope of thus driving a wedge between us and the Russians.

Possibly coupled with this gesture, which the Nazis might hope would appeal to wide circles of people in the West, the Nazis might also indicate that, unless their proposals were accepted, the new secret weapons, gas, etc., would be launched on the world.

The above is all speculation and may never take place, but there are some straws in the wind which seem to point in this direction. At any rate, it would do no harm to consider the implications of such a move in order to be ready to meet it, in case it should come.

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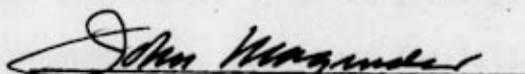
16 March 1945

Miss Grace Tully  
The White House

Dear Miss Tully:

We believe the President will be interested in the enclosed memorandum, containing intelligence forwarded by the OSS representative in Kandy.

For the Director, OSS

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

Enclosure.

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WASHINGTON, D. C.

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16 March 1945

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MEMORANDUM FOR THE PRESIDENT:

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By ABJ Date JUN 11 1973

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

Information obtained from highest sources after a se-  
cret meeting of the Thai Cabinet indicates that, should the  
Japanese present Thailand with demands similar to those made  
on Indo-China, the Thai will resist with force. An incident  
touching off the situation is expected momentarily, but the  
Thai Government believes the Japanese will postpone a showdown  
until the last possible moment in order to retain the present  
semblance of Thai-Japanese friendship, which at least gives  
the Japanese access to transportation and other facilities in  
Thailand. The present head of the Government is assured of  
support in the threatened crisis.

Thai officials believe that, unless prompt Allied aid  
is secured, Thai forces will not be able to resist the Japanese  
for more than a month. They ask for air-dropped anti-tank guns  
and will arrange delivery areas. They believe there are three  
possibilities for Thai action in the face of the expected Japan-

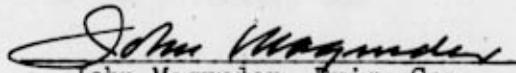
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ese pressure: (1) The Thai could combat Japanese assaults at every point and resist to the utmost; (2) even before the show-down, if significant Japanese moves and preliminaries to assumption of control or attack are noticed, the Thai could put into effect surprise attack plans formulated to secure every possible advantage; (3) they could follow a course of waiting for American or Allied aid before beginning to fight.

For the Director, OSS

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

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WASHINGTON, D. C.

16 March 1945

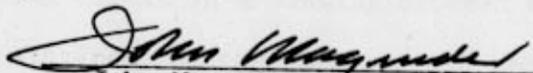
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Miss Grace Tully  
The White House

Dear Miss Tully:

Attached for the information of the President is a memorandum containing intelligence transmitted by the OSS representative in Bern.

For the Director, OSS

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

Enclosure.

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16 March 1945

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MEMORANDUM FOR THE PRESIDENT:

By DRS Date JUN 11 1973

The following information, transmitted by the OSS representative in Bern, relates to the efforts of Carl Burckhardt, retiring president of the International Red Cross and Swiss Minister-designate to France, to improve the plight of civilian internees and possibly of prisoners of war, as suggested sketchily in recent press items and reported on in greater detail in recent War Refugee Board reports. The OSS representative understands that the plans, under way for some little time, for Burckhardt to discuss with Himmler internee and possibly prisoner-of-war questions, may very shortly result in a meeting between the two men in the vicinity of Feldkirch, on the northeastern Swiss frontier with Germany. The OSS representative comments that Himmler may seek to use this occasion for peace feelers.

The representative has learned that Fusto Pancini, an old friend of Mussolini, recently has arrived in Switzerland with letters from Mussolini to his daughter, Edda Ciano, and to the Papal Nuncio. Pancini indicated to Edda that Himmler wishes the Nuncio to advise the Vatican that Germany desires peace and

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is disposed to facilitate the entrance of Anglo-American but not Soviet troops. Pancini declared that Mussolini, when he learned of Himmler's plans, remarked: "The fools, they should have done this three years ago."

[The OSS representative reported on 12 March that the Nazis, having learned that Mussolini was preparing to flee to Spain and had obtained Spanish consent to enter the country, had placed the former Italian dictator under guard.]

The OSS representative has also learned that Burckhardt was personally asked by General de Gaulle to meet with Himmler in order to discuss the protection of French prisoners of war.

The representative states that while he has no definite proof, he believes that Kaltenbrunner's telegram to Obergruppenfuehrer and General der Waffen SS Karl Wolff, the Higher SS and Police leader in Italy, advising the latter not to establish contact with the Allies in Switzerland, was prompted by the prospect of a meeting between Burckhardt and Himmler.

[Our memorandum of 13 March reported that Wolff, following his return to Italy from a meeting with the OSS

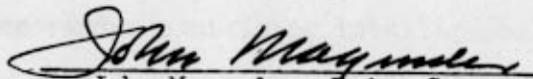
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representative in Switzerland, received a telegram from Kaltenbrunner advising him to avoid establishing contact with the Allies in Switzerland since such action would perhaps catastrophically disturb Kaltenbrunner's plans.]

For the Director, OSS



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

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

**SECRET**

17 March 1945

Miss Grace Tully  
The White House

Dear Grace:

I believe the President will be interested in the enclosed report of our Foreign Nationalities Branch, dealing with reflections in the United States of Tito's policy toward Yugoslav political parties. 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

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*O.S.S. folder 5-45*

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

**SECRET**

17 March 1945.

MEMORANDUM FOR THE PRESIDENT:

Enclosed herewith for your information is copy of a report of our Foreign Nationalities Branch, which I think you will find interesting. This report sets forth certain reflections in the United States of Marshal Tito's policy toward political parties in Yugoslavia.

*Donovan*

William J. Donovan  
Director

Enclosure.

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By SR Date NOV 26 1973

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This document contains information affecting the national defense of the United States within the meaning of the Espionage Act, 50 U.S.C. 91 and 92, as amended. Its transmission or the revelation of its contents in any manner to an unauthorized person is prohibited by law.

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FOREIGN NATIONALITY GROUPS IN THE UNITED STATES  
MEMORANDUM TO THE DIRECTOR OF STRATEGIC SERVICES  
FROM THE FOREIGN NATIONALITIES BRANCH

Number B-332

16 March 1945

REFLECTIONS IN THE UNITED STATES OF TITO'S  
POLICY TOWARD POLITICAL PARTIES

Recent indications from leftist Yugoslav-American leaders and in the leftist press provide a possible clue to Tito's intentions with regard to the treatment of political parties in Yugoslavia. Evidently anxious to avoid charges of authoritarianism but at the same time unwilling to countenance outright opposition, Tito may be moving toward a "front populaire." It appears that Communist attacks on Machek's Croatian Peasant Party are being followed by the creation of a pro-Partisan "Croatian Anti-Fascist Peasant Party."

SOME months ago Tito declared that in Yugoslavia the time had not arrived for division into political parties. Except for the Communists, this has not been an adequate answer to Yugoslav-Americans, particularly to Tito's opponents, who have argued that the aim and policy of the Partisan regime was to do away with political opposition. Anti-Tito Serb-Americans have charged that no Serbian party is represented in the Liberation Movement. Conservative Slovene-Americans have looked in vain for adequate Slovenian representation. Croatian-Americans, while supporting Tito for the most part, have been disturbed by Partisan attacks upon Dr. Vladimir Machek, veteran leader of the Croatian Peasant Party, and upon some of his subordinates.

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SR Date NOV 26 1973

Judging by recent remarks on the part of his Yugoslav-American supporters, Tito seems anxious to avoid being labeled an authoritarian. Yet for the present at least, he would like to dispense with political opposition. To achieve these seemingly contradictory ends, he appears to be employing a dual technique: (1) creating "dissident" parties where necessary to thwart the rise of potential opposition, and (2) including within the Liberation Front all parties willing to participate in the struggle for its major objectives.

Yugoslav-Americans, in seeking to establish Tito's intentions with regard to political parties, have primarily focused their attention upon the fate of the Croatian Peasant Party. In pre-war Yugoslavia the Peasant Party was large, well-established, and preponderantly democratic and liberal in outlook. Recently it has been under more or less constant attack from Communist leaders, both in this country and abroad.\*

*Creation of  
"Dissident" Parties*

From recent comment among leftist Yugoslav-Americans, it appears that a pro-Partisan Croatian peasant party may be in process of creation. This was borne out by the release here 13 February of an appeal sponsored by the Committee for the Relief of the Hunger-Stricken peoples of Dalmatia, Lika, and the Croatian Littoral (reprinted by the leftist-sponsored War Relief Fund of Americans of South-Slavic Descent), which was signed by the vice president of the National Liberation Committee of Yugoslavia, Franjo Gazi, who also used the title "president of the executive committee of the Croatian Anti-Fascist Peasant Party."

\* "See Crosscurrents From the Homeland Agitate Yugoslav-America Community," FN Number 232 of 15 February 1945; also "Opposition to Tito Actual and Potential", FN Number 212 of 21 September 1944.

That Tito's weapon in neutralizing any ultimate Peasant Party opposition may be an Anti-Fascist Peasant Party was implicitly confirmed in recent conversations this Branch had with Serge Prica, assistant editor of the Communist-line, *Slobodna Rec* of Pittsburgh, and Anthony Minerich, editor of *Slobodna Rec's* Croatian counterpart, *Narodni Glasnik*. It was Prica's belief that the Croatian Anti-Fascist Peasant Party was the forerunner of a new peasant party, whose titular head would be Ivan Subasich. Minerich suggested that the Croatian Peasant Party had been undergoing revision under the joint guidance of Subasich and Gazi, and that it was now emerging under a slightly revised name with the Machek influence virtually eliminated.

*Serbian Agrarian  
Left Party  
Joins Tito*

Apparently anxious to avoid any impressions of the existence of a one-party system, the Partisans may have encouraged parallel developments which appear to be in the making in Serbia. *Slobodna Rec* reported 6 March that the pre-war Agrarian Left Party, under the leadership of Dragoljub Yovanovich, had joined the Liberation Movement under a new name — National (Peoples) Peasant Party. The announcement indicated that the party joined the Liberation Front "as a party and as a people's movement." It will soon publish a party organ, *Radni Narod* (Working People), according to the announcement in the *Rec*.

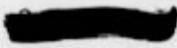
The extent to which the Agrarian Left Party participated in the struggle within Yugoslavia, the announcement pointed out, was attested by the fact that of fifteen members of the executive committee only five were alive and free, and of seventy-four members of the national committee "thirty died in the fight against Draza's [Mihailovich] criminals." The announcement admitted that one party member

had served the Serbian quisling, Nedich, but "out of fear and confusion, and he committed suicide."

Prica suggested that there might be a revival of certain Serbian political parties, including the Republican Party of Jasha Prodanovich, Minister for Serbia in the new Yugoslav Government. But ~~he~~ saw little hope for revival of those Serbian parties which "had aligned themselves closely with the monarchy," and hence were "impregnated with Serbian nationalism."

*Titov Representative  
Sees Popular Front  
in Liberation Movement*

An official intimation of present Partisan policy toward political parties was found in a press release issued on 23 February by the United Committee of South-Slavic Americans, which quoted remarks made in a recent interview by Colonel Vladimir Velebit, personal representative of Marshal Tito in London. Velebit stated that "whatever was solid and good in the old political parties has long ago joined the National Liberation struggle." Looking to the future, Velebit said: "Democratic elements of various political shades have today an ample platform to express their views and invest their energies within the ranks of the People's Anti-Fascist Front which is the best form of a real "Front Populaire" ever achieved."

  
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17 March 1945

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

Dear Grace:

I shall appreciate it if you bring to  
the attention of The President the attached memo-  
randum, and document.

Sincerely yours,

*Bill*

William J. Donovan  
Director

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WASHINGTON, D. C.  
17 March 1945

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MEMORANDUM FOR THE PRESIDENT

The attached document is a translation of a paper found in Mihai Antonescu's files in Bucharest; Data concerning the Army and war potential of the Soviet, from a German Source.

*Donovan*

William J. Donovan  
Director

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98A-185

1st April, 1942.

MEMORANDUM

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Data concerning the Army and war potential of the Soviet, from a German Source.

A. The German Command underestimated the strength of the Soviet Army.

The reasons for this under-estimation is the following:

1. The conclusions drawn by the German Information Service following the Russo-Finnish war, a war in which the Soviet Army showed weakness as regards the management of operations, instruction, discipline, morale, equipment and supply services.

This was also established by the Soviet Command, and in consequence, Marshal Vorozhilov was replaced at the Command of the Army by Marshal Timoshenko.

The latter, on taking over the command, took measures to repair the deficiencies discovered in every field, and especially in the matter of discipline, equipment of the Army and the redressing of the morale of the Soviet soldier.

2.- All foreign military attachés at Moscow underestimated the possibility of any appreciable good results in such a short space of time of the measures taken by Marshal Timoshenko, which opinion was contradicted by the results established after the declaration of war against the U.R.S.S.

Especially, by a widespread and intense propaganda, the mentality and morale of the Soviet soldier was successfully changed, the latter having refused to fight in the Finnish war with conviction.

this propaganda based on the idea that the Axis forces

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were intent on the destruction of the land of Socialism, and the accomplishments of the latter in the domains of industry, and agriculture, was so powerful that even some of the former tsarist officers, who were emigrants in foreign countries, enrolled so that they might fight in the ranks of the Soviet Army.

Also, the perfecting in the instruction of the troops, and a sufficient equipment of the latter with war materials, together with a satisfactory functioning in the supply system.

3. Another reason why the true strength of the Soviet army and it's war potential could not be known, lies in the fact that by the counter-informative measures taken by the Soviet organisations, agents of the German Information Service were unable to penetrate into the interior of the U.R.S.S. to gather information, except for a distance of from 100-150 km from the frontier.

In the whole of this zone exact data of an informative nature could be obtained, but nothing could be known of what was happening in the interior of the U.R.S.S.

Thanks to this, the industrial possibilities of the U.R.S.S. could not be determined, all the more because the majority of the capitalist States were inclined to underestimate the development of Soviet industry, considering it to be only a creation of Soviet propaganda, and not reality.

As an example of this we mention the fact that before the beginning of the war against the U.R.S.S. the German Command put the number of fighting tanks at about 10,000.

In reality, however, it was seen that from the beginning of the war up to now, 26,000 fighting tanks have been destroyed, and the Soviet still disposes at present of about 80 fighting

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Tank brigades.

It is also said that the Soviet used methods to deceive official informers on the occasion of various parades and festivities of a military nature, making the same units march past several times over, and keeping new fighting methods a close secret, deception and conspiracy being a special feature of the Soviet.

B. Only after the beginning of the present war, could the extent of preparations of the Soviet Army be known.

To the measures taken by Marshal Timoshenko, following the lessons learned from the Russo-Finnish war, was added the result of the measures taken following the programme of Vosnesenski, the President of the Commission of U.R.S.S. State Plan, and President of the U.R.S.S. Defence Industry of February 1941, presented and approved by the supreme leadership of the Communist Party.

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This programme contains the following four points in summarized form:

- a) War with the Western Capitalistic countries is inevitable, and thus all measures should be taken with a view of preparing for same;
- b) Every effort must be made for the strengthening of the army;
- c) The population in the western part of the country whose sentiments are not certain, are to be transplanted to the East, as well as industrial enterprises;
- d) Measures for the organization and development of industry and agriculture in the Eastern regions of the U.R.S.S.

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Although until the beginning of the present war the time was too short, still the programme of Vosnesenski was followed with

an intensity only possible in the U.R.S.S.

As such it gave satisfactory results, all the more so as the following two points provided for in his programme, were put into force before they were proclaimed.

In this connection the following are cited :

1. Until the beginning of the war, about 6 millions of kolhoznici and workers were evacuated from the West of the U.R.S.S. to the East. This is the explanation why the 20 Divisions in the region of Vladivostock recruit annually 200,000 recruits, natives of the west of the U.R.S.S. and who are not allowed to return to their homes.

The population in the extreme Orient has increased by 50% whilst in the western regions it has fallen by 7%.

The population of the towns in the Ural regions has increased from 6,000,000 inhabitants in 1913 to 3 million up to 1937.

In central Siberia, 50 more new towns have sprung up, each with 150,000 inhabitants.

2. Industry is mostly worked by electricity, to an extent of 80%, whilst Germany is only 70% and England 63%.

the creation of new industries in the West of the U.R.S.S. and especially at Leningrad, Moskva, Kiev, Rostov, Markov, etc.

"Double" industries were created of those in the west of the U.R.S.S. in the extreme Orient. These were only buildings similar to the factories in the West, without installations, being ready to receive same in the event of an evacuation of the installations moved from the West.

60 new mills were built east of the Urals for the needs of the population, a sugar industry, as well as new oil industries.

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the machinery and tool industry was developed. Special attention was given to the Coal industry. All these measures contributed greatly to the increasing of the Soviet war industry potential, getting to have a monthly production, of :

- 900 fighting tanks
  - 300 field guns
  - 200 guns of medium caliber
  - 100 heavy guns
- 1942

From a scarcity of coal, the above production seems to have fallen away. This was discovered on the occasion of the arrival at Murmansk of a coal transport, which caused general satisfaction. This transport arrived from America.

3. Agriculture was greatly developed by the introduction of chemicals, both in the enriching of the soil and in the treatment of various plants in order to adapt them to grow in the regions considered as being unsuitable.

in this connection especial attention was given to corn and cotton.

Efforts were made for the increase of agricultural surface in the East of the U.R.S.S., and for the combating of drought (by canals, irrigation etc.).

Also industrial centres, were supplied with agricultural products.

in conclusion, food was assured both for the population and the army, so that this year the continuation of the war will not be influenced by a lack in the food supply.

U. At the beginning of the campaign, information pointed to the existence of 150 Divisions on the Western front of the U.R.S.S.

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which information corresponded to reality.

In the course of the war, it has been proved that the Soviet Command was weak.

no high conceptions, no strategic operations of great value.

Only Timoshenko, tried a manoeuvre in the region of Uman-Kiev with three armies, which however, gave no results because of the lack of co-ordination in the operations.

As regards the Soviet Army, the German Command was surprised by the apparition of :

- fighting tanks of 52 tons
- the rocket gun
- as well as the <sup>fighting</sup> tenacity of the red soldiers, <sup>who,</sup> even when encircled, resisted without supplies, eating even their dead comrades, being at last capable of attacking and evading encirclement. ?

Also the German Command was surprised on the 4th December 1941, by the appearance on the front in the region of Moscava, of the following new Combat Units:

- 80 Infantry Divisions
- 80 Infantry Brigades
- 10 fighting tanks Brigades
- 25 Cavalry Divisions.

All these Combat Units appeared on the front at the time the Germans were at the height of their offensive for the fall of Moscow.

This action was undertaken owing to the fact that the Soviet troops in the first line were completely exhausted, and the troops completed with civilians and children.

Owing to the offensive actions undertaken by the Russians without any operative idea and effort, and they being regardless

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of the human element, Soviet units had heavy losses in men and armament during the course of the winter battles.

D.- At the present moment there is a decided lack of portative arms, automatic armament, and artillery materials, which fact has caused some Divisions to be left with from 4-9 Batteries.

Infantry Units appear to be well equipped with hand grenades, which have proved to be a good weapon.

The present power of the Soviet Army lies in the fighting tank Units equipped with type C.L.T.34

The armour of this fighting tank r sistis the ordinary projectile of the anti-tank

- It is important to note that the Soviet fighting tank brigades do not carry out manoeuvres, whilst the fighting tanks have no radio apparatus.

Generally, they are given a sector and a direction which they follow without exploiting local possibilities.

In the course of the war, the following Soviet forces have ~~appeared~~ taken part:

- 425 Infantry Divisions
- 100 Infantry Divisions<sup>2</sup>;
- 75 Cavalry Divisions;
- 60 Motorized Divisions;
- 80 mechanised Brigades (C.L.)

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At present the total forces at the front number :

a) On the German-Roumanian front;

- 250 Infantry Divisions
- 75 Infantry brigades;
- 35 Mechanized brigades; (C.L.)
- 55 Cavalry Divisions (majority without horses, as

these served for food for the troops during this winter).

b) On the Finnish Front

- 25 Infantry Divisions
- 10 Infantry Brigades

c) In the Caucasus

- 18 Infantry Divisions
- 8 Cavalry Divisions
- 2 Mechanised Brigades (C.L.)

d) In the extreme Orient

- 20 Infantry Divisions
- 5 Mechanized Brigades (C.L.)

As regards the Soviet Combat Units at the front, it is to be noted that their strength is very varied and under the normal ( between 3.000 - 15.000 men).

E. Possibilities for completion of the present Army strength

and the creation of Combat Units in the Soviet are generally unknown, as there is no precise basis for such a calculation, as there is no knowledge as regards the :

- the number of men able to be mobilized
- the strength of those absorbed in industries as well as
- the strength of the convalescent wounded.

Actually what is known is :

The existence in the fighting units of elements

between the ages of 17 and 45 years ;

A great <sup>scarcity</sup> lack as regards officers

A small number of reserve units.

All the information obtained up to now confirms that the Soviets do not dispose of more than 50-60 Divisions, at the back of the front, badly instructed and formed, insufficiently armed with artillery, portative armament and automatic armament,

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but probably with a combative spirit.

As regards the moving about of the Soviet Army reserve, it is said that after various known data these consist of at the present:

- 40 Divisions, probably under the command of Vorozhilo, in the Rostov-Stalino area, and

- 20 Divisions, probably under the command of Budeonai, in the Moscow Sector.

These troops are being held in reserve for an offensive which the Soviet Command suspects will take place in the Southern Sector and in the Moscow region.

Beginning with the 10th April of the current year, "a state of alarm" is provided for for the Russian troops, by an order from Stalin.

Following this situation, the troops from the East Volga region are to approach nearer the Rostov-Stalino sector, whilst those in the Caucasus are to move towards the North, following the sea coast.

#### E. Anglo-American help

As regards aircraft, the Soviet - beginning from December 1941 up to the present - have disposed all along with 2,000 planes.

This strength has been maintained by the introduction within the units of planes of an old design, and even of instruction, in spite of the fact that they have had monthly losses of between 400-500 planes.

Up to the present, the Soviet Army has received only 5 squadrons, from English material.

In spite of all the efforts of the English, because of a lack of tonnage and production capacity, they will not be able to deliver to the Soviet more than 15 squadrons, which

CA  
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MAY 16 1974

plane strength they must constantly keep up.

As regards fighting tanks, it seems that around Moscova English material is being used, which has not been used up to now, at the front.

This material is made up of <sup>2</sup> Marek fighting tanks of 26 tons, and Marek 3 of 16 tons.

Both types can be considered as being an easy prey to the German anti-tank defences.

G. The German Command knows that the Soviet will not use gas.

H. The Commercial Fleet in the Black Sea, has a capacity of 200.000 tons, of which 100.000 tons is made up of oil tanks.

Of The remaining 150.000 tons 80.000 tons are necessary for the supplying of the troops at Sevast<sup>o</sup>pol.

With the 70.000 tons <sup>on</sup> at hand, the Soviet will be <sup>landing</sup> unable to undertake any important actions on the Black Sea Coast.

In conclusion :

We must <sup>not</sup> make any mistake in underestimating the combatative force of the Soviet Army and it's war potential.

We must expect to meet still with serious resistance in the offensive of the spring of this year.

We must not count on internal agitation in the U.R.S.S., neither should we count on a disruption of the Soviet Army.

=====

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By

CIA

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BY SR

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OFFICE OF STRATEGIC SERVICES

WASHINGTON, D. C.

17 March 1945

Miss Grace Tully  
The White House

Dear Grace:

I am enclosing the latest radiotelephone report from our Bern representative, which I think the President will find interesting. Will you be good enough to see that it reaches him? Thank you.

Sincerely yours,

*Bill*

William J. Donovan  
Director

Enclosure.

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By SR : NOV 26 1973

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

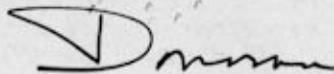
OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

~~RESTRICTED~~

17 March 1945

MEMORANDUM FOR THE PRESIDENT:

I think you will be interested in the enclosed radiotelephone message from the OSS representative in Bern, which contains (1) views of some recent arrivals from Austria concerning the possible German reduct; (2) an editorial from the Weltwoche concerning possible action of the Nazis before the end of the war; and (3) an item from the Neue Zuercher Zeitung of 16 March, concerning the possible use, by Great Britain and the United States, of German prisoners of war.



William J. Donovan  
Director

Enclosure.

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By DR Date NOV 26 1973

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# OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

DATE 16 March 1945

283

FROM Berne	FIG	PRIORITY
TO DIRECTOR, OFFICE OF STRATEGIC SERVICES		ROUTINE
DISTRIBUTION		DEFERRED
(FOR ACTION)	(FOR INFORMATION)	

RECEIVED IN PLAIN TEXT

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## GERMANY

1. The stubbornness of the German resistance in the neighborhood of Lake Balaton and the Danube, while the defenses are crumbling in the seemingly more vital areas in the East and West, has caused a good deal of comment. We have sought views of several experts on the subject, particularly some recent arrivals from Austria, and the following seems to be the explanation:

The Germans realize that it is now completely impossible for them to hold the relatively flat country in the North of Germany from the Ruhr to Berlin. They are therefore reconciled to the inevitability of losing this. Their struggle in this area they conceive as a delaying action to gain time to regroup their forces towards the South and to complete their preparations for the defense of the reduit.

As I suggested some days ago, the actual evidence we had up to that time did not indicate that the Germans had really made very serious progress in the fortification of the reduit area or in collecting there any vast amount of supplies. Over the last several weeks, some evidence of this, however, has been coming in. Whether the reduit will become a reality, I cannot predict, but their present military strategy seems to be built around the idea of a reduit.

Actually, top Nazis look upon this not merely as a method of saving their lives for a few months longer. They have more far-reaching plans. They have followed with close attention the social unrest and upheavals in the Balkans. They believe that it is towards the Southeast and in the general Balkan area that their best chances lie. Taking the reduit as a base, they are possibly planning to organize guerrilla bands in the mountains of Croatia and Serbia, Greece, Bulgaria and elsewhere.

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By SR Date NOV 26 1973

PAGE 1

# OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

REF. NO. 222

FROM Bosno TO DIRECTOR, OFFICE OF STRATEGIC SERVICES

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To facilitate this plan, it is important for them that the retreat extend as far as possible towards the Balkans, and this is apparently the reason for the strong concentration of German forces in the area east of Vienna.

The Germans apparently recognize that the American and British forces will meet the Russian forces somewhere in the North German plain. They hope then to be safely entrenched in their retreat. Then, if there is friction between the Anglo-Saxons and the Russians, they hope to be in a position to pour oil on the flames by stirring up all kinds of mischief in the Balkan areas.

They have seen how Tito defied their best efforts over several years. They believe they can play the game of several Titos, primarily in the main retreat, which will serve as a basis for supplies and for the despatch of parachutists and agents to foment trouble in minor nets of resistance to be (?) scattered far and wide in Southeastern Europe. This may well be the basic plan that they are now preparing the retreat to serve as an arsenal of manpower and material to give it effect. In particular, preparations are reported to have been made to assure the possibility of manufacturing light, defensive arms and anti-tank guns in the retreat.

8. Here is an interesting editorial that appeared in the Walt-week last night. The Allied leaders, especially Churchill, appear to think that one decisive Allied victory will be sufficient to break all German resistance. We hope this optimism is justified, but we do not quite believe it. We fear that, between the moment through which we are now passing and the moment of the end of the war, seemingly so near, terrible things will happen, namely, the destruction of the Allied prisoners in Germany, unless an amnesty is granted to the Nazi leaders.

What we are reporting is not based on definite knowledge, but rather on familiarity with the Third Reich and the Nazi mentality, concerning which we have rarely been deceived. Unfortunately, we do not dare hope that the Nazi leaders will be deterred from the most terrible action by the consideration that the blood which they shed must fall back on the German people and signify their doom. On the contrary, we fear that any such considerations will only strengthen them in their dire determination. Hitler himself once said that, if the German people lost the war, it would have failed in its historic mission and would deserve only annihilation.

National Socialism arose as an anti-social movement from the ashes of the corrupt bourgeois world which remained after the last war.

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By SR Date NOV 26 1973

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OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

REF. NO. 530

FROM Berne

TO DIRECTOR, OFFICE OF STRATEGIC SERVICES

RECEIVED

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It was an outbreak from reality, it was a bloody and cruel world of Wagner's operas and the Germanic heroic sagas. At the same time, it was an outbreak into the world of gangsters. In so doing, the Nazis made themselves outlaws of the bourgeois world and, on top of that, they have been officially banned from this world by the Allies.

They now feel themselves as beyond the law and outside the old world, relying solely on their own resources in the fight for their bare existence in a hopeless struggle. We know that no fighters are more dangerous than those who fight with the energy of despair. They shrink from nothing and no one, for they have nothing more to lose. There is much thought in this connection of new miracle weapons, especially in the use of gas, to which they might resort at the moment of complete despair. For our part, we do not believe that any such miracle weapon exists, for if they existed they would have been used before now.

It is possible that Hitler may still occupy himself with such things, but, more than all that, we fear the supreme threat which would confront the Allied statesmen with the awful alternative of either renouncing the punishment of the Nazi leaders, or jeopardizing the lives of millions of decent human beings.

5. Here is a brief item from the Berlin correspondent of the Neue Zuescher Zeitung which appeared today. The whole German press quotes a Reuter Report from Washington to the effect that the President intimated in a press conference that Great Britain and the U.S.A. had agreed in the Yalta Conference that, after the overthrow of Germany, the German prisoners of war would be employed in the reparation of war damage caused in Russia. This report obviously gives rise to grave concern in Germany and affords fresh material for German propaganda aimed at the improvement of the fighting morale of the German people. The press calls the Anglo-Americans "slave-drivers for Siberia" and claims that Roosevelt is selling German soldiers to the Kremlin. Deportation to Siberia is featured in the Berlin papers to show the public what they must expect if they give up determined resistance. It goes without saying that the German press seizes on every utterance from the Allied camp which tends to show that dire disaster awaits the German people if they are finally defeated.

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007622  
By SR Date NOV 26 1973

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

**SECRET**

21 March 1945

Miss Grace Tully  
The White House

Dear Grace:

The enclosed memorandum, containing intelligence forwarded by the OSS Caserta representative, will probably be of interest to the President. 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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007622

By SR Date NOV 26 1973

**SECRET**

*O. S. S. folder 5-45-*

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

**SECRET**

21 March 1945

*file 7*

MEMORANDUM FOR THE PRESIDENT:

The following information of 19 March, rated C-3, has been transmitted by the OSS representative in Bucharest:

According to a Rumanian judge who is a legal advisor to the Rumanian Intelligence Service, if King Michael had foreseen the American reaction to the new Groza cabinet, he would have put off Vyshinski until a government of all parties had been agreed upon. In the opinion of a prominent member of the National Peasant Party, who is an intimate of Maniu, the Soviets have been too hasty in attempting to consolidate their position in Rumania. Source asserted that, in view of the American reaction, the Groza government must act at once if it wishes to remain in power; a shift of ministers, source believes, might prove satisfactory.

*Donovan*

William J. Donovan  
Director

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By SR Date NOV 26 1973

**SECRET**

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

~~TOP SECRET~~

21 March 1945

Miss Grace Tully  
The White House

Dear Grace:

The enclosed memorandum, which forms a sequel to my memoranda of 13 March, will probably be of interest to the President. I would appreciate your seeing that it reaches his desk.

Sincerely yours,

*Bill*

William J. Donovan  
Director

Enclosure.

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*O.S.S. folder  
5-45*

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

21 March 1945

*File*

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By Authority of CIA

MEMORANDUM FOR THE PRESIDENT:

007622  
By [Signature] Date JUN 11 1973

The following information, transmitted by the OSS representative in Bern, is a sequel to memoranda dated 13 March concerning approaches with a view to terminating German resistance in North Italy made by Obergruppenfuehrer and General der Waffen SS Karl Wolff, the Higher SS and Police leader in Italy and chief of Himmler's personal staff. It is a summary of statements made by Wolff to OSS representatives and representatives of Field Marshal Alexander at a place near Locarno on 19 March. Marshal Alexander's representatives gave no name or rank but represented themselves to Wolff as advisors of the OSS representative. The OSS representative makes no attempt to predict whether Wolff's plan can be realized, but reports that Wolff, himself, appeared determined and that those who have had close contact with Wolff since he made his first approach ten days ago are inclined to believe that he is sincere in his expressed desire to effect an immediate German surrender. Wolff has stressed particularly that it would be a crime against the German people if the "reduit plan" were realized, since it would merely cause untold further useless destruction and slaughter.

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- 2 -

This information has been transmitted by the representatives in Switzerland of Field Marshal Alexander by direct radio to AFHQ.

Wolff stated that as a clear duty to his country he had been prepared to proceed with his plans to effect the surrender of the German Armies in Italy. The absence of Marshal Kesselring, however, compelled him to change his course of action. [Wolff reported on 12 March that Kesselring had gone to Hitler's headquarters, but that he expected him back in three days.] Wolff said that his next step now depends upon the time at his disposal for action. If he had virtually no time at all, he would be forced to see what he could do alone. If he had less than a week, he would deal directly with Generaloberst Heinrich von Vietinghoff, who was returning to Italy to take over Kesselring's command and probably reached his Italian headquarters on 19 March. If he had seven days or more, Wolff said he would go at once to Kesselring, whom he more than ever considered the key to the situation both in Italy and on the Western Front.

Kesselring, Wolff reported, has been assigned to Marshal von Rundstedt's command in the West, and had not even

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- 3 -

been allowed by Hitler's headquarters to return to Italy to pack up his effects. Thus Wolff had not been able to see Kesselring since Wolff's first meeting with the OSS representative ten days ago.

Vietinghoff, who acted as deputy commander in Italy for Kesselring while the latter was recovering from his injuries, had gone to Germany on leave in mid-January, and subsequently had held a brief command in Kurland on the Eastern Front. After a brief conference at Hitler's headquarters he was ordered to return to Italy to assume command.

Wolff said that if he were compelled to act alone he had only the following heterogeneous forces, equipped only with light arms and a few old tanks, at his disposal. In his capacity as Higher SS and Police leader, a post which he has held since 1943, he commands some 15,000 Germans; 20,000 Soviet troops, mostly Don and Kuban Cossacks and Turkomans; 10,000 Serbs; 10,000 Slovenes; 5,000 Czechs; an Indian legion; and 100,000 Italians, As Bevollmaechtigter General der Deutschen Wehrmacht (plenipotentiary for the German Wehrmacht), a post which he had held since the 20 July putsch, he is in direct command of 10,000 Germans, and has under his tactical command some 55,000 German services of supply and similar troops, all north of the Po River.

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Wolff admitted frankly that the non-German forces under his command are not very dependable, and that were he to take action alone, without prior coordination with the OKW, he would probably be caught between German armies to the north and south of his forces.

Asked whether a direct approach to von Vietinghoff might meet with success, Wolff said that von Vietinghoff is a non-political soldier who would not take political action without support from others in the Wehrmacht. Wolff declared his relations with von Vietinghoff to be excellent, but said he had not prepared the ground with von Vietinghoff as he had with Kesselring. Hence, Wolff proposed that he proceed at once by car to Kesselring's headquarters, since he could not fly there for technical reasons; and seek to persuade Kesselring and Generalleutnant Siegfried Westphal to join him in common action. If they agreed to do so, Wolff said he felt sure that von Vietinghoff would cooperate.

If he were successful, Wolff said that he hoped to bring back with him within a week qualified military representatives of both Kesselring's and von Vietinghoff's headquarters to discuss the details of a military surrender. Wolff declared

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- 5 -

that he realized that the rapidly developing military situation left him little time for action. He added that German Headquarters in Italy expected an Allied offensive there before the end of the month (to one person he said the attack was expected by 25 March). Wolff crossed back into Italy on the evening of 19 March.

*Donovan*

William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

~~SECRET~~

22 March 1945

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

Dear Grace:

I am attaching brief biographical records on Kesselring and Vietinghoff, which I would appreciate having brought to The President's attention in connection with my memorandum of yesterday.

Sincerely,

*Bill*

William J. Donovan  
Director

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By Authority of CIA

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By SR Date NOV 26 1973

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.  
JULY 1944



GERMANY REF. JULY 1944  
COLONEL GENERAL HEINRICH GOTTFRIED VON  
VIETINGHOFF (CALLED SCHEEL), AGE 57,  
SOURCE: PROBABLY TRANSOCEAN. OSS P 89

VIETINGHOFF. HEINRICH GOTTFRIED VON

*See folder XIII  
Military biographies*

Heinrich von VIETINGHOFF genannt SCHEEL

Rank: Generaloberst (colonel general)

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By Authority of CIA

Branch of service: Panzer troops

007622

Birth date and place: 6 December 1887, Mainz

By SR Date NOV 26 1973

Religion: Protestant

Family: Married Elfriede, daughter of Colonel Ludwig Wagner, 6 January 1920 in Berlin; three children.

Vietinghoff is the son of Generalleutnant Heinrich Scheel von Vietinghoff and Leona Gräfin von Schmettow.

Military career:

- Attended Prussian Cadet schools (Cadet Corps) (prior to 1906)
- 1906 Fähnrich (officer candidate)
- 1907 Second lieutenant
- 1914 First lieutenant and regimental adjutant
- 1914-1916 Member of Kaiser-Franz-Garde-Grenadier-Regiment
- 1916-1918 Member of General Staff
- 1918 Member of the Operational Section of the Supreme Command (Ludendorff's Staff)
- Received twelve military decorations, including one Turkish and one Bulgarian award.
- 1918-1923 Member of the Reichswehr
- 1923 Joined the War Ministry
- 1924 Joined staff of First Army Group in Berlin
- 1924-1926 Company commander in the 9th Prussian Infantry Regiment
- 1 March 1928 Promoted to major over 100 captains senior to him.
- 1927-1928 Member of staff of Commander of Infantry in the Second Division
- 1929-1931 Member of the National Defense Department of the Wehramt (War Office)
- 1 February 1931 Promoted to lieutenant colonel

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April 1931 Commander of the 1st Bn. of the 14th Infantry Regiment

1 March 1933 Head of a section in the National War Ministry

April 1933 Promoted to colonel

April 1936 Promoted to Generalmajor (brigadier general)  
Participated in the establishment of the German  
panzer arm and commanded the 1st Motorized Infantry  
Brigade in the First Panzer Division.

1937 Inspector of Armored Troops and Army Motorization  
in the War Department

1 March 1938 Promoted to Generalleutnant (major general)

November 1938 Commander of the Fifth Panzer Division  
(Another source mentions him as commander of the  
31st Panzer Division at that time).

1940 Commanded 13th Infantry Corps in the invasion of  
France and took part in action south of the  
Ardennes canal.

19 July 1940 Promoted to General der Panzertruppen (General of  
Armored Troops, equivalent to the rank of lieutenant  
general). Received the Knight's Cross decoration.

1941-1942 Commander of the XLVIth Panzer Corps in the Balkans  
and Russia

September 1942 Relieved of his command on the eastern front.  
  
Promoted to Generaloberst (colonel general or full  
general).

Feb.-Sept. 1943 Commander of the 15th Army in the West

September 1943 Transferred to the Italian front.

Oct.-Dec. 1944 Temporary commander of Army Group C.  
  
Holder of the Oak Leaf to the Knight's Cross.

Vietinghoff is described as a man who "likes Hitler but dislikes the  
Nazi Party". Although reportedly "playing an increasingly important  
role in the German army leadership" Vietinghoff "would probably not be  
selected as Chief of the General Staff; it is possible, however, that  
he might succeed General Guderian as Inspector General of Panzer Troops".

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Prepared by Biographical Records  
21 March 1945

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GERMANY 1944  
THE NEW YORK TIMES  
MAGAZINE P. 6  
APRIL 30, 1944.  
OSS-P-23

Field Marshal Gen. Kesselring,  
commander of Nazi troops in Italy.

KESSELRING, Field Marshal Gen.

~~SECRET~~

Name: KESSELRING, Albert

Rank: Generalfeldmarschal, Luftwaffe (Field Marshal, GAF), since 19 July 1940

Present command: Commander in Chief, South West and Army Group C

Birth date and place: 30 November 1885, Markstett (Lower Franconia)

Family history: His father was a municipal school supervisor.

Army career:

20 July 1904	Joined 2nd Bayerische Fuss-Artillerie Regiment as an ensign.
Before World War I	Was trained as a balloon observer.
World War I	Served as brigade-adjutant and general staff officer in the Bayerische Fuss-Artillerie Regiment and later on in the 3rd Bayerische Ar-mee Korps.
	At the end of the war, remained in the Reichswehr with the rank of Hauptmann (captain). Served for a short while with his former artillery regiment and then was given appointments in the Reichswehr Ministry and on the general staff.
1 February 1932	Appointed battery commander in the 4th artillery regiment.
1 October 1932	Promoted to the rank of colonel.
About 1933	Transferred to the Luftwaffe (air force), and appointed Chief of the Administrative Branch in the Air Ministry. (It is reported that he later relinquished this post because of a disagreement with General Milch)
1 October 1934	Promoted to Major General.
20 April 1936	Promoted to Lieutenant General.
9 June 1936	Appointed Chief, Luftwaffe (air force) General Staff.
1 June 1937	Promoted to General der Flieger and made commanding general and Befehlshaber (commander) in Luftkreis 3 (air corps area) in Dresden.

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1 February 1939	Chef der Luftflotte (air fleet) I in Berlin and Befehlshaber (commander) Ost (East).
1939	Commanded the First Air Fleet in Poland.
20 September 1939	After the Polish campaign, received the Knights Cross of the Iron Cross
1940	Commanded the Second Air Fleet in France.
19 July 1940	Promoted to Field Marshal by Hitler in the Reichstag session celebrating victory in the west.
Summer 1940	From summer 1940 to beginning of campaign against Russia, fought with his formations against Britain.
1941	Commanded an Air Fleet in Russia.
1942--	Transferred to Southern theater in supreme command of all air forces in the Mediterranean and Africa.
25 February 1942	Awarded the Oak Leaves.
18 July 1942	Awarded the Swords to the Oak Leaves.
Autumn 1943--	Army group commander.
21 July 1944	Awarded Diamonds to the Oak Leaves with Swords.

Kesselring has been the object of many rumors. On 1 January 1945, The New York Times reported an Order of the Day by Hitler (signed 27 November 1944) announcing Kesselring's death. A report from Berne (12 November 1944) reported him wounded by an Allied plane, after the German European Service (25 July 1944) had admitted that he was slightly wounded. The Nazis have frequently praised his masterly strategy and reported that he was shot down 3 times in over 120 flights.

He is variously reported to be a member of the Nazi Party and to be not a member, to be a close friend of Göring and to be his rival.

On 13 March 1945 The New York Times published an order by Kesselring addressed to Baron von Gablenz, commander of the 232nd division to "defend every inch of Italian territory as if they were fighting on the soil of Germany itself".

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

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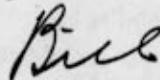
23 March 1945

Miss Grace Tully  
The White House

Dear Grace:

I am enclosing the latest radiotelephone report from our Bern representative, which I think the President will find interesting. Will you be good enough to see that it reaches him? Thank you.

Sincerely yours,



William J. Donovan  
Director

Enclosure.

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By Authority of CIA

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By SR Date NOV 26 1973

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PSF; O. S. S. *file* 5-45

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OFFICE OF STRATEGIC SERVICES

WASHINGTON, D. C.

23 March 1945

*file*

MEMORANDUM FOR THE PRESIDENT:

I think you will be interested in the enclosed radiotelephone report from the OSS representative in Bern. This message sets forth the impressions of a German businessman, just arrived in Switzerland from Berlin, concerning Russian behavior in occupied German territories in the East.

*Donovan*

William J. Donovan  
Director

Enclosure.

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By Authority of CIA

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By SR Date NOV 26 1973

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Form 0-50 (Revised)

# OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

DATE 21 March 1945

#289

FROM Borne

III

PRIORITY

TO

ROUTINE

DIRECTOR, OFFICE OF STRATEGIC SERVICES

DEFERRED

DISTRIBUTION

(FOR ACTION)

(FOR INFORMATION)

RECEIVED IN PLAIN TEXT

RESTRICTED

## GERMANY

A German businessman, who has just arrived from Berlin, gives the following picture of the Russian behavior in occupied German territories in the East. The Russians are treating the Germans in the occupied territory on the whole very fairly. The Russian policy is to let the occupied territory go on working, leaving it in the condition in which it is found and saying that it must produce the same quantities as before. Later, a workers' committee is set up in each plant to see which executives should be got rid of. Of those to be discharged, those whose conduct was otherwise all right are given a pension, and those whose conduct was hostile are shot. The Russians recognize the value of engineering personnel. They are following a clear line. They are shooting the Nazis, but are being good to the workers, engineers, and those whom they need. The German people are cooperating with the Russians in the occupied area up to a certain point. They feel more secure than under the Nazis. The large estates are being divided up and given to the farmers, with notice, however, that the farmers may have to join a Russian cooperative.

The Germans feel that the Russians are making a success of their occupation, and there is a growing feeling that they will make a greater success than the English and Americans will of theirs. For one thing, the Russians never bombed workers' quarters, and the Germans feel that they committed less wilful destruction. The Russians do not strafe fleeing German civilians but instead assist them to get out of the districts the Russians are about to capture. The German businessman making the foregoing comment feels that the Americans, with their stand-off policy towards the ordinary German on the one hand, and with the likelihood that they will not shoot many Nazis, on the other, will probably blunder in their occupation methods.

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By SR date NOV 26 1973

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

**SECRET**

23 March 1945

Miss Grace Tully  
The White House

Dear Grace:

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

Sincerely yours,

*Bill*

William J. Donovan  
Director

Enclosure.

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By Authority of CIA

007622  
By SR Date NOV 26 1973

**SECRET**

*O. S. S. file 5-45*

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

**SECRET**

23 March 1945

*file*

MEMORANDUM FOR THE PRESIDENT:

The following information from a Japanese source, dated 21 March, has been transmitted by the OSS representative in Bern:

According to Shunichi Kase, Japanese Minister in Bern, the Japanese Ambassador to Moscow was summoned to Tokyo to discuss technical details concerning the renewal of the Russo-Japanese non-aggression pact, and left Moscow with a firm conviction that Russia would renew the pact. Kase himself allegedly believes that Russo-Japanese relations have recently improved.

Source says that there will be no big naval engagement, because one-third of the Japanese fleet has been sunk, another third is undergoing very slow repairs, and the Japanese air force is insufficient to protect the remainder.

Source also reports that Allied bombardment of the Japanese homeland with incendiary bombs has been more damaging than explosives.

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By SR Date NOV 26 1973

*Donovan*

William J. Donovan  
Director

**SECRET**

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

23 March 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,

*Bill*

William J. Donovan  
Director

Attachment

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By Authority of CIA  
007622  
By DBJ Date JUN 11 1973

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

23 March 1945

MEMORANDUM FOR THE PRESIDENT

I attach a report which is of exceptional interest. It relates to future plans of the German Intelligence Service. It was prepared by our Counter-Espionage Branch.

The report indicates that the Nazi Party Intelligence Service (RSHA), controlled by Himmler, has absorbed the ABWEHR and that the two services are being consolidated into an effective tool which may be used by the underground after military defeat.

Among other things the report indicates that officers for a German resistance army of between 35,000 and 40,000 men are receiving training in resistance methods and Guerrilla warfare at special Nazi schools. There is also evidence of the caching of supplies and that RSHA has issued directions which, although they have not so far related to continuing Guerrilla resistance, have directed intelligence, subversion and sabotage activities.

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The memorandum details assignments of specific post-defeat functions to branches of the RSHA together with methods of operation. Among the latter are the surrender of selected SS personnel as a means of going underground as prisoners of war and the infiltration of Nazis into the Communist party.

There is also evidence of a shift in attention from tactical to long range strategic intelligence reporting. Interest has been shown in areas which can be explained only on a long range basis. Plans with reference to Spain are of particular interest. It is reported that in order to forestall expulsion certain Germans there are to be naturalized in the interest of continued German intelligence.

The world-wide interest of German intelligence shows how extensively we must spread ourselves to guard against their activities.

*Donovan*

William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

23 March 1945

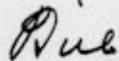
Miss Grace Tully  
The White House  
Washington, D. C.

Dear Grace:

I believe the President will be  
interested in the attached memorandum. Will  
you kindly see that it reaches his desk?

Thank you.

Sincerely,



William J. Donovan  
Director

Attachment

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*O. S. S. folder 5-45*

OFFICE OF STRATEGIC SERVICES

WASHINGTON, D. C.

*file* ↗

23 March 1945

MEMORANDUM FOR THE PRESIDENT

There follows a summary of a report dealing with the status of the Chinese in Thailand, which was prepared by the research staff of the Office of Strategic Services.

The large Chinese minority in Thailand has given rise to a number of serious problems, both local and international.

1. Disagreement on bases for determining nationality.

The Chinese government asserts that all individuals of Chinese or Sino-Thai parentage born in Thailand are Chinese nationals, and thus claims some 3,000,000 or almost 20 per cent of the population. The Thai government counts as Chinese only a half million alien immigrants, and disputes with China the nationality of the remainder.

2. Economic domination by the Chinese. Partly because of disinterest in business on the part of the Thai, the

local Chinese (aliens and those born in Thailand but unassimi-

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By SR Date NOV 26 1973

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lated) have handled about 90 per cent of the country's business. The Thai government has become increasingly dissatisfied with this economic supremacy of the Chinese, and eager to increase Thai participation in business.

3. Chinese organizations in Thailand. The economic and cultural solidarity of the Chinese in Thailand has been strengthened by some 273 organizations, most of which are considered illegal by the Thai government. These associations have formed "closed corporations" for Chinese business interests, have spread Chinese nationalism and culture in Chinese-language schools, and in many cases have caused public disorder among rival Chinese groups.

4. Thai controls over alien Chinese. In 1939 and thereafter Premier Pibul sponsored legislation to limit Chinese business and cultural activities. Alien Chinese were excluded from many occupations which they had formerly dominated. High immigration fees were designed to limit Chinese immigration. Many Chinese-language schools and newspapers were forced to close. The Chinese resented these moves, which they considered governmental discrimination; but personal relationships between Chinese and Thai remained comparatively cordial.

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5. Japanese occupation of Thailand. Since the great majority of Chinese in Thailand are pro-Chungking, they recently have drawn closer to the Thai in their mutual hatred of the Japanese. The latter have attempted to use the local Chinese to aid in procuring supplies, and have tried unsuccessfully to create animosity between the Chinese and the Thai.

In the postwar period the Thai government may have to consider the following questions:

1. Opening of diplomatic relations with China. Both the government of China and Chinese residents in Thailand have expressed a strong desire for the opening of diplomatic relations between China and Thailand. Thus far Thailand has refused, presumably through fear of strengthening the position of the local Chinese community. A Chinese diplomatic official in Bangkok would, however, be of some service to the Thai government as a responsible representative of the alien group.

2. Formulation of an adequate immigration policy. The Thai already possess legal means for limiting Chinese (and other) immigration. If this should be used ruthlessly to minimize the number of unassimilated Chinese in Thailand, the Chinese government would doubtless object. Hence the formulation of a mutually acceptable immigration policy will call for careful study. There-

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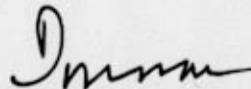
with a decision may have to be reached concerning the dual citizenship status of two million or more people in Thailand.

3. Reconsideration of economic and cultural controls.

Thailand, in order to further amicable relations with China, may deem it desirable to modify some of the current restrictions on the business and cultural activities of the alien Chinese. The new Aphaiwong government has already indicated a trend in this direction. The Thai nevertheless will presumably wish to maintain control of their own economic and cultural life.

4. Degree of China's political influence in Thailand.

Some reason exists for believing that China is interested in Thailand as an area for population expansion, and wishes to promote Chinese cultural penetration and perhaps even political control of Thailand. As a nation of only 16,000,000, Thailand fears the power of China's 400,000,000. Consequently in the postwar period Thailand may invoke the aid of some international peace organization in the maintenance of her national integrity.



William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

**SECRET**

26 March 1945

Miss Grace Tully  
The White House

Dear Grace:

I believe the President would be interested in the enclosed memorandum, which contains intelligence forwarded by the OSS representative in Bern. 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.

26 March 1945

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MEMORANDUM FOR THE PRESIDENT:

The following information, transmitted by the OSS representative in Bern, has been obtained from a trustworthy source:

Emil Puhl, one of the six vice-presidents of the Reichsbank, had arrived in Switzerland by 21 March in order to attempt to make arrangements that would cover official German expenses under the terms of the recent Swiss decree restricting the use of German funds. Puhl told source that the Reichsbank still is at Berlin, but that an unspecified amount of its gold has been moved to Lake Constance.

Puhl declared that the Nazis had made careful plans to go underground and that every essential figure had been given a specific assignment. Naziism, he said, would not end with Germany's military defeat because it is like a religion rather than a mere political regime. Hitler and his followers, he added, are as fanatic in their cause as ever and still have the support of a great number of people.

As to whether he, himself, would assume responsibility under Allied occupying forces if asked to do so, Puhl asserted that, in the initial period of occupation, collaboration with the Allies would be both physically and politically

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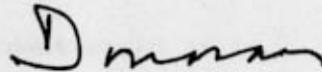
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dangerous. The timing, he added, would present a most difficult problem. Men who could be of service to the Allies might sacrifice their subsequent utility by premature collaboration. Such men, he said, should wait until the public they seek to influence is prepared to accept loyal collaboration with the democracies.



William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES

WASHINGTON, D. C.

*file*

26 March 1945

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

Dear Grace:

I believe the President will find of  
interest the attached memorandum. Will you kindly  
see that it reaches his desk.

Thank you.

Sincerely,

William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

*file*

26 March 1945

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MEMORANDUM FOR THE PRESIDENT

007622

By DRJ Date JUN 11 1973

I believe you will be interested in the following ~~report~~  
concerning the question of aiding Thai resistance against  
Japan:

Present Thai Situation

1. Advice is received from Thailand that there is imminent danger that Thailand will be seized by the Japanese. A representative from Thailand, now in the United States, stated that when he was in Tokyo (February 1944) he had heard the Japanese plans on the ultimate seizure of Indo-China, and the present operations are according to that plan. The Thais feel that this plan will be extended to include Thailand.

2. We are advised from inside Thailand that the Thai officials believe three alternatives are open to them.

a. To combat with force all Japanese assaults, resisting to the utmost.

b. To be on the alert for indications that the Japanese intend to take over control of the country, and

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to launch a surprise attack, plans for which have been prepared.

g. To pursue a policy of waiting for American or Allied aid before fighting.

3. At a secret meeting of the cabinet of the Thai government it was decided that should pressure take the form of demands such as those made and effected in Indo-China, the Thais would fight. Otherwise, their soldiers would be disarmed and they would lose all power of resistance. Since the French Indo-China incident, all Thai soldiers in Bangkok have carried rifles. The Thais feel that no matter how careful the Thais are to avoid provoking summary action, the Japanese in their own good time will create an incident to be an excuse for them to assume full control.

4. In the event that the Japanese take summary action, the Thai forces, according to their own most favorable estimate, could not hold out more than a month without aid. The Thai Government has submitted a request through an OSS representative that anti-tank guns be dropped at points where safe delivery can be assured. Further, the Thai Government asks that

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Allies indicate their intentions respecting Indo-China, so that Thai plans may be governed accordingly.

5. The present Thai Government is at the same time the Underground Movement, the De Jure Government and the De Facto Government. The Thai Government has evidenced to the Allied cause cooperation of a very high order.

6. The Japanese make extensive use of Thai communications. They are building roads and improving railroads. Since denial of these communications or a disruption of the service on same will seriously hamper the movement of Japanese troops to and from Burma and Indo-China operations, the Japanese will if possible seize them.

Present American Activities Inside Thailand

7. The primary source of intelligence of the Army, the Army Air Forces, and the State Department is the OSS network in Thailand. This network is also the State Department's sole contact with the Thai Government inside Thailand.

8. We have previously advised you that this network has developed not only intelligence within Thailand, but has provided the means of exfiltrating important political representatives,

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as well as infiltrating and exfiltrating American and Free Thai officers (by use of submarine, air drop, and flying boat) who have been made available in Washington for consultation with military officials and the State Department. The agents who were infiltrated were received by the Thai Government, and effective channels of military and political intelligence were made available to them. The Thai Government also cooperated in providing safe conduct for two American officers to Bangkok. One of these officers is organizing an intelligence chain which is supported by the highest Government officials. At our instance the Thai Government has undertaken the development of this intelligence system and the use of Thailand as a base for penetration of Japan, through the use of Thais. We are attempting to provide security for the maintenance of this intelligence system even though Japan seizes Thailand and disarms the Thai troops.

O.S.S. Personnel and Supply Now in Far East and  
Available for Thai Operations

9. We are requesting information of the Regent as to the most recent estimate of the strength of Army, police, and

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civilians in Thailand capable of actively resisting the Japanese, how deployed, the quantities and types of weapons and ammunition on hand, and to what extent this equipment could be augmented by capturing Japanese supplies.

10. Anticipating such possibilities as now appear to be arising, OSS has warehoused in Calcutta a quantity of supplies earmarked for resistance groups and guerilla bands. There is a lien on these supplies for possible use in China.

11. According to most recent figures, the equipment on hand in Calcutta includes:

35,000 Rifles  
20,000,000 Rounds of Ammunition  
19 Bazookas  
2,000 Jungle Kits  
19,000 Hand Grenades  
21,000 Rifle Grenades  
10,000 Verylights  
4,000 30 Cal. Semi-automatics  
Substantial demolition supplies  
2,600 C Rations  
900 K Rations

The following equipment is en route:

<u>Amount</u>	<u>Item</u>	<u>Shipped</u>
1,200	.38 Pistols	12/2/45
9,380	30 M 1917 Rifles	.8/2/45

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<u>Amount</u>	<u>Item</u>	<u>Shipped</u>
2,600	Launchers-Bazooka (10,000 on requisition)	19/2/45
149,000	Rockets Bazooka	3/2/45
15,000	M 3 Sub-Machine Guns	7/2/45
3,500	Hand Grenades, Fragmentation (on hand in Calcutta drawn from Army)	

17. OSS has 44 officers and men of our Operational Groups (OG's) in Ceylon. There are 41 SO (Special Operations) personnel in Ceylon, trained in field operations, and 49 men en route.

\* \* \* \* \*

18. In order that OSS operations may be coordinated with overall policy and plans, and so that we may know whether we should extend our operations in Thailand beyond those concerning intelligence, guidance and instructions have been requested of the Joint Chiefs of Staff and the Department of State as to whether:

- a. OSS should supply the Thai Army and other resistance forces with arms, ammunition and other supplies;
- b. OSS should send personnel to Thailand to help organize and train the Thai resistance forces.

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*Donovan*  
William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

~~SECRET~~

26 March 1945

Miss Grace Tully  
The White House

Dear Grace:

I believe the President will be interested in the enclosed memorandum, which contains intelligence forwarded by the OSS representative in Caserta. Will you please 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.

26 March 1945

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MEMORANDUM FOR THE PRESIDENT:

The following information, which forms a sequel to my memoranda of 13 and 21 March on the Rumanian situation, has been transmitted by the OSS representative in Bucharest and rated B-2 by OSS Caserta:

On 21 March a well informed Rumanian Communist stated that the American State Department note on Rumania had had a strong effect in Bucharest. Rumanian leftists reportedly interpret the note as evidence that the United States is determined to oppose the Soviets when the terms [of the Yalta declaration?] are overstepped. Source believes the Soviets will not risk strong differences with the United States and will respond to the American representations by broadening the Rumanian cabinet, possibly to include representatives of democratic, bourgeois interests, who would serve as a counter-weight to the radical left. Source emphasized that the Soviets had overplayed their hand in Rumania and that Vyshinski had gone further than Moscow had intended.

Concerning the recent arrests by the Ministry of Interior, source claimed to have accurate information showing

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that the arrests thus far had been largely confined to fascists and collaborators with the Germans. He admitted, however, that there had been some arrests of political opponents of the new regime, and of employes of a Peasant Party newspaper who refused to join a leftist trade union. Source stated that he and other prominent Communists considered these arrests unfortunate and stupid, and that they are trying to arrange for the quick trial and release of the workers.

*Donovan*

William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

*file*

*Box 171*

26 March 1945

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

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By Authority of CIA

007622

By NS Date JUN 11 1973

Dear Grace:

I believe the President will find of  
interest the attached memorandum. Will you kindly  
see that it reaches his desk.

Thank you.

Sincerely,

*Bill*

William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

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27 March 1945

MEMORANDUM FOR THE PRESIDENT:

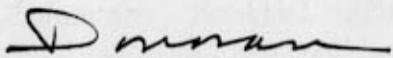
The following information, transmitted by the OSS representative in Bern, summarizes approaches by Ernst Kaltenbrunner (Tab A), Chief of the Nazi Security and Police Service, and by Franz Xaver Ritter von Epp (Tab B), Reichsstadthalter (Governor) of Bavaria.

Through two emissaries, Kaltenbrunner reports the existence of an opposition group within the Austrian SS which is anxious to liquidate the Nazi Party in Austria and to arrange for the orderly transfer of administrative functions to the Western Powers. This group is apparently anxious to gain some immunity from the Allies by serving as a "transitional regime" instead of joining the Nazi die-hards in a last-ditch struggle in the German "redoubt". The Kaltenbrunner group claims to have established contact with worker and Catholic opposition groups in Austria.

Von Epp, through his emissary, claims that he wishes to spare Bavaria from becoming a battlefield and, when Nazi controls break down, intends to assume executive power in Bavaria with the help of Wehrkreis commanders.

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Certain striking similarities are apparent between these two approaches and those of Obergruppenfuehrer and General der Waffen SS Karl Wolff with respect to North Italy, reported in previous memoranda. Whether these are independent, spontaneous efforts of dissident Nazis to save themselves, or whether Himmler is behind these moves and is, himself, preparing to desert the Nazi die-hards, remains an open question.



William J. Donovan  
Director

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APPROACHES FROM KALTENBRUNNER GROUP

On 28 February the OSS representative in Bern reported that he had been approached by an Austrian industrialist with whom he had had previous contacts. The Austrian declared that he for several years had been acquainted with Hoettel, a Viennese SS chief, who knew vaguely that he had indirect contacts with Americans in Switzerland. Prior to the industrialist's departure for Switzerland on 18 January, Hoettel informed him that Ernst Kaltenbrunner, Chief of the Security and Police Service, wished to see him.

The Austrian industrialist saw Kaltenbrunner, who told him that he, Kaltenbrunner, and Himmler were very anxious to end the war and as a first step were contemplating the liquidation of "war mongers" within the Nazi Party, especially Martin Bormann, Deputy Leader of the Nazi Party. Kaltenbrunner also said that he and Himmler were very anxious to establish contact with the British and Americans and planned to send a high SS official to Switzerland to speak for them, if a contact could be established. Kaltenbrunner asked the Austrian industrialist to do what he could to establish such a contact.

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The industrialist claimed that he had suggested to Kaltenbrunner that Alfred Potocki, brother of the former Polish Ambassador to Washington, should be allowed to go with him to Switzerland, since he felt that Potocki had good contacts with the British. According to the industrialist, Hoettel immediately arranged for an exit visa for Potocki, who expected to proceed first to Liechtenstein. Potocki apparently never arrived there.]

After further conversations with the industrialist, the OSS representative on 2 March reported that other good sources tended to support the industrialist's claim that Himmler, Kaltenbrunner, and certain other high SS officials might abandon the die-hard Nazi fanatics like Hitler and Bormann, and (instead of joining them in the German "redoubt") might try to gain some immunity by serving as a "transitional regime".

(The OSS representative commented that so long as such Nazi leaders as Himmler and Kaltenbrunner believe that it might be possible to obtain some immunity from the Allies, an opportunity may be offered to drive a wedge into Nazi leadership and thereby reduce the effectiveness of German "redoubt"

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plans. The representative said that through indirect channels he was arranging for Hoettel to come to the Swiss frontier where a trustworthy intermediary would see him.)

On 15 March the OSS representative reported that Hoettel had told the intermediary that the SS contained a so-called Austrian opposition represented by Kaltenbrunner, Hermann Neubacher (the former Plenipotentiary to the Balkans), and himself. This opposition group, Hoettel declared, had been responsible for saving many people from SS persecution. Hoettel also said that he was responsible for the transfer of Karl Seitz (the former Lord Mayor of Vienna) from a concentration camp in Silesia to Bavaria and now hoped shortly to free Seitz. Hoettel said that previous to his present assignment [apparently as Kaltenbrunner's right-hand man in Vienna] he had acted for Kaltenbrunner in supervising the activities of Edmund Weesenmeyer, the German Plenipotentiary in Hungary. He added that he had recently been assigned by Kaltenbrunner to establish contact with opposition groups in Austria.

On 24 March the OSS representative reported that Hoettel had made a second trip to Switzerland and declared that the majority of the Austrian SS, most of whom are Austrian

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nationals, wish to liquidate the Nazi Party and to arrange for an orderly transfer of administrative functions to the Western Powers. This plan, Hoettel declared, would involve the elimination of those SS elements favoring a continuation of the war, especially the supporters of Bormann and a number of the Gauleiters.

(The OSS representative, on 24 March, also reported that the Austrian industrialist, who had seen Kaltenbrunner between Hoettel's first and second trips, had declared that Hoettel's second trip was made at Kaltenbrunner's special request. The industrialist supported Hoettel's statements.)

Hoettel declared that Kaltenbrunner had assigned him to contact Austrian opposition groups in order to support anti-Communist elements. Hoettel said he was selected for this task because he is a Catholic and because his father is a Social Democratic school reformer.

OSS WASHINGTON COMMENT: Karl Hoettel, a teacher for many years until 1934, served on the Vienna Board of Education. He was last heard of in 1941, when he was still living in Vienna and anti-Nazi. He is now about 60 years of age and has a son, about 30.7

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Hoettel said his task had been facilitated by the anti-Communist leanings of Austrian workers. Hoettel claimed that he had established contact with anti-Nazi worker leaders in Steiermark, Wiener Neustadt and Vienna, and with Catholic opposition groups. He cited the name of a Catholic leader, which already had been supplied the OSS by representatives of the Provisional Austrian National Committee (POEN), but claimed he knew other opposition leaders only by their cover names.

7 OSS WASHINGTON COMMENT: POEN representatives reported to the OSS representative in Paris recently that they had established contact with some of the higher SS offices in Vienna.7

Hoettel promised to return to Switzerland with certain of these opposition leaders, and hinted that he might even bring out the former Lord Mayor, Seitz, as well as representatives of the workers and Catholic opposition.

(According to the Austrian industrialist, a meeting in Salzburg, to discuss Hoettel's second trip to Switzerland, was attended by Kaltenbrunner, Neubacher, Lieutenant-General Edmund Glaise von Horstenau (the former liaison officer for the German Army with the Croatian Government), Neustaedter-Stuermer (?), and Hoettel.

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(In September 1944, the OSS representative reported that Glaise-Horstenau had, following his removal from his liaison post, sent a message to the representative indicating his desire to work with the Allies for the liberation of Austria. The OSS representative then commented that Glaise-Horstenau apparently wished, through his friends in Army circles, to open to the Western Allies the route to Vienna via Zagreb in the hope of avoiding a Soviet occupation of the Austrian capital.

(OSS Washington Comment: Neustaedter-Stuermer cannot immediately be identified. The well-known Austrian Fascist, anti-Nazi and leader of the Heim- atwehr movement, Odo Neustaedter-Stuermer was reported to have committed suicide in Budapest when Austria was occupied by the Nazis.)

With regard to the general situation, Hoettel declared that the Nazis expect and wish to exploit a wave of anti-Communism in the Balkan area. For this reason, he said, despite the pressure on other fronts, SS divisions had been kept on the Lake Balaton front in Hungary, and von Weich's army held relatively inactive in Croatia. Hoettel said that the Alpine "redoubt"

would be finished and stocked in about three months. The Steyrwerke, he said, is already underground, producing such defensive weapons as Panzer Faeuste. The Nazis intend to take Wehrmacht as well as SS units into the "redoubt", he added, and even the families of the troops.

With respect to the situation within the Nazi Party, Hoettel said that the split between the western and eastern oriented groups was becoming increasingly apparent. Robert Ley and his followers in the Labor Front, plus Bormann and many of the Gauleiters, he declared, belong to the Eastern orientation, while Kaltenbrunner and his followers belong to the western-oriented group. Hoettel predicted a kind of Tauroggen movement in which the Western Front would be opened, the troops would be marched towards the East to fight as free corps bands, while the government of Germany would be left to the Western Allies.

(The OSS representative comments that there are other indications that certain SS elements are trying to save themselves by turning to the West, by ignoring or even favoring local anti-Nazi movements, and by preparing to avoid a last ditch "redoubt" struggle with the die-hards. The representative points to the similarity of these activities inspired by

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Kaltenbrunner, efforts by Obergruppenfuehrer and General der Waffen SS Karl Wolff to arrange a surrender in North Italy, and a recent approach by von Epp with respect to Bavaria, summarized in Tab B.)

*Dorman*

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APPROACHES FROM VON EPP

On 23 March, the OSS representative in Bern reported that Heinz Adolf Heintze of the German Foreign Office arrived in Switzerland with a message from Franz Xaver Ritter von Epp, Lieutenant-General, retired, the Reichsstadthalter (Governor) of Bavaria. Von Epp declares that, although he has served the Nazis, as an old-school Bavarian officer he wishes to spare Bavaria from becoming a battleground. When central Nazi government controls break down, he intends to assume executive power in Bavaria, aided by several Wehrkreis commanders in charge of Bavarian reserve units. The most energetic of these, he says, is General Kriebel, commanding Wehrkreis VII. Von Epp and these Wehrkreis commanders believe that the troops under their command would follow orders to take action against Himmler and the SS.

Von Epp declares that he has acquainted Cardinal Faulhaber and other Bavarian Catholic leaders with his plans and had tried to contact the Vatican through Faulhaber. This contact could not be safely established, he claims, because the Gestapo is represented in the Cardinal's entourage. Von Epp apparently asked his emissary, Heintze, to find out whether

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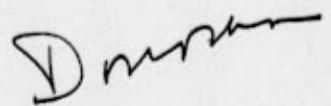
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his appearance at the head of a Bavarian anti-Hitler movement would tend to prejudice the movement in Allied eyes, in view of his own Nazi background and the fact that he had remained in office under Hitler.

(The OSS representative comments that this group may not have sufficient energy and determination to carry through its plans.)

✓OSS WASHINGTON COMMENT: Von Epp, now 76, has been a confirmed Nazi ever since he joined the Party in 1923. He was instrumental in Hitler's rise to power and delivered Bavaria to Hitler on 9 March 1933. Following World War I, he founded the Epp Free Corps and put down the revolt in the Ruhr in 1919-20, then returned to the German Army until his retirement in 1923. He became Reichskommissar for Bavaria in March 1933 and was made Reichsstadthalter the following month. In recent years he<sup>f</sup> actually has been subordinate in power to the Gauleiter. He is anti-Communist and probably pro-monarchist at the present time.<sup>7</sup>



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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

27 March 1945

Miss Grace Tully  
The White House  
Washington 25, D. C.

Dear Grace:

I believe the President will be interested in the attached report concerning the dissatisfaction of the Polish press in this country with certain Congressmen of Polish descent. Will you kindly see that it reaches his desk.

Thank you.

Sincerely,

*Bill*

William J. Donovan  
Director

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By AUTHORITY OF CIA  
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By SR Date NOV 26 1973

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

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27 March 1945

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MEMORANDUM FOR THE PRESIDENT

By SR Date NOV 26 1973

There follows a report prepared in the Office of Strategic Services concerning the dissatisfaction of the Polish press in this country with certain Congressmen of Polish descent:

Dissatisfaction with the paucity of protest against the Yalta decisions on the part of Congressmen of Polish descent has been expressed in a number of Polish-language newspapers. On 26 February the Detroit daily Dziennik Polski was indignant because not all Polish-American Congressmen had condemned the Yalta decisions concerning Poland. Thus far, the paper stated, Representative Alvin O'Konski (Wisconsin), John Lesinski (Michigan), Thadeus Wasielewski (Wisconsin), and Joseph M. Ryter (Connecticut) had taken their stand against Yalta. Representative George G. Sadowski (Michigan), the paper pointed out, had approved the decisions, but had taken exception to the provisions concerning Eastern Galicia and Lwow. The newspaper asked:

Where are the other representatives of Polish descent?

Are they Poles only at election time when they seek

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- 2 -

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Polish votes?

On the same day the Buffalo daily Dziennik dla Wszystkich attacked the "Democratic" Congressmen of Polish descent, reminding them that "it is the duty of all Polish legislators to make objective comment without accusations, but they dare not remain silent on such an important issue."

The Chicago daily Dziennik Zwiazkowy was particularly critical of the Congressmen representing Chicago. Pointing out in an article 12 March that three Detroit Congressmen had spoken up on the Polish problem and that "while one could not agree with Congressman Sadowski's theses, yet even in his speech concern over Poland was sounded,...the Congressmen from Chicago have been silent like the damned." The newspaper remarked that by keeping quiet the Polish-American Congressmen "do harm not only to Poland but also to the Democratic Party." It warned the Chicago Congressmen who "received their mandates from the hands of electors of Polish descent," that unless they take proper steps they will meet the fate of former Congressman Tenerowicz of Detroit, "who, although he had behind him the entire Bolshevik camp, had to bid farewell to his mandate when he failed to take the proper position concerning Poland."

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The same line was taken by the New Britain Catholic weekly Przewodnik Katolicki which has been urging compromise at the present juncture. It remarked (16 March) that there were in the United States "ten Congressmen of Polish descent elected by Polish votes. Why are seven (sic) of these gentlemen keeping quiet at this critical moment for Poland and the Poles? Let their electors wake them up so that they will be reminded if they are taking a nap."

*Donovan*

William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

~~RESTRICTED~~

28 March 1945

Miss Grace Tully  
The White House

Dear Grace:

I am enclosing the latest radiotelephone report from our Bern representative, which I think the President will find interesting. Will you be good enough to see that it reaches him? Thank you.

Sincerely yours,

*Bill*

William J. Donovan  
Director

Enclosure.

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By SR Date NOV 26 1973

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OFFICE OF STRATEGIC SERVICES

WASHINGTON, D. C.

28 March 1945

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MEMORANDUM FOR THE PRESIDENT:

I think you will be interested in the enclosed radiotelephone report from the OSS representative in Bern. This message contains views as to the number of Germans who will follow the fanatical Nazi leaders, and the effectiveness of the resistance in the "reduit".

*Donovan*

William J. Donovan  
Director

Enclosure.

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By SR Date NOV 26 1973

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# OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

DATE	27 March 1945	#290
FROM	Berne	PRIORITY
		ROUTINE
		DEFERRED
TO	DIRECTOR, OFFICE OF STRATEGIC SERVICES	
DISTRIBUTION		
(FOR ACTION)	(FOR INFORMATION)	

RECEIVED IN PLAIN TEXT

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## GERMANY

With the Western Front rapidly disintegrating, the time remaining for the Germans to gather together the last remnants of their forces and retire to the reduit is now becoming short. There seems to be no alternative for them now. The question remains as to how many will follow the fanatical Nazi leaders and how effective the resistance in the reduit will prove to be.

We now have considerable evidence on the reduit. It does not tend to prove that any vast-scale preparations have as yet been made. The Germans are never very effective in preparing for defeat or reverses. From the point of view of the effects on the home front, it is not easy for any country to proceed too openly with measures which, if advertized widely, would themselves tend to show a hopeless military situation. In Germany, with their theories of the Superman, it is particularly difficult to admit that they are reduced to the status of guerrilla fighters. Further, Hitler is not the type of man who, at this stage in his career, would be good at planning to play the role of Robin Hood.

These various intangible factors, plus the lack of convincing evidence of really large-scale preparations, lead me to the conclusion that the German reduit will be a less well-prepared affair than newspaper reports would lead us to believe.

However, some sort of reduit seems inevitable from the force of circumstances, and some stocking of this reduit has been carried out. Elaborate fortifications are not in themselves necessary to make a mountain area, such as the Tyrol and the Bavarian Alps, a formidable fortress if defended by resolute men with training in mountain warfare. Very possibly, the Nazis can still find and pull together in the Alps enough of these troops, plus some determined and fanatical SS divisions, such, for example, as those commanded by Sepp Dietrich, to make a determined stand. The German divisions in Italy still remain intact and are possibly ready to fall back into the Alps and defend the southern flank of the reduit. Some of

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By JK Date NOV 26 1973

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OFFICE OF STRATEGIC SERVICES

OFFICIAL DISPATCH

REF. NO. 290

FROM Berne TO DIRECTOR, OFFICE OF STRATEGIC SERVICES

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the best German troops are still fighting the Russians east of Vienna. The pattern of the last German defense tends to take shape. The forces which are defending the Rhine and Berlin are very possibly being sacrificed to gain a few weeks more for the gathering together of the chosen forces in the reduct.

It is not yet clear whether the SS will act as a unit in accepting the idea of retiring to the reduct. There may well be a split in their ranks. The same is true of the Wehrmacht. Some of the latter would obey any order from Hitler, but others may well try to find other methods of preserving their lives for some time longer.

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By SR Date NOV. 26 1973

*O. S. S. folder*  
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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

28 March 1945

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*file*

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

Dear Grace:

I believe the attached memorandum will be of interest to The President. It deals with the nationality and age of German Armed Forces prisoners captured in northern France, early August to 10 September 1944. Will you please see that it reaches his desk?

Sincerely,

*Bill*

William J. Donovan  
Director

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By SR Date NOV 26 1973

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SR NOV 26 1973

OFFICE OF STRATEGIC SERVICES

WASHINGTON, D. C.

28 March 1945

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MEMORANDUM FOR THE PRESIDENT

Examination of a sample of 3.3 percent of 170,000 prisoners of war from the German Armed Forces captured by the US Army in Northern France from early August to 10 September 1944 indicates that:

1. Of all prisoners taken, those from the German Army constituted 91.3 percent, the Waffen SS 1.5 percent, the Navy 3.6 percent, the GAF 0.5 percent, and civilian and paramilitary personnel 3.1 percent.
2. German nationals constituted 91.2 percent of all army prisoners, Poles 3.9 percent, and Soviet nationals 3.3 percent.
3. A well defined tendency to use older troops is observable from a comparison of these prisoners with those taken earlier in 1944 in Italy and in France.
4. The class of 1926 had not been fully committed to combat by the end of the summer, and the class of 1927 scarcely at all.
5. There is evidence that the SS troops were able, by dint either of superior mobility or of High Command policy to evade capture more successfully than those in the German Army proper.

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WASHINGTON, D. C.

6. The comparatively high proportion of Soviet Nationals found in the German Army (8 percent) among those captured in the early days of the second front, can now be imputed to their special prominence among limited service divisions used for coast defense purposes. The later sample from France shows a much smaller proportion of Soviet nationals (3.3 percent).

Washington, D. C.

Dear General:

I believe the attached

interest to the Division.

William J. Donovan  
Director

reliability and age of German forces during operations

captured in northern France, early August to 10

September 1944. Will you please see that it is

replied.

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

~~TOP SECRET~~

29 March 1945

Miss Grace Tully  
The White House,

Dear Grace:

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

Sincerely yours,

*Bill*

William J. Donovan  
Director

Enclosure.

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~~TOP SECRET~~

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

~~TOP SECRET~~

29 March 1945

*file* →

MEMORANDUM FOR THE PRESIDENT:

The following information, transmitted by the OSS representative in Bern, is a sequel to memoranda dated 13 and 21 March concerning approaches with a view to terminating German resistance in North Italy made by Obergruppenfuehrer and General der Waffen SS Karl Wolff, the Higher SS and Police Leader in Italy and chief of Himmler's personal staff.

No further word had been received from Wolff by the night of 26 March.

On 19 March, Wolff stated to Allied representatives that he was leaving by car for Kesselring's headquarters and hoped, if he were successful in persuading Kesselring, to return within a week with qualified representatives of both Kesselring and the German commander in Italy, von Vietinghoff.<sup>7</sup>

Wolff's aide, Zimmern, however, reports that both Rudolph Rahn, German Ambassador to the Mussolini regime in North Italy, and Generalleutnant der Polizei Wilhelm Harster,

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commander of the Security Police in Italy and Wolff's subordinate, have been recalled to Germany for conferences at Hitler's headquarters. Harster probably has some knowledge of Wolff's activities.

[At the time of the first approach from Standartenfuehrer Dollman, Wolff's associate, Harster telegraphed Kaltenbrunner that an attempt to contact the Allies in Switzerland was probable. Harster later explained to Wolff that he had done this to cover Dollman's movements. Though Wolff has described Harster as dependable, confirmatory evidence is lacking.]

The OSS representative comments that it is becoming increasingly apparent that Hitler intends to use the bulk of the German forces in Italy for the defense of the German "redoubt".

*D m m m*

William J. Donovan  
Director

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

~~SECRET~~

30 March 1945

Miss Grace Tully  
The White House  
Washington 25, D. C.

Dear Grace:

I believe the President will be interested in  
the attached report. Will you kindly see that it  
reaches his desk.

Thank you.

Sincerely,

*WJ Donovan*

William J. Donovan  
Director

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By SR Date NOV 26 1973

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By Authority of

CIA

OFFICE OF STRATEGIC SERVICES

WASHINGTON, D. C.

*file's*  
30 March 1945

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By SR Date NOV 26 1973

MEMORANDUM FOR THE PRESIDENT

I believe you will be interested in the following report on the discovery of a German observation post located in Ceuta, Spanish Morocco on 20 February. It is an example of one way in which OSS cooperation with State Department officials in the field brings about concrete results. After the observation post had been located by OSS it was entered and searched by the Naval Attache in Tangier and the Spanish authorities. The post (which overlooked the Straits of Gibraltar) was not only eliminated, but the Consul General was enabled to make a most specific and effective protest to the Spanish authorities against activities of German agents in this area.

Since 1943 the American Consul General at Tangier had repeatedly pointed out to General Orgaz, until recently High Commissioner of Spanish Morocco, that contacts existed between German and Spanish intelligence officers and that the Germans were engaged in clandestine activities in Spanish Moroccan territory. General Orgaz had consistently either denied the charges or in effect ignored them.

Recently the U.S. Navy Moroccan Sea Frontier Command noted that the considerable Allied shipping losses suffered in the Straits of Gibraltar in the last months were such as to indicate that

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German authorities were still receiving prompt data on convoy movements from clandestine observers in Tangier or Spanish Morocco. It even seemed possible that there was contact between German submarine and stations on shore.

OSS intelligence sources had reported several active German observation posts strategically located with a view over the Straits and equipped with radio or other communication facilities. General Orgaz, however, again flatly denied charges of German activity. Finally he gave the American Naval Attache special authorization to accompany a major of the Spanish Army General Staff on a tour to examine at first hand the coastline along the Straits.

On 20 February, therefore, the American Naval Attache and an interpreter led the Spanish major to the house of one Kurt Meyer at 16 Calle Teniente Pacheco in Ceuta. An elderly lady answered the door and refused the officers admission without a search warrant. During the half hour it took the Naval Attache and the major to obtain the warrant the interpreter, who remained to guard the house, saw a man 30 years old dressed in a gabardine trench coat and "decidedly Aryan" in appearance make a hasty exit by the back door.

When the house was searched, a special observation booth was found on the balcony of the top floor apartment with a clear view over the Straits. In the apartment there was an American made radio transmitter-receiver, as well as cipher

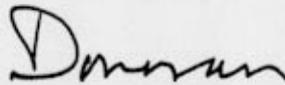
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equipment, coded messages, binoculars, pictures and charts. The originals or photostat copies of the code and cipher material have been requested for forwarding to the Federal Bureau of Investigation.

This incident provided concrete proof of continuing German activity in Spanish Morocco. In view of the tight Spanish controls, the discovery of the observation post either indicates complicity on the part of Spanish officials or at least discloses a remarkable complaisance among the Ceuta authorities concerned. The American Consul General has made further representations to the Spanish authorities, re-emphasizing the need for expelling known German agents from Spanish Morocco.



William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

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31 March 1945

Miss Grace Tully  
The White House  
Washington 25, D. C.

Dear Grace:

I believe the President will be interested in the attached report concerning two letters written by the late Count Pal Teleki. Will you kindly see that it reaches his desk.

Thank you.

Sincerely,

*W. J. Donovan*

William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

*O.S.S. folder 5-45*

30 March 1945

By CIA

MEMORANDUM FOR THE PRESIDENT

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By SR Date NOV 26 1973

The two letters presented below were written by the late Count Pál Teleki: the first when he offered his resignation as premier shortly before the second Vienna Award; the second on the night he committed suicide (2/3 April 1941). Microfilmed copies were brought to Italy by members of the Hungarian resistance movement in December 1944. Both letters confirm the theory that Teleki's foreign policy consisted in exploiting the new situation created by Germany in southeastern Europe for the recovery of some of Hungary's lost territories, without, however, contracting any obligation of military cooperation with the Reich.

The first letter indicates that in 1940 Teleki was determined to avoid another German award such as that made in Vienna on 2 November 1938, because he was aware of the dangers inherent in accepting new German favors. After the failure of negotiations with Rumania over the fate of Transylvania, Teleki would have preferred a military solution of the question. When he discovered that Berlin would not permit a war between Hun-

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gary and Rumania, he attempted to resign. To justify his resignation, approximately ten days before the second Vienna Award (30 August 1940) he wrote the following memorandum:

"Report and Indictment"

"We have drifted into an impossible situation, or rather I drew the country and nation into it.

"A favorable agreement with the Rumanians is impossible. An unfavorable one will lead to revolution. Therefore a solution by arms is the only way left. In view of the extreme forward position of the troops, <sup>1</sup> we are on the brink of it and can hardly avoid it now.

"If the Germans should put pressure on us and intervene, probably by force of arms, that's catastrophe. It is true that Hitler said: you can march tomorrow morning, that's your business - but in that case I will make known my complete indifference; in no event will I go to your help, - then: do not demobilize, - then again: the Rumanians must reach an agreement with you, the road from Bucharest leads through Budapest.

---

1. Both states had mobilized troops on their common frontier in order to strengthen their positions during the negotiations.

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"I interpreted this in a favorable sense, relieved<sup>2</sup>  
of the nightmare of being confronted with an order.

"That is why I greeted with joy Hitler's statement that he would write a strong letter to the Rumanian king and compel him to negotiate. This was a fatal mistake on my part. I saw only that he would bring pressure to bear on the Rumanians, but not what a difficult situation we would necessarily be forced into by the fact that we were told (at the same time) that we could not resort to arms, at least for the present.

"True, I told Hitler that if one sits down to negotiate, one can only do so conscious that possibly one must resort to the Ultima Ratio. To negotiate for weeks and then to separate saying, 'I beg your pardon, we've made a mistake,' is quite impossible. The tacit admission of this by Hitler would authorize anyone to resort to Ultima Ratio after negotiations failed, provided one dealt with a normal person. Not so with a dictator. And I should have known it.

---

2. In other words, Teleki thought that a second German award could be avoided.

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"Under the circumstances Hitler ought to have been warned more clearly and seriously that by forcing the Rumanians to negotiate he was provoking the possibility, even the probability, of an armed clash. I should have persuaded him not to take this step, either in our case, nor in the case of the Bulgarians. Because it would have been impossible for the Bulgarians to negotiate and then get something while we had afterwards to wait in uncertainty. He should have been persuaded to postpone his intervention until after a decision in the English affair.

"I failed to do so and this was a fatal mistake, a want of foresight and, in view of the gravity of the consequences which have culminated in the present situation, a crime against the nation.

"Because of this mistake, I must leave in order to atone for my crime. That concerns my own person. As far as the whole affair is concerned, a sincere exposition of the above might clarify and ease the situation."

Thus Teleki regarded himself as responsible for the settlement of the Transylvanian crisis by a second award, with all its implications of Hungarian obligation to Germany. As he saw it, his error had consisted of permitting Hitler to force negotiations on Rumania

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without at the same time securing for Hungary the right to resort to force should negotiations fail.

When in the spring of 1941 the Germans brought pressure for Hungarian help in an attack on Yugoslavia, Teleki's position became impossible. On 27 or 28 March, and again on 1 April, Hitler sent Sztójay to persuade the Count. About the same time the Prime Minister discovered that his Chief of Staff, Henrik Werth, had, behind his back, reached an understanding with the Germans, and that preparations for the attack were already under way.

These events brought to a climax a double crisis in Teleki's life. On the one hand he realized that his foreign policy was a complete failure - Hungary was hopelessly involved in the German war - and he felt that his own mistakes were partly responsible for this catastrophe. On the other hand, Teleki believed that his honor was involved: he felt that he had personally given his word to the Yugoslavs that Hungary would not attack them.

3

The Letter to Baron Apor

"Dear Gábor, This Yugo affair drew us into the most

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3. This letter, written the night the Prime Minister committed suicide, was addressed to Baron Gabor Apor, Hungarian Minister to the Holy See and one of Teleki's closest friends.

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terrible situation. H. sent a message through that Nazi  
Sztója to the K. <sup>5</sup> asking whether we wanted to realize our  
southern claims now, plus the sea, plus whatever else we  
wanted! The K. became very enthusiastic at once and, re-  
grettably, not less but more so after he had slept on it.  
He wanted to write that he was body and soul with them  
and would go along. It cost Bar. <sup>6</sup> and me immense efforts  
to delete the dangerous passages from his letter and to  
leave doors open. Finally after two days the situation  
improved somewhat because he came to realize that we would  
lose our honor before the world if we attacked the Y-s  
(Yugoslavs). As matters stand now, we are mobilizing some-

- 
4. Hitler
  5. Kormanyzo: Regent
  6. Laszlo Bardossy, then Minister of Foreign Affairs.  
His activities during this crisis, as presented in this  
letter, contrast sharply with the strongly pro-Nazi po-  
sition he later adopted. Indeed, he has been accused of  
being a partner to Werth's schemes.

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thing. The military wanted 5 a.c. -s, plus 2 mot. brig., plus 2 cavalry brig. Perhaps I'll succeed in bargaining it down to 3-4 a.c.-s ? ? ! - But my struggle is difficult. Bár. is helping very well. I demanded a Crown Council yesterday. Hóman, Reményi, Werth, Bartha were the only go-getters there. The following decisions could be reached:

1. We won't budge until the Germans reach beyond Zagreb when the Croats will probably switch over.

2. We would not march farther than the former frontier and would guard that between two German armies. That is to say, up to the Danube and Drava. We will not enter Croatian territory at all.

---

7. Army Corps.

8. Balint Homan was Minister of Education. Extremely pro-German, he belonged to the right wing of the MEP. Lajos Remenyi-Schneller was Minister of Finance. A Swabian, he has been one of the Nazi's chief collaborators. Col. Gen. Henrik Werth was Chief of Staff, Albert Bartha Minister of Defense.

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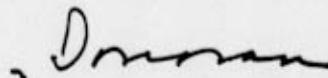
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3. We will concentrate smaller forces only, lest the Germans get an appetite and take them to the Balkans.

4. The Reg. will retain supreme command in order to avoid subordination.

The situation is very difficult because, if we resist, they will roll over us first and worst - if we do not enter Bácska, the Germans will make themselves at home there and, should they not be beaten back, they will set up a German state from the Bácska-Bánát-Hunyadvár - the Saxon country - and perhaps Baranya-Tolna. Mood is beginning to turn strongly pro-Yugo here. Had the Yugos done it without a sommersault - after signing a treaty - as they did, one could have even resisted. But my situation is extremely difficult - because K., the army, half of the government, and the parliamentary majority are against me in that case. I am trying to find a way out and to save face. I wanted to brief you openly and clearly. Inform His Holiness of everything if you have an opportunity - and others according to your own judgment. I am sending

  
William J. Donovan  
Director

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9. The letter abruptly ends here.

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