

*Chief-X-2  
Washington*

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AMERICAN MILITARY UNIT  
BUCHAREST, ROMANIA

Copy # 2

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20 August 1945

To: Director, OSS-Washington.

1. Reference is made to Secret Air Dispatch from JJ 001 to Saint, Caserta dated 26 June 1945. Further reference is made to Top Secret report dated 27 June 1945 to Saint, Caserta from JJ 001, on subject "I-2, Bucharest operations."

2. The air dispatch challenges comments made by the undersigned on certain Bucharest I-2 reports, concerning the accuracy and evaluation of the information contained therein, and it also expresses concern over security of sources contributing to I-2 in Bucharest.

3. The 27 June Top Secret report referred to, seems to be generally a defense of Major Bishop, former I-2 chief in Bucharest and support for accuracy and value of the reports turned in by Major Bishop during his time as Chief of I-2 Bucharest.

4. With respect to the accuracy and evaluation of I-2 Bucharest reports, it should be pointed out that during Major Bishop's term as Chief of I-2, Bucharest he never offered nor did the undersigned request review of OMI reports sent from Bucharest by I-2. It was only after Major Bishop had left Bucharest and been succeeded by Lt (Jg) Thomas, USAF, that some reports were reviewed. Lt. Thomas, on several occasions expressed to the undersigned his lack of experience in I-2 operations stating his work had always largely been in administrative matters. This was one reason that the undersigned interested himself in the I-2 reports. It was quite natural that one of the first factors to be considered was the evaluations placed on the reports. When the first punch was submitted to the undersigned for review, Lt. Thomas was questioned as to his method of evaluating the information contained in the reports. His answer was that he followed Major Bishop's "chart" explaining that Major Bishop had left a chart listing courses and sub-courses with evaluations which Lt. Thomas could give to any report submitted regardless of SURFROW.

Since the Top Secret 27 June report referred to above, in addition to defending Major Bishop, also appears to reflect discredit upon the undersigned. It seems in order to offer additional information bearing on the accuracy and evaluation of I-2 Bucharest reports. Therefore, request was made of Captain Madison and Lt. Roberts to make a study of Bucharest I-2 OMI's and

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DATE 2006

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comment upon them. The attached 18 page Top Secret Control report with appendices resulted and is offered herewith. It should be kept in mind that this report was prepared from information already at hand and it was not necessary to do a lot of research to get the facts contained therein. Further, in the course of analysis there was no contact with any sources or sub-sources used by I-8.

3. Concerning comment on security made in paragraph 18 A of the 27 June Top Secret report, further information is contained in the enclosed report made by Captain Madison and Lt. Roberts. With respect to the comment in paragraph 17 on Elizabeth Mary Baker, the undersigned is content to accept the judgment on Baker's participation in her evacuation made by the Staff Judge Advocate Headquarters Command, HQCSA who is presently in Eastport checking details of that matter.

4. In conclusion the undersigned would like to make it clear that he is not attempting to belittle or criticize I-8's purpose, or general operations. It is a matter of record that during the undersigned's stay in Eastport there was complete harmony with the I-8 branch, then headed by Francis Shinn. The need for I-8 in Eastport has always been supported by this officer and it is also a matter of record that he recommended that a qualified officer be sent in to succeed Lt. Shinn. Also in this connection, the importance of having the I-8 branch represented in Eastport has repeatedly been explained to General Schuyler by the undersigned, in order to get Major Butler cleared, which clearance was finally granted.

*Walter M. Ross*  
WALTER M. ROSS,  
Lt. Col., (AM)

cc:  
Chief I-8, Washington (1)  
Chief SI, Washington (1)

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AMERICAN MILITARY UNIT  
BUCHAREST, ROMANIA

20 August 1945

*W.M.R.*  
To : Lt. Col. Walter M. Ross

Subject: Analysis of GRX reports and X-2 intelligence operations in  
Rumania until June 1945

1. Attached is an analysis requested by you of the GRX reports prepared by X-2 Bucharest from September 1944 to June 1945. The analysis also covers the available information on the main X-2 sources, their origins, and their relations with the X-2 office.

2. It must be pointed out that the analysis is not a complete one. Not every GRX report was available to us. Not every report was analyzed and checked. However, within the limitations of time it was possible to analyze the major fields of information covered by the reports, (Gestapo activities, German activities, Legionaire activities, Japanese-Russian relations, etc.) and numerous reports in each field were studied. Also, since many of the reports covered current political matters -- such as, the relations between the Russians and Rumanian Communists -- the undersigned already had considerable information and knowledge of the subject matter.

3. It should be emphasized that the analysis is confined to the GRX reports and the intelligence-gathering activities of X-2. The report does not go into any other phases of X-2 operations or the personal relations of any members of the X-2 organization except where it bears directly on the reports and the sources of information.

4. The one basic assumption made in every case where positive information was considered was that the responsibility for the accuracy of the information falls on the senior officer of X-2 submitting the reports. For example, if certain persons are identified as German agents, Russian spies, etc., and the report is forwarded with a high evaluation rating, the submitting officer is responsible for its accuracy. Another assumption made is that when information is submitted from purportedly reliable quarters predicting certain future events, the reliability of the reports must rest, in the final analysis, on whether the predicted events take place. One further assumption made in this analysis is that the burden of proof for specific information falls on the reporting officer or the reports themselves. For example, when a report states that so-and-so is an active Gestapo agent, there is an implicit responsibility on the part of the reporting officer to check, verify or otherwise confirm the information before passing it on.

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5. The survey was prepared with as great objectivity as was possible. Although the undersigned were not completely free of pre-judgment in the matter, every effort was made to be fair and objective and permit the reports to speak for themselves. In every case, the analysis has been carefully documented with references to the individual reports themselves.

L. E. MADISON,  
Captain, QMC.

HENRY L. ROBERTS,  
Lt(jg) USNR.

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ANALYSIS OF GRX REPORTS AND X-2 OPERATIONS  
FOR THE PERIOD SEPT. 1944 - MAY 1945

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1. Summary and Conclusions

An analysis of the GRX reports and the I-2 activities in connection with these reports leads to the following conclusions:

a. The main sources of the GRX reports -- namely, 201, 120, and 200 -- are unreliable and suspect. Source 201 and 200 were "inherited" from Frank Stevens when he was relieved of his duties with the SI Branch for his poor work, suspect affiliations, unreliable reports, and lack of discipline. (This can be verified by the voluminous correspondence on the subject or by checking with Commander Wisner). Source 201 was one of his main sources of information; through him he submitted military information concerning the Hungarians -- with precise maps -- which later proved to be completely fabricated and untrue. Source 200 was Stevens' secretary. The person in Major Bishop's office who contacted both sources and translated their reports was "Chick" Pavalosen, Stevens' chauffeur. So far as is known, the only vetting which 201 and 200 received was based on Stevens' assurance that they were reliable.

b. The I-2 operations were characterized by a lack of security which tended to endanger all OSS and American activities in Rumania. "Jesky" Cristea, reported to have been a Gestapo agent and a collaborator of the Germans, lived in Major Bishop's house from October 1944 to May 1945. Regardless of the truth or falsity of the accusations against her, it is true that several responsible persons familiar with GE activities in Rumania -- including the British G-2 officer in Bucharest -- warned Major Bishop about her. Second, Maximilian Obler (120), a former trusted SD operative of the Germans, reported to the I-2 office in the guise of translator. Again, the question of whether or not he had a change of heart and became strongly pro-American, as purported, is irrelevant. Open relations were had with George Mihai, a strongly identified anti-Communist and anti-Russian, even after Commander Wisner, the Commanding Officer of OSS, Bucharest, directed Major Bishop to break off relations with him. Mihai was one of the first persons to be arrested by the present left-wing government when it came into power. By the above, Major Bishop, who was in uniform and was widely known in Bucharest as the OSS-GE officer, endangered American relations in Rumania at a time when our relations with the Russians were at their lowest ebb.

c. The GRX reports show lack of editorial responsibility. This is evidenced by the following:

(1) Most reports were not checked but merely reported in the form submitted by the agent with a covering note and evaluation.

(2) In the cases where one agent checked another and contradictory information was uncovered -- such as when one agent stated that subject was a Gestapo spy while <sup>another</sup> an agent reported that subject was a British spy -- no apparent effort was made to reconcile the contradiction.

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(3) Information concerning American officers was often not checked, even when these officers were reported to have had relations with German or Russian agents. Also, in several cases the American officers in question were not informed of such information or warned etc.

(4) So far as is known no positive action was taken in the case of Rumanians employed by the OSS Unit who were reported to be agents for a foreign power.

d. No action was taken by X-3 in the majority of cases where enemy agents were identified. Appendix B compiled from GUK reports contains a list of German agents in the city of Bucharest alone, yet nothing appears to have been done about any of them. Appendix G is a list of agents purportedly to have been assigned to follow, sleep with, and observe Americans and British. Nothing done about that either.

e. Several series of reports on general subjects contain false or unreliable information. These fall into the following categories:

(1) Alleged Russian-Japanese relations in Bucharest. A whole series of reports appear to prove that the Russian leaders in Bucharest were collaborating with the Japanese and permitting them to carry on their pro-Nazi, anti-Anglo-American and anti-Russian activities. These reports quote leading Russians as saying that they favor a prolonged war between the Anglo-Americans and Japan; that they have no intention of declaring war on Japan, and that they may even assist Japan at some later date in cleaning out the Anglo-Americans from Asia. These reports were given to General Schuyler and Mr. Barry who apparently took them honestly at their face value and were influenced by them.

(2) Communist and Russian plans. Another series of reports presented a series of plans for the communization of Rumania. One of these reports presented a detailed "Russian Three-Year Plan for Rumania", the most important points of which have not even yet been begun. In fact, some of the present trends -- such as the status of the King and the banks -- appear to be going in an opposite direction. Another report presents Russian-Communist plans to begin the bolshevization of Rumania on 1 May 1945, beginning with a series of demonstrations and a campaign against Rumanian culture. The predictions implicit in these reports have failed to materialize and there is some evidence that the sources edited the reports to prejudice the Americans against the Communists and Russians. These reports were also given to Mr. Barry, General Schuyler and Air Vice Marshal Stevenson. Judging by their remarks, the reports were taken seriously by them and made an important impression.

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(3) Anti-Anglo-American activities. A number of reports predict actions to be taken against Anglo-Americans and against Anglo-American supporters and followers in Rumania. The predictions never materialized, and there is no evidence as yet of any important campaign against Anglo-American influence or against pro-Anglo-American Rumanians, of whom there are many.

(4) Social Democrats and Zionists. Two prominent Social Democratic leaders -- one of whom is identified with the Anti-Communist bloc in the Socialist Party -- are named as important Communist agents. No knowledge is evidenced of their known Social Democratic affiliation -- one man is Minister of Labor, the other is one of the most prominent syndicate leaders -- and no effort was made to check the stories. In the same manner, several reports indicate that the Rumanian Zionist organizations, particularly the youth and the workers, have joined the Communist International. This, despite the fact that the entire Zionist movement is basically anti-Communist and the known fact that the Zionists in Rumania have been carrying on a public controversy of a basic political nature with the Communists. The Communists, on the other hand, consider the Zionist leaders as "fascists" and "reactionaries" because they devote all their energies toward emigration to Palestine rather than toward aiding the cause of Communism in Rumania.

(5) Examples of erroneous information. Several examples are given of completely erroneous information of a serious nature submitted by X-2. One report, rated B-2, reports large-scale fortifications being built by the Russians in Rumania. A careful check by the British and Americans on the spot showed this report to be completely false.

## F. General Conclusions

It is not denied that Major Bishop worked hard and presented a huge volume of information. It is not denied that he may well have turned up exceedingly valuable information regarding certain enemy agents. It appears, however, that whatever good he may have done is largely off-balanced by the mass of false information, half-truths, false predictions, and sinister insinuations which his reports contain. On the purely factual side, it is submitted that no trust can be placed in the correctness of any biographical data presented on German agents, legionnaires etc., unless some definite corroborating data can be secured from some totally independent source. Even the cross-checking occasionally done by a second Bucharest source was often performed at the same place (Siguranta). On the political side, the erroneous and/or misleading information concerning the Russians and Communists contributed in some part to the reservoir of ill-will against the Russians. Thus, at a time in history when the future peace of the world may depend on good Anglo-American-Russian relations, the GRX reports contributed, in an irresponsible way, to the deterioration of such relations.

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It will be observed from the following analysis that a great bulk of the factual GRX reports originated with Source 201. It is submitted that there is overwhelming evidence to conclude that 201 presented a great deal of false information and that, therefore, all reports by that source must be considered suspect and unreliable. This is particularly true of reports concerning the Russians and Communists, where the evidence indicates that source 201 was particularly interested in creating a definite picture which would prove that these groups are clandestinely working against Anglo-American interests.

### 3. Security of X-2 operations

It is realized that X-2 work is of a specialized nature and by definition implies connections with persons who would not normally be safe contacts for American personnel. However, it is believed that this type of contact is only possible under conditions of complete security and without public knowledge. Such conditions did not exist in Bucharest, Major Bishop was in uniform and was therefore and inevitably a noticeable figure; he was widely known throughout the city. Consequently, there could be very little guarantee that his actions, unless carried on indirectly and with complete cover, would be unknown to interested parties. Unfortunately, several of his contacts appear to have been of a quite open nature. Considering the nature of these contacts they represented a potential danger to the rest of the Allied mission, which could not disassociate itself - in the eyes of the Russians or the Rumanians - from his activities.

The following examples are known:

#### a. Jockey Cristea

Miss Cristea was widely known to be associated with Major Bishop, and she lived in his house from October 1944 until the time of her escape in May 1945. It is known from Major Bishop's statements, that he believed her to be innocent of affiliations with the Germans despite the numerous rumors and reports against her, and even considered her to be one of his most trusted collaborators. It is worth mentioning, however, that the reports against her came from a number of sources: from Lolie Smit, an old-time British agent in Rumania, who stated that he warned Bishop against her; from the Schnitzes, who were also living in Bishop's house; from Major Hogg, the Security Officer of the British Mission; from Major Porter, British Press Officer, who had parachuted into Rumania before 23 August. Moreover, in GRX-41, which was distributed by X-2, and concerned German organization in Rumania (Source KI-5), Jockey Cristea is listed as a "Notorious German Agent, demi-mondaine and friend of Hillinger" (It is true that in the copy of the GRX at our disposal, this information on Miss Cristea has been crossed out by pen).

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However, admitting the possibility of doubts regarding Miss Cristea's status, the fact remains that she was considered by many people to have been a German agent, or at least in close contact with the Germans. She was living openly at Major Bishop's house and working with him on classified matters. So at the very least this would attach very poor publicity to Major Bishop and consequently to the American mission.

b. Maximilian Obler

According to GRX-302 (Source AD/900, AD 424, AE/002 etc.) Maximilian Obler began to work in 1937 "as information agent to the German Legation" "In July 1941, Col. Just, German Military Attaché at that time, gave him the job of shadowing the American Military Attaché"

It is quite possible that Obler did have a change of heart, came to hate the Germans, and worked for the Americans out of conviction. Such a man might be used but only under conditions of complete security and cover. Such was not the case, however, since Obler appeared openly at the American mission and he is known to have been very indiscreet in his telephone conversations. Here, again, is a man who at the worst is an extremely suspicious character and at the best represents a serious lapse of security. It is the kind of contact that would be very difficult to explain on an open basis.

c. George Mihai

In mid-November 1944, Lt (jg) Roberts (RAA) had an interview with Mr. Penescu, at that time Minister of Interior. Present at the interview was Mr. George Mihai, who was serving as a confidential secretary and agent for Penescu. It was later ascertained that his function was to check on Communist activities. In the course of the meeting Mr. Mihai showed himself to be virulently anti-Russian and anti-Communist. He predicted the immediate absorption of Moldavia and Transylvania into the Soviet Union and spoke of the inevitability of war between the Anglo-Americans and the USSR. He told Lt. Roberts that he was working closely with Major Bishop.

Worried by Mr. Mihai's obvious lack of balance and discretion and by his open statement of his relations with Major Bishop, Lt. Roberts reported the interview to Major Bishop and to Commander Wisner, Commanding Officer of OSS, Bucharest. Commander Wisner agreed that Mr. Mihai was a dangerous person for the Americans to be associated with and said that he would ask Major Bishop to dismiss him. Apparently, nothing happened. At least, Mr. Mihai was frequently seen entering the office of the AMM building even after Commander Wisner left Rumania. Following the change of government on 6 March, Mihai was arrested. It is submitted that such continued and open contacts with a man in Mihai's position constituted a danger to the security and position of the entire Mission. Major Bishop has stated that ultimately, relations with Mr. Mihai were severed. It is submitted that this severance was delayed much too long, considering obvious dangers of associating openly with Mr. Mihai. The fact that Mr. Mihai was one of the first persons arrested by the FND government indicates that the Rumanian left was well acquainted with his activities, and that consequently his open association with the Americans was an insecure one.

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### 3. Lack of editorial responsibility

A careful reading of the GRX reports indicates extreme negligence in editorial responsibility in the preparation and transmission of reports. This can be shown in the following:

#### a. Checking of information

Reference: GRX-379, 491, 496, 593, 597.

In Rumania, where even the more reliable people frequently pass on false and incorrect information, it is necessary to check and double-check any important information. Yet there is no evidence of any checking procedure in most of the GRX reports, particularly in those naming and identifying of German, Russian, Japanese and other agents. Many of the reports are submitted in the original form in which they were received from the agent with a covering sentence. In very few cases are there editorial comments on the information. GRX-379, 491, 496, 593 are good examples of this.

In many of the reports, particularly those of 201, there appears to be a false glibness and sureness. Names and addresses of active Nazi agents, legionnaires, "Gagtes" agents etc., are almost always given. It seems doubtful that any source is able to provide all the names and addresses. Moreover, there is no indication that anyone has checked the names and addresses to see if the people exist. One example of such glibness appears in GRX-557 which refers to the existence of a torture chamber and a crematorium in the basement of the Soviet Legation. Major Bishop, in his comment on this report, states, "The existence of torture chambers and crematory in the basement of the Soviet Legation is no secret." This would indicate that many persons know about it or that the Russians themselves admit it. We have asked several well-informed persons about this but none seem to have heard of it. Neither have we heard about it although we keep fairly well-informed. We are forced to conclude that there is no proof for this glib statement and that it may actually fall into the category of the familiar Bucharest rumor. In any event a statement which contains such sinister implications, should not be passed on so casually.

#### b. Contradictory information

Reference: GRX-379, 491, 496, 593.

Occasionally, 120 presents information on the same subject as 201. It is presumed that one is a check on the other. (With regard to this check in itself, our discussion with 120 would seem to indicate that he checks information with Sigurintza sources, possibly the very same sources and records where 201 gets his information). In a number of such reports contradictory pieces of information are presented simultaneously, apparently with no attempt to resolve the differences. For example, GRX-379 has a story from source 120 or 201 (it is not clear which) to the effect that Lucretia Gheorghide, also known as Henriette, of Blvd. Bratianu 30, was working for the Germans, especially Major von Schadow of the Abwehrstelle until 25 August 1944. "Another source

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of equal reliability" (201 or 120) states that she was the mistress of an American and collected information for the British Intelligence Service; she is said to have worked for Miss Iorgulescu who is said to have been a British agent. The latter is said to have been corroborated by a third source.

In GRX-491 source 201 reports that Albert Benthé worked with Tester and that Albert Persyn was his agent (addresses and other data on both are given). Source 120 reports that Benthé is considered by the Rumanian SI to be a British agent and the leader of a De Gaulle Belgian movement in Bucharest, while Persyn is said to be pro-Communist and also a De Gaulle.

In GRX-492, source 201 reports that Col. Petre Caracitru, secretary of General Negulescu, former Rumanian Minister of War, was a well-known legionaire and German collaborator. Source 120 states that Caracitru, on the contrary, was refused German awards because he was considered strongly anti-German.

GRX-496 and 593 also contain similar contradictory information on individuals as presented by 201 and 120.

One way of approaching the problem is found in the conclusion stated in GRX-498, namely, "You pay your money and take your choice." Aside from being somewhat light-hearted and frivolous, this does not appear to be the way to approach the problem of identifying enemy agents. Obviously, London and Washington can do little with such information unless, accidentally, they happen to have some information on the individual. Much the best place for checking such information is obviously Bucharest. Probably some of the information is non-checkable but certainly a minimum should have been attempted. Surely, insofar as possible, contradictions should be resolved before information of a contradictory nature is sent out.

c. Information concerning American officers

Reference: GRX-544, 572, 599, 784, 729, 796.

Another aspect of this lack of seriousness in the handling of reports applies to those reports involving American officers. In GRX-729 source 201 states that Major Nic. Barvacki, of the main Polit-Bureau of Gulghe, is a friend of Lt. Roberts of the American Mission. Lt. Roberts was never informed of this or questioned. According to his statement, he never heard of this Russian officer. We submit that it is ridiculous to make such a report about an American officer, particularly one in the OSS unit, without comment or confirmation. In GRX-754 source 201 reports that a certain "Gughe" agent claims to be working for Colonel Burnsworth. There is no evidence given of this having been checked with Colonel Burnsworth, who is Executive Officer of the American Representation, nor is there any indication of any action taken against the person. In GRX-796 source 201 reports that a woman agent claims she is going to marry Colonel Wilcox, also of the American Representation. Again, no evidence is given to indicate a check on this information, nor is there any comment to show that Colonel Wilcox was questioned on the matter (except by Lt. Col. Hess who checked with Lt. Col. Wilcox when the GRX came to him for transmittal and learned that most of the information was false.). In several other reports --

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GRX-572 and 544 -- German and Russian agents are reported by 201 to be having social contact with American officers. The latter report, GRX-544, states that a beautiful German agent is said to be living with an "American officer". Yet there is no indication that any attempt was made to discover the "American officer" and advise him of his danger. GRX-599 reports that a former German agent, Olga Dimitriu is having intimate relations both with a "young American officer" and General Poleev, chief of the "Gagbes"...

The purpose here is not to disprove the above reports. For the sake of argument we may say that all may be true in part or in fact. The criticism lies in the sloppy handling, lack of checking, and lack of responsible action even in the case where the security of American officers are concerned.

#### 4. Persons employed by or related to Americans

Another set of reports which should be mentioned concern the reports that Simona Butculescu (GRX-784) and Lena Racotta (GRX-7) are Soviet agents. Simona Butculescu travels entirely in British and American circles. She had two American officers living at her home out of whom was a family relation. She entertains and sees American officers almost every day. The only evidence of her being a Russian agent is a report by 201. If Major Bishop was sure of his source and information he should have issued a report in writing to the Commanding Officer of the OSS Unit on the subject and, at least, ordered the two American officers to leave her home. (As Security Officer of the unit, this would have been well within his authority.) Lena Racotta was employed by the OSS Unit as a typist and Russian-translator. After she left the unit she worked for the MAIF group where she is still employed. So far as we know no action was taken by Major Bishop in her case, either, except to malign her by whispering to other members of the unit that she was a Soviet agent. In the case of both Butculescu and Racotta there appears to be considerable evidence that both are violently and constitutionally anti-Russian. This is not offered as proof against 201's report but merely to indicate the need for greater responsibility on the part of the officer presenting the report.

Another report along this line concerned Imperia Mateescu. This report was questioned by Lt. Colonel Ross on the grounds that both 201 and 120 presented entirely erroneous information about Mateescu's past employment and also because both reports were contradictory in important aspects. Hence, the I-2 officer (Lt. Thomas) did not issue the report. The report of 201 and 120 "proved" that Mateescu was a German collaborator -- if not an agent -- but both had him collaborating with entirely different people at different times etc. Again, no effort was made to reconcile the differences or to take positive action in the matter. (Mateescu had been employed by OSS since October 1944 and recently left OSS to work for the OWI Press attaché of the American Legation. Mateescu is well known in Bucharest and it is not difficult to check his past activity, connections and loyalties. A very complete check made by SI (Commander Wiener, Lt. Col. Ross and others) providing information which was absolutely contrary to information presented by 201 and 120. 120 was later questioned by Lt. Col. Ross as to the source of his report on Mateescu and he was unable to elaborate on it or substantiate the derogatory facts presented.)

4. Lack of Action on Intelligence

It is not entirely clear whether the Chief of X-2 Bucharest was supposed to do anything when he uncovered important GE information. It is realized that in Rumania the Americans are not an operating group. At the same time it does not appear reasonable to pile up lists of Gestapo agents who are active against the Allied Powers in time of war (November 1944 to May 1945) and not do anything about it. For a list of 107 supposedly active German agents in the Bucharest area alone, see Appendix B to this report. Nor does it seem reasonable to do nothing about the herds of agents and spies who were set to follow, sleep with, and obtain information from American officers (See Appendix G). It is true that Major Bishop warned certain persons about Hatescu, Butelescu, Racotta, and others but as far as we know he never put these warnings in writing, which was his duty as well as prerogative, as X-2 chief and Unit security officer. Rather, his procedure appeared to be to insinuate that Miss so-and-so who is seen with Major X is a Gogbes agent. Surely, this could not be taken seriously, especially since the accusations were distributed liberally.

5. Unreliability of information in the GRX reports

In addition to the lack of critical editing, the lack of serious checking of important information, and the failure to take the necessary action called for by the information, there are many respects in which the actual information in the reports leaves much to be desired. To begin with, many of the reports seem to fall into the familiar Rumanian pattern of unreliability, and much of the information has the ring of the usual Bucharest rumor. On general questions -- such as Japanese-Russian relations and Russian intentions -- this results in bad reporting and in the dissemination of misleading predictions of a somewhat serious nature. It will be shown in the following paragraphs that the reporting on Japanese-Russian relations, Russian intentions, Communist plans for Rumania, the activities of certain Social Democrats and Zionists is inaccurate. It will also be shown that X-2 main sources (120, 201, and 200) were tendentious and also reported completely false information of a sinister nature on occasions.

a. Japanese-Russian relations in Bucharest

Reference: GRX-376, 575, 626, 739, 762, and 809.

GRX-376 indicates the following:

(1) that the Japanese were a cover for numerous German agents; that the Japanese were employing White Russian and Polish agents for anti-American and anti-British activities; that Japanese-Russian relations were cordial and that the Russians cooperated with the Japanese in their movements; that the Russians made it difficult for the Rumanian government to take action against the Japanese because of their Russian protection and particularly because of Mr. Dangulov, chief Russian press censor whom the Japanese claimed as a "friend of Japan"; that the Russians assured the Japanese that their relations with the Japanese were peaceful and that there was no danger they would be pushed into the war by Anglo-American pressure. This report was based on information, apparently carefully documented, presented by sources 201, 120, 900, 999, 009, 200, 431, 432, and 117. The report was addressed to Mr. Berry and General Schuyler

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personally and is dated 16 February 1945. Both Mr. Berry and General Schuyler indicated great interest and apparently forwarded the report to their respective headquarters. They also indicated to other members of the OSS Unit that they considered this product of Major Bishop's extremely important.

GRX-595 (source 201) indicates that the laxity of the new left-wing government has given the Japanese considerable freedom; that the Communist Minister of Interior, Teohari Georgescu ordered that the Japanese Minister be given complete freedom, stating that they had nothing against the Japanese because the Japanese were at peace with Russia; that the Japanese were carrying on their undercover activity with the help of their German, Polish and Japanese agents; and that the Russians postponed their departure date from Rumania for a number of weeks.

GRX-626 (source 201) reports that the Japanese had lunch with important Russians on 25 March in Bucharest including the aide-de-camp to Admiral Bogdenko. Also General Susaiev is said to have had the Japanese Minister to lunch. At the same time the Soviet Legation began to supply the Japanese with hard-to-get food in Bucharest. The rest of the report deals with contacts between the Japanese and their pro-Nazi agents.

GRX-719 (source 201) describes a luncheon between the Japanese and several of their agents on 11 April, shortly after the Russians denounced the Japanese treaty.

GRX-768 (source 201) states that the Japanese Minister and his assistant were received by General Vinogradov on 16 April for 3 hours. At which time the latter, according to the report, stated that "the Russians had no intention of declaring war on Japan, to be trapped by the Allies." The Japanese Minister later visited two other important Russian Generals.

GRX-809 (source 201) reports that on 2, 3, and 4 May, the Japanese were having relations with important "Gugbes" officers; that the Japanese put at the disposal of the "Gugbes" some of their agents to work against the Allied missions.

The first thing of importance to point out regarding the above reports is that most of the information apparently comes from the prolific source, 201. The point of all the reports boiled down to one sentence is that the Russians are working with the Japanese against the Allies and that they have no intention of joining our war against the Japanese. These reports were made several months ago when the European war was definitely drawing to a close and when our relations with the Russians in the Balkans and elsewhere were tense. These reports, with their sinister predictions and implications, could not help but aggravate these relations, regardless of whether they were intended to do so or not. The first main criticism of the reports is that their predictive value was a minus quantity.

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We submit further that the information in the reports, sinister as it was, was never proven. The fact that sources 201, 120 and 200 -- all violently anti-Russian -- reported these facts did not make the information accurate. GRI-376 was evaluated B-2 by Major Bishop. Thus, he took responsibility for the accuracy of the information. While it is clearly impossible for us to disprove the statements made, we believe that history would tend to throw some serious doubts on it post facto. Furthermore, the information was open to serious question even before the Russian denunciation of the Japanese treaty and the recent declaration of war against Japan. There is no logic for Russian-Japanese collaboration in Rumania. What could the Russians benefit from relations with some small, ineffectual Japanese diplomat in Rumania when they were able to negotiate directly with the Japanese in Moscow and Tokyo? Surely, the Russians were well aware that the Japanese carried on anti-Russian espionage through the Poles during the war. Surely, the Russians knew that the Japanese had relations with their German enemies as well. In the light of these simple facts we submit that the I-2 chief should have paused to suspect some of the confusing information of Russian-Japanese collaboration given to him by men whom he knew well to be very strongly anti-Russian.

b. Communist and USSR plans

Reference: GRI-157, 539, 542, 584, 641, 650, 681, 695, and 732.

In GRI-157 source 430 presents a collection of ideas on "Russian Attitudes and Intentions" as obtained by Russian sub-sources from prominent officers of the Second Ukrainian Army. It deals with their attitude toward Japan, China, Turkey, and Germany. In the light of recent events, the attitude toward Japan is most interesting. The report quotes the Russians as saying, "we, on our part, are not at all interested to see the Japs go down quickly in their fight against the USA and Britain. On the contrary, we shall always encourage them to fight on because the longer they fight the more time we have to strengthen our position in Europe...."

Source 201 reports in GRI-539 that the Central Committee of the Communist Party of Rumania issued orders on 25 February that a campaign be started against the historical parties. It was decided that in order to compromise the then existing government, attempts would be made against Soviet Army men, members of Allied missions, and very probably some important members of the Soviet Control Commission.

GRI-542 (source 201) lists 19 houses taken over by the "Gughe" for arrests and other "strategic activities".

GRI-584 (source 201) claims to be a summary of the "Russian Three-Year Plan for Rumania". According to Major Bishop's comment, copies were given to Mr. Berry, General Schnyler, and Air Vice Marshal Stevenson. The comment also states that "since plan was exposed, several points have been put into effect." Mr. Berry and General Schnyler were very much concerned by this document and tended to place some reliance in its veracity. General Schnyler expressed



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concern over this problem to other members of the OSS Unit. The document was said to have been revealed by the Russians on 7 March to a select group of Rumanian Communists. It was said to have been received directly from Dimitroff, former chief of the Communist International. The main points of the program include, (a) the completion of the agrarian reform "which will abolish the large estates and bring financial ruin to the landlords", (b) the suppression of the Rumanian Army in its present form, (c) constituting of the Under Vlad-Imarescu and Ayrau Iancu divisions as the new Rumanian Army, (d) liquidation of the banks through attacks on the National Liberal Party, (e) dividing of small farms into smaller units in order to deprive the peasant of machines and cattle, thus driving them into holluses, (f) suppression of firms trading with Anglo-Americans, (g) resignation of King and sending of royal family into exile, (h) suppression of historical parties by arrest, kidnapping, killing etc., (i) creation of NKVD-type of police, (j) elimination of Anglo-American cultural, social and political influence, (k) development of Rumanian industry, (l) keeping foreigners out of Rumania except those from Soviet-dominated states.

Comments on GRX-104: Since the above purports to be a 3-year plan, it is impossible to prove that all of the above will not take place by the year 1948. However, certain trends have been established which are going in the opposite direction from the trends indicated by the program. For example, points (b) and (c) on the Rumanian Army would indicate that the present army would be reorganized and the two Russian-trained divisions (incidentally there is no evidence yet of the "Ayrau Iancu" division) would become the Rumanian Army. While the Russian-trained divisions are now considered as a part of the army, there are a number of regular divisions of the old army and there have been no basic changes in the army other than the institution of an "education" program and the shifting of "unreliable" officers. There have been no hints regarding points (d) and (e) as yet. In fact, measures have been taken to assure the public of the contrary. As regards point (f) — the elimination of the monarchy — steps have been taken by the Russians to solidify the position of the King by giving him the Russian Victory medal. As yet there is no evidence of point (g). Point (h) is valid as far as arrests go but there is no evidence that killings of historical party members have taken place. In fact, the present regime has been "going easy" even on arrests and no important national leaders have as yet been arrested. Point (i) probably has some basis. With respect to point (j) no apparent measures have as yet been taken to undermine Anglo-American societies etc. Point (k) is possible as certain preliminary agreements have been made. Point (l) cannot yet be judged until Russian restrictions on travel are lifted.

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Thus, of this sinister-looking three-year Russian program for Rumania, the only things in evidence were those that were evident to the public as soon as the new government came into power; agrarian reform, increase of economic ties with the USSR, change in the police system, and arrest of historical party members. All other parts of the program are still highly conjectural and there is evidence that the trends on some aspects of the so-called program are going in the opposite direction. All of this would indicate that the report should have been received with a degree of skepticism. Its effect on General Schuyler and Mr. Barry was strong and may well have influenced their attitude toward the Russians.

GRI-641 (source 201) describes a meeting between Russian representatives and leading Communists on 27 March. At this meeting reports were made on the Social Democrats; Ana Pauker stated that the traditional parties would be suppressed and that Manin would be arrested; it was stated that the historical parties should "disappear" before the end of the war in Europe and that relentless action be taken against the historical parties because they are supported by the Anglo-Americans.

GRI-650 (source 201) reports on a debate which purportedly took place on 20 March in the Central Committee of the Rumanian Communist Party in the presence of leading Russians. Among other things it was reported that Josif Sraer, Secretary General of the Ministry of Interior, would head up a popular militia and that 100,000 Jews would be permitted to immigrate from surrounding countries and be colonized in Rumania, thus creating a "guard of democracy".

Comment on GRI-650: Our information is that Sraer now has little to do with the police side of the Ministry of Interior except on the general political level. As regards Jews colonizing in Rumania, recent orders from the Rumanian government -- undoubtedly, framed by the Communists in the government -- have ordered all non-citizens, specifically including Jews who have fled concentration camps in Hungary, Czechoslovakia etc., to leave Rumania within 10 days. Other evidence indicates that the local Communists are doing everything possible to "play down" the Jewish problem to the extent of being somewhat anti-Semitic in their own actions.

GRI-695 (source 201) describes the "International Gubgas".

GRI-732 (source 201) describes a joint Russian-Rumanian Communist-international political meeting on 3 April at which it was agreed that the first of May would mark the beginning of the Komintern revolution in Rumania and would be inaugurated by: "Disturbances - carried out by using all means such as press

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articles, conferences, associations, aiming at undermining and annihilating all democratic institutions, as well as Christian ones, of all democratic ideas and all personalities that are opposing Communism. A decisive battle will be fought against religion by 'atheist clubs', legally formed, against the family by decreasing parents' authority upon their children and the simplification of the wedding ceremonies, against tradition by suppressing all traditional holidays - even against peasants' traditions which will be described as reactionary - against the national feeling, against the laws - which should not be respected because the Communists do not respect any Constitutional law. The freedom of thought will be replaced with cultural Bolshevism." Also, they decided to arrest, intern or deport to the USSR, Legionnaires, "democrats of the National Peasant and National Liberal parties", all merchants except Jews, and all persons connected with the Anglo-Americans.

Comment on GRX-732: As indicated by the above quotation, the report is patently fantastic and could not be taken seriously by anyone familiar with Rumania. The predictive value of this report is of course, minus. The campaign did not begin on 1 May and has not begun to date. It should be noted that the report quotes Ana Pauker and others as making statements against "democratic institutions" and against "democrats in the National Peasant and National Liberal Parties". This is not the way the Communists and Russians speak. They consider themselves to be the real democrats. It can only be concluded that these phrases are editorial insertions added by source 201. The implications of this are obvious. It means that 201 is plugging a point of view and is prone, at the very least, to distort the facts to get his point across.

Generally speaking, the reports on Russian and Communist plans and intentions, obtained almost exclusively through source 201, have presented a sinister picture of Russian and Communist behind-the-scenes operations designed to communise Rumania, eliminate Anglo-American traces, and take terroristic action against all its opponents. The Russian Three Year Plan for Rumania is the best example of the vagueness and speculative nature of these reports. This and other reports have been shown to contain obvious inaccuracies. Many of the specific predictions in the reports have failed to materialize even in the short period of time since the reports were written.

c. Anti-Anglo-American activities

Reference: GRX-384, 419, 469, 567, 568, 641, 650, 661, 732, 785.  
Source: 201.

The reference reports indicate that the Russians and Communists are carrying on serious anti-Anglo-American activity and that legionnaire groups are planning terroristic activities against Allied personnel. According to GRX-384, the Russian "Gugber" assigned three agents of their "Odel Smerts" (Death of the Spies) to watch American officers. Other reports indicate that economic espionage and counter-intelligence is being maintained against Anglo-Americans (GRX-567), that the Russians hired Italian agents to watch the Americans (GRX-582), and that action is being taken to eliminate the Anglo-American influence from Rumanian life (GRX-384, 641, 650, and 732). In addition

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to the above, numerous "Gugbes" agents (usually beautiful girls of Polish, Ressarabian, or Hungarian origin) are reported to be dating or sleeping with American officers. Their names can be found in Appendix Q.

In this connection another type of report might also be mentioned, namely, the legionaire activities which are anti-anglo-american. GRI-489 (source 201) is a good example of this. It reports the existence of a group of Macedonian-Legionaires, "extremely dangerous, bloody and capable of any bloody action" which "expects to start an important activity against the members of the Allied Missions." GRI-419 (source 201) gives the names and addresses of four legionaire students who receive orders from Germany and who "will attempt to kill the Communist chiefs and the members of the Allied armies in order to cause internal troubles which will lead to a disaster."

d. Zionist affiliations

Reference: GRI-432, 538, 681, 763. (Source: 201).

GRI-432, 538, 681 and 763 report various Zionist groups in Bucharest in liaison with the "Gugbes", Komintern, or Communist Party. GRI-763, for example, states that the Zionist Workers Party, "Iehud", joined the Communist International on 17 April 1945 in an official ceremony attended by Ana Pauker and General Polsev.

Comment: The matter of Zionist collaboration with the Communists should have been open to suspicion from the very beginning, inasmuch as Zionist philosophy in many ways contradicts Communist precepts. Major Bishop could easily have checked this item through one of the two intelligent Jewish employees in his office. Our information is that there is no reason to believe that the usual unbridgable gap between the Zionists and the Communists has been bridged in Rumania. The Zionists in Rumania are in many cases friendly to the Russians - since the Russians "liberated" them from the Nazis -- but as Zionists continue to work for a Jewish National Homeland in Palestine and to resist all efforts on the part of the Communists to infiltrate their ranks. The conflict between the Zionists and the Communists was brought out in public when the Zionist leader, Mr. A. L. Zisou, attacked the Communists in his paper. A report on this conflict and the differences between the Zionist and the Communists can be found in GR-390 of 27 March and GR-700. Therefore we feel justified in going out on a limb on this one and stating that the evidence indicates that the above reports on Zionist-Communist collaboration are entirely false and misleading.

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e. Social Democrats

Reference: GRX 567, 654. (Source 201)

GRX-567 mentions Lothar Radacsanu, Minister of Labor, as an important Communist agent working directly under General Polsev, Chief of the "Gagbes". GRX-654 lists Martin Bratfalsanu of the United Syndicates as a Communist chief.

Comment: Lothar Radacsanu is one of the leaders of the Social Democratic Party in Rumania. Thus, if he is actually an under-cover Communist operator, it would be surprising to say at the least. As for Bratfalsanu, he also has a long-standing reputation as a socialist leader. While it is in the realm of possibility that these men are secret Russian agents, the fact that they are prominent Socialists should have called for some comment or explanation.

f. Examples of erroneous information

Reference: GRX-655

GRX-655 is probably one of the best examples of completely erroneous information on a strategic subject: Russian fortifications in Rumania. This report, dated 7 April, states that the Russian Command, in cooperation with the "Gagbes", began "large-scale defense zones and fortifications workings... in Rumania's eastern and southern part." Between 1-15 March the defenses were said to have begun in the form of trenches and pill-boxes in the Bucharest region, the Ploesti zone, the Pitesti southern zone, the Urziceni zone (where tanks and ack-ack were brought), in the Calarasi zone, the Constantza zone (on stretches of the sea-shore), Giurgiu zone, etc. etc. This report was evaluated B-2 by Major Bishop and sent to the American Legation, General Schuyler, and to the OSS Reports Officer. (The point could be raised here concerning his transmission of positive intelligence of this nature but that is a separate problem which applies to a great many of the GRX reports and is not the subject of this analysis). This report was found to be false in practically every single detail, as will be shown.

None of these defenses were all over Bucharest. Detailed information was given to the British and to us by the Rumanian General Staff. Because of the importance of the subject, Major Hogg of the British Mission consulted with us and a joint checking program was worked out. The areas immediately surrounding Bucharest were checked carefully by three British soldiers assigned by Major Hogg. No fortifications or pill-boxes were seen anywhere in the area. The Giurgiu area was checked by Major Hogg and Captain Madison personally, with the same results. The Constantza area was checked by persons attached to the American Representation who went there and later reported that there were no pill boxes being built in the area.

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Shortly after Major Bishop left Bucharest, Captain Madison was given a great deal of positive intelligence developed by sources 201 and 200. Because of the bulk it was decided to check some of the checkable items. A report stating that the Russians had built a U-boat base at Mangalia was checked through our Rumanian employee, Appendixitis, a former naval officer, who made a trip to the Constantza area. He went to Mangalia especially to check the information. He found that there was no such base and that the Mangalia harbor had not been dredged for three years. In his words, there could not have been a row-boat base built there. Similar information of Russian movements in the Black Sea (disposition of fleet etc.) was reported by him to be largely incorrect. In all, six or seven items were checked closely and were found to be partially or entirely inaccurate. To show the lengths to which some of the reports went, mention might be made of the report that the buildings occupied by the British and American missions were being mined by the Russians.....

#### 6. Political Implications

Reference: GRX-650, 661, 680. (Source 201)

It is impossible, even in X-2 work, to avoid the question of political implications. They affect the agent obtaining the intelligence, the editor who processes the material, and the consumer who reads it. In Rumania, where American and Russian relations have been rather delicate at times, the political implications are of utmost gravity and can not be dismissed as unimportant or disregarded.

In this connection, Major Bishop's reports have tended to be irresponsible especially in the case of those GRI reports, mostly from Source 201, which contain anti-American information coming from Russians or Communists. Some examples may be given:

a. In GRX-650, (22 March, Source 201, Reliability B-3) Nic. Alex. Shutor, Chief of the Politburo in Bucharest, is quoted as saying: "From 6 March 1945, Great Britain and the United States were not desired in Rumania any more. They should take care of their colonies and the United States should look after Mexico and Honduras, which are in their area of influence".

b. In GRX-661 (26 March, Source 201, Reliability B-3) Miss Levin, at a meeting of the Communist Youth, criticized American youth which he qualified as a "frivolous expression of capitalism... Stupid youth which only knows to make sport and waste the money of the parents." At the same meeting one Ivo Tuzici stated that "European Communism would liberate the people from other continents from Anglo-American slavery".

c. In GRX-680 (12 April, Source 201, Reliability B-3). It is reported that a new "Gugher" group, "Pobedo" is to start propoganda against the United States and Great Britain by the indirect means of accusing anyone who favors these powers of being a hitlerite or fascist.

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Now, it is possible that such statements may have been made. The point is, however, that such remarks cannot be presented on a "take it or leave it" basis. If such statements are made and if they represent more than the opinions of an individual, they are of considerable importance to the United States in its all-important task of developing an adequate foreign policy. If, on the other hand, such statements have been fabricated or are given undue significance they are very apt to create an unhealthy suspicion and do a great disservice to the United States.

In any case, such information should be handled in a sober-minded manner, checked as thoroughly as is possible and not presented merely because it is spectacular. Otherwise, such information makes the reader - whether the American AIG in Russia or the government in Washington - uneasy and suspicious, without giving adequate assurance that the information is correct and substantially true.

It might further be added that in the present political situation, fraught as it is with misunderstanding and suspicion, the responsibility is a doubly serious one. The GRX reports have clearly had a strong effect in certain quarters. They "prove" that the Russians are getting in bad faith and are playing a dishonest and under-handed game against the Anglo-Americans. They give names, addresses, and numerous details to establish this thesis. It is entirely possible that American policy toward the Russians has been shaped in part by this seemingly - documented evidence.

Yet, as shown by the foregoing analysis, <sup>(a)</sup> the sources of the reports are suspect, (b) much of the information is suspect, and (c) many of the sinister predictions contained in the reports have proven to be wrong by the passage of time. Thus, the very best that can be said for these reports is that (a) they have fed considerable false information to American officials who were making difficult decisions based in part on that very information, and (b) they have undoubtedly contributed, in an irresponsible manner, to the deterioration of relations between the United States and Russia, at a time in history when the future peace of the world may actually depend on those relations.

APPENDIX A

NOTE ON ORIGIN OF SOURCES

Sources 201, 120, and 200 account for the greater bulk of the OS reports issued by I-2 Bucharest. Of the three, 201 is by far the most prolific. Through his network of sub-agents he has prepared numerous reports (a) identifying active German agents, (b) active legionnaires, (c) agents engaged in Anti-Anglo-American activity, (d) the new Russian secret police set-up and its numerous appendages, (e) the local Communist set-up, and (f) Japanese-Russian collaboration in Bucharest. In April and May 1945, source 200 submitted a fair amount of positive intelligence on the Russians and Communists which did not appear in I-2 reports but was given to SI directly. Source 120 appears to have been used largely to check original items prepared by source 201. He also had an impressive list of sub-agents and began to furnish considerable positive intelligence.

In May 1945, when it appeared that practically all of 120's information was of a positive nature, Colonel Ross and Captain Madison interviewed him several times with a view toward his possible employment along SI lines, but finally decided against his retention. Sources 201 and 200 were asked, through the acting chief of I-2 (Lt. Thomas) to be interviewed by Colonel Ross in May 1945. It was indicated to them that Colonel Ross particularly wanted to question them regarding some recent reports about the Russians and Communists that appeared inaccurate. Colonel Ross was informed by Lt. Thomas that rather than submit to an interview they preferred to quit.

A. 201 AND 200

Both 201 and 200 were given to Major Bishop by Frank Stevens when his services with SI were terminated. Frank Stevens was probably the most unreliable, undisciplined, and inaccurate reporter that OSS Bucharest had. Practically from the first days in Bucharest, Lt. Commander Wisner sought authority to dismiss Stevens. His official reports are filled with the complaints summarized above. For a number of weeks prior to the termination of his services, Stevens was forbidden to come to the OSS offices. All contact with him were had through Sgt. Labovary of Major Bishop's staff. It is believed therefore, that the latter was aware of the difficulties Wisner was having with Stevens.

The material submitted by Stevens concerning the Russians and Communists -- which subjects accounted for the bulk of his reports -- was obtained through the services of 201 and 200. Many of these reports contained sketches of Russian fortifications in various areas of Rumania. Lacking any check, these were issued by the Reports Office with an F-C rating. Although inaccurate at the time, it was later determined that these reports were pure fabrications, down to the minute details on the maps. A check of the early OS reports issued by Reports will show this to be true. Correspondence will also be found in the files concerning numerous reports of Stevens that were so obviously biased or poorly drawn that they could not be used.



200  
There is no indication anywhere in the files that Bishop checked 201 and 200 in any way other than to take the word of Frank Stevens that they were trustworthy and honest reporters and that he had known them both for something like 25 years. Therefore, as far as is known, sources 200 and 201 were accepted merely on the recommendation of Stevens.

It should be pointed out here that another employee of Bishop's obtained from Frank Stevens was "Chick" Pavalescu, who was Steven's chauffeur. Pavalescu's job was to translate all the information prepared by 201 and 200 and to contact them as well. On a number of occasions 200 was used to check 201 and vice versa. These were also handled through Pavalescu. At best, this constituted an insecure and sloppy way of handling secret intelligence. Later, when 201 and 200 left OSS employment, 200 accused 201 of having been "in contact" with Pavalescu and to have reported to him everything that 200 was doing. Lt. Armour of the AGO staff (he was assigned to Bishop and was the contact with 200 and 201 for a while) informed us that 200 gave him evidence that 201 was reporting to the Rumanian Siguranta about the British and Americans. He produced hand-written copies of his reports which checked accurately with samples of 201's hand-writing in the X-2 files.

b. 120

120's biography appears in the file as GRX-102. Other reports on him, also in the GRX files, show him to have been a trusted SS agent, a questionable and vain character, who fell out with the Nazis. Because they failed him and caused the death of his parents, he is said to have begun to hate them. Apparently, 120 was hired largely on the basis of a recommendation of Eric Georgeson, now manager of Rumania-Americana, who met him in the concentration camp. While Georgeson is considered by us to be a good and faithful friend of the Americans, it is generally admitted that his judgment of people is bad. This can be checked with Lt. Commander Wisner who is a very good friend of Georgeson's and knows his good points and weaknesses better than most Americans who were here.

When Colonel Ross and Captain Madison interviewed 120 he told them that his information was almost entirely positive and that Major Bishop had instructed him to concentrate on positive information. This was stated in the presence of Miss Press of X-2 who verified 120's statement. It was therefore agreed that he would submit several sample reports before it would be decided whether he should stay on or not. In the course of the interview he revealed a few of his sources of information. One was a girl employed in the Rumanian Foreign Office who furnished him with a copy of a telegram purportedly sent by Anthony Eden to Georgeo Tătărescu, Rumanian Foreign Minister. When informed that Great Britain did not recognize Rumania and that it was unlikely that Eden was communicating directly with Tătărescu, 120 insisted his source could not be mistaken. A check was made and it was found no such telegram had been sent although, to be sure, such stories were circulating in Bucharest.

Attachment 1.

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A check of six items prepared by 120 indicated that four were completely false and the remaining two -- longer reports done on request -- were poorly drawn and inaccurate. One report was on conditions at the Caracas concentration camp, which we checked directly with a person who had been confined there for three months.

It was therefore decided that 120 was not useful as an agent for the gathering of positive intelligence. He was told the staff was being cut and was let go. Incidentally, another reason for the displeasure with 120 was his obvious insecure manner of talking over the telephone and revealing names and classified information in that manner.

Attachment 1.

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## APPENDIX A

### LIST OF ACTIVE GERMAN AGENTS IN HUNGARY

No.	GRX No.	Agency	Name	Address
1-	17	202	I. Hinder	Str. G. A. Rosetti, 5
2-	"	"	Dr. Petrasinon	Calca Rahovei, 29
3-	"	"	Lt. Col. Dan Radulescu	Str. Stelian, 10
4-	"	"	Virgil Danian	Istra Armament, Romania, 8
5-	"	"	George Lasie	Locuiment Aurel Moten, 8
6-	"	"	Abelaida Gilekuk	Luigi Gausvillian, 9
7-	24	201	Dora Goldischer	Victoria Insurance Co. Blvd. Bratiann, 32
8-	31	201, 420	Constantin Georopide	Director of Societata Bandara, Str. Vasile Conta, 14
9-	34	900	Ioanif Gatin	Gabaloscou, 47
10-	61	NI-9	Joakny Gristen	-----
11-	70	201	Karl Gyr	Bucharest newspaperman
12-	117	"	Erwin Bruns	A. D. Karpol, 3
13-	132	"	Johann Eitar or Jean Koisovici	-----
14-	"	"	Horis Gurlava	Petre Barbuloscou, 20
15-	"	"	Constantin Nagarscum	N. Stanescu, 1
16-	166	"	Erika von Kibgen	Azrael Balogou, 17
17-	170	"	Dr. Kurt Wohlgenuth	Bld. Dacia, 10
18-	"	"	Matilda Stricel	Bld. Iasser Gatergin, 14
19-	"	"	Wilhelm Strober	Goga Gaitormasino, 42
20-	172	"	Eugenia Sabou	V. Iasser, 24
21-	"	"	Eira Apahovan	N. Iassa, 17
22-	174	"	Emil Bantzer	Dapacari, 16
23-	"	"	Stefan Bantzer	" "
24-	170	"	Oskar Walter Giesk	Propaganda Ministry
25-	182	"	Erich Brown	Bld. Regale Albert, 17
26-	194	"	Nicolas Balan	National Bank
27-	"	"	Henrick Gaelescu	National Bank

Attachment 2.



No.	GRK No.	Agency	Name	Address
8-	202	201	Edward Hjalmar Pallin	Str. Sofia, 7 (Finnish Minister)
9-	203	"	Hilma Hachay	Calca Victorial, 50
0-	205	"	Gallia Hanegaru	Bldg. Elisabeta, 15
1-	"	"	Alexandru Hanegaru	" " "
2-	214	"	Robert Gottlieb	Str. Lutheran, 12
3-	267	900	Stefy Weiss	Str. Floritilor, 67
4-	269	201	Eugenius Souduraki	Str. Alena, 0
5-	208	"	Alexandru Hovanisvina	Calca Dorobanti, 26
6-	219	"	Roberto Scheggi	Bldg. Bista, 11
7-	235	900	Karl J.S. Heidendorf	Str. Grigore Ibrva, 4
8-	237	"	Herman J.S. Comachiuvici	Str. Iainici, 15
9-	269	201	Johan Binder	C.A. Rosetti, 23
0-	"	"	G. Koller	" " "
1-	"	"	Jean Stanescu	Gh. Cosbu, 15
2-	276	(201, 120, 900 979, 000, 800 021, 022, 117)	Pircea Stenarum (now for Japs)	Anastasia Pami, 9
3-	"	" "	Herman Ahnauvici (now for Japs)	Mircea Voda, 43
4-	286	201	Eng. Stanislans Riha	Str. Barbu Deverancea, 14-a
5-	"	"	Jaroslav Solar	Str. Dr. Severeanu, 33
6-	"	"	Antonia Polony	Str. 11 Junie, 24
7-	"	"	Vilma Mack	Str. Dr. Gaysa, 3
8-	287	"	Gen. Virgil Receanu	Str. Gen. Angelescu, 187
9-	"	"	Gen. Georgescu-Pian	Str. Transilvaniei, 40
0-	289	"	Ambrol Victor Schmidt	Ambrol Sanatruan, 37
1-	291	"	Mrs. Hans Scholow	Sala Janscu, 27
2-	290	"	Global Elmerici	B.A. Sturca, 4
3-	211	200	Mario Galistatos	Paroul Jilau K.V., 40
4-	212	201	Hana Kessler	Vicaria, 15
5-	213	(120, 201)	Nicolae Valjin	Permbaru, 39
6-	219	201	Hristu Sola	Gal. Moșilor, 231
7-	"	"	Pandele Schmidt	19 Septembrie, 3

Attachment 2.

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CONTROL

SR.	SR. No.	Amount	Name	Address
50-	419	201	Theodor Zusa	
51-	"	"	Christian Peterson	Melgarde, 7
52-	422	"	Carol Cortching	Santa Alba, 27
53-	"	"	Constantin Narmaga	Calas Crivitel, 12
54-	"	"	Virgil Hanson	H. Zaleson, 45
55-	"	"	Albert Gtchal	Sebastians, 109
56-	424	200	Blank	
57-	426	201	Mario Callatinaton	Paroni Jiani V. 40
58-	"	"	G.O. Heydendorf	Dr. More, 4
59-	429	"	Julia Englarum	* (Zamarcion)
60-	"	"	Johan Ebbel	* (Zandee)
61-	"	"	Barbara Sigur	* (Zarora)
62-	"	"	Paul Leidner	* (Zinacova)
63-	"	"	Opahay Prasek	* (Zalawa)
64-	"	"	Alois Grevlunak	* (Zalunastki)
65-	"	"	Heinrich Miegel	* (Zama Swerda)
66-	"	"	Hugo Gellus	* (Zampton)
67-	"	"	Olga Peisl	* (Zasad)
68-	432	229	Petar Melning	
69-	475	120	Margareta Nish	G. A. Rosetti, 49
70-	485	201	Victories Rogdan	Continental Hotel, Ru 27
71-	484	(201, 120)	Maria Clara Silberman	Calas Victoria, 112
72-	495	(201, 120, 200)	Louise Fischer Serdousen	Str. Wilson, 15
73-	497	(201, 120)	Alexander Kunkla	Blvd. Kravlanu, 1
74-	503	(201, 120)	Ludwig Haus	Gumpmann, 4
75-	"	"	Heinrich Gromm	
76-	"	"	Johan Niles	Str. Wilson, 13
77-	504	(201, 120)	Kessy von Keller	Blvd. Tabe Jonsson, 2
78-	"	"	Grety Nasser (Margareta Smapin)	" " " "
79-	"	"	Erich Bachmuller	Pevils Gborgulu, 24
80-	573	"	Maria Erika Eriner von Elbes (nee Erlin Susman)	Vesilo Jaseur, 18

Excerpted by GIS, to report to Budapest.

Attachment 2.

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№	GRN №	Адрес	Имя	Адрес
89-	593	(801,120)	Иван Иванович	Москва, 14
90-	597	801	Олег Иванов	Ср. Урал, 4
91-	599	(801,120)	Олег Иванович	Алтайск, 12
92-	600	801	Мария Ивановна	Москва, 12
93-	"	"	Иван Иванов	Москва, 12
94-	"	"	Иван Иванов	Москва, 12
95-	"	"	Иван Иванов	Москва, 12
96-	"	"	Иван Иванов	Москва, 12
97-	"	"	Иван Иванов	Москва, 12
98-	608	"	Иван Иванов	Москва, 12
99-	718	"	Иван Иванов	Москва, 12
100-	719	"	Иван Иванов	Москва, 12
101-	"	"	Иван Иванов	Москва, 12
102-	"	"	Иван Иванов	Москва, 12
103-	"	"	Иван Иванов	Москва, 12
104-	"	"	Иван Иванов	Москва, 12
105-	"	"	Иван Иванов	Москва, 12
106-	"	"	Иван Иванов	Москва, 12
107-	"	"	Иван Иванов	Москва, 12

Attachment B.

~~SECRET~~ SECRET CONTROL

APPENDIX G

LIST OF AGENTS ALLEGEDLY ASSIGNED TO ANGLO-AMERICANS IN BUCHAREST

No.	GRK No.	Agent	Name	Address	Employer
1-	88	201	Nicolas Ieseanu	Rignis Lapu 55	Japan
2-	"	"	Savaina Cassvan-Ieseanu	" " 2	"
3-	177	"	Tatiana Gazimirova	Gobalcescu 60	USSR
4-	(177, 279)	"	Lucretia Gheorghiu	Bld. Bratiann 30-A	"
5-	177	"	Vera Faeco	Papa Tatu 80	"
6-	267	900	Stefy Weiss	Str. Plantelor, 67-69	Germany
7-	514	201	Constantin Dascalu-Danila	Str. B-18, Parcul Rahova	Legionaire
8-	"	"	Victor Gherasin	Str. Mircea Veda, 44	"
9-	378	(201, 200, 120, 900, 999, 009)	Chang Yoo Soo	Calca Grivitei, 195	Japan
10-	"	(200, 451, 432, 117)	Matalia Moresov	-----	"
11-	"	"	Stefan Tarnovetschi	-----	"
12-	384	201	Igor Patoski	Str. Garlei, 4	USSR
13-	"	"	Anselm Kaporalik	Str. Armenasesc, 27	"
14-	(384, 401)	"	Hina Elena Sobolena	Bld. Take Ionescu, 27	"
15-	412	"	Elena Kessler	Str. Vizariu, 15	Germany
16-	419	"	Hristu Sola	Mogilor, 251	"
17-	"	"	Christian Petrescu	Belizario, 3	"
18-	"	"	Pandele Schundi	15 Septembrie, 30	"
19-	"	"	Theodor Zusa	-----	"
20-	485	"	Victoria Bogdan	Continental Hotel, 27	USSR
21-	494	(201, 120)	Maria (Clara) Zilberman	Calca Victoriei, 112	Germany
22-	495	(201, 120, 900)	Louise Fleischer Serhandescu	Str. Wilson, 15	Germany
23-	540	201	Richard Tauber	Athenee Palace	USSR
24-	"	"	Ruby Bollender	Piata Regalniceanu, 7	"
25-	"	"	Adolf Blumenthal	Str. Lucaci, 88	"
26-	541	"	Ilona Bardessy	Athenee Palace	"
27-	544	"	Margarita Szapita	-----	Germany

Attachment 3.

CONTROL

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# SECRET CONTROL

No.	GRX No.	Agent	Name	Address	Employer
28-	544	201	(Gretty Dimmer)	Athenae Palace	Germany
29-	647	"	Maria Apostol (alias Landau)	Str. Avrig, 90	USSR
30-	"	"	Berdj-Kesupe Gumsagian	Str. Arcului, 5	USSR
31-	"	"	Sofia Olsuflev	Str. Nic. Ionescu, 8	"
32-	"	"	Jeanna Costa	-----	"
33-	"	"	Zini Serban (Horwath)	-----	"
34-	"	"	Virginica Romanowski	-----	"
35-	724	"	Simon Rosenzweig	Bldv. Bratianu, 24	"
36-	"	"	Naum Ostrowski	Bldv. " , 5	"
37-	"	"	Isidor Herscovici	Str. Casa Voda, 9	"
38-	"	"	Sima Ostrowski	Bldv. Bratianu, 3	"
39-	"	"	Radu G. Dumitrescu	Str. Dr. Ionescu, 3	"
40-	"	"	Siegfried Reiman	Exchange Bank	"
41-	737	"	Mario Galliatatos	Str. V. 40 (Park Jiu)	"
42-	738	"	Gerina Hosiung	Str. Bercel, 9	"
43-	746	"	Teichita Stefan-cel-Mare	Str. Silfidelor, 4	"
44-	"	"	Madia Harescu	-----	"
45-	(746, 759)	"	Rail Balaci	-----	"
46-	747	200	Militaru (Steia)	Office: Eianari, 10	Romania
47-	752	201	Olara Stainesu-Stein	No address Husband in telephone company	USSR
48-	754	"	Dolly F. Hochreiter	Dambrova Rosie, 32	"
49-	"	"	Betin Oserovits	Str. Mionia Lupu, 51	"
50-	759	"	Pista Kaufmann	-----	"
51-	"	"	Lisa Bernhardt-Ureanu	-----	"
52-	"	"	Bob Morland (Boris Hantzki)	Athenae Palace	"
53-	"	"	Madeline Dusso	-----	"
54-	781	"	Dusan Ivanovici	-----	Yugoslavia
55-	784	"	Simma Butulescu	Alca Medrojan, 4	USSR
56-	"	"	Trudy Gudin	Str. Saloidor, 29	"
57-	"	"	Dina Coasa (?)	Str. G. Gr. Assan, 3	"
58-	"	"	Lidia Dimancea (?)	Str. Athena, 1	"
59-	796	"	Mary Finise (Mariska Kolose)	Str. Dr. Harescu, 3	"
60-	"	"	Mrs. Dussa Tzara-Stec	Str. Dr. Harescu, 3	"
61-	799	"	Paul Ciocarlie	Meledy Bar	"
62-	"	"	Elizabeth Hentia (wife of Paul Ciocarlie)	" "	"
63-	811	201	Ianeu Breitman	-----	"