## SECRET OFFICE OF STRATEGIC SERVICES

COUNTRY SUBJECT

Rumania

Malaxa's position; Groza's position; changes in war criminal law; Communist

bid for membership

DATE OF REPORT **EVALUATION** 

ORIGINAL REPORT NO. CR-444 12 April 1945

CONFIRMATION ) SUPPLEMENT CORRECTION

SOURCE

**1** -Z. L SUB SOURCE Several well-placed persons

DATE OF INFORMATION 11-12 April 1945

NUMBER OF PAGES ATTACHMENTS

PLACE OF ORIGIN

Rumania

THEATRE

THEATRE DISTRIBUTION Bucharest: US Rep-Rum(2 ACC-US (2) ACC-Brit (3) Cagerta Files (4) Cabled to: Jashington London Casorta reris.

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## 1. Malaxa's position

Mr. N. Malaxa, one of Rumania's biggest industrialists, is the man of the hour. He has succeeded in getting both Communist and Russian support. The exact sum which he received from the Rumanian government as compensation for the equipment removed from his factories in Bucharest was 3,200,000,000 lei of which 1,200,000,000 lei were handed over by Malexa to the funds of the Communist party. Malaxa has also received 2,400,000 freely negotiable in Eurich or the United States for the machinery taken over by the Russians. This caused a certain amount of scandal in the council of ministers but it was pointed out by Lotar Radaceanu, Socialist Minister of Labor, that it was in the interests of national economy and that Malexa was going to buy new lathe equipment. However, it is pointed out that the machinery did not even originally cost \$2,400,000.

> Comment: For recent reports on the restoration of Lalaxa Tube plant in Bucharest to Malaxe, see GR-395 of 31 March and GR-419 of 5 April 1945.

#### 2. Prime Minister Petre' Groza's position in government

Groza met Radu Xenopol several days ago and said that the latter should get ready to act again as midwife to a new government.

> Comment: Konopol, who is an industrialist who enjoys favor of the Left is said reliably to have been

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consulted by the Laft before the formation of the present government.

Groza's position is more that of a pupper than of a Prime Minister. The policy of the government is directed by the Communists regardless of the other fornations. The main cause of Groza's dispatisfaction is that whereas his intention and desire was to transform the Agrarian Reform into a Ploughman's Front success throughout the country, it was the Communists who formed the expropriation committee. The Ploughman's Front members were in most cases left out entirely.

### 3. Change in proposed wer criminal law

Mr. Lucretiu Patrascanu, communist Ilinister of Justice, is supposed to be having a most difficult time. Several laws which he submitted to the Ring were refused signature. It is reported that the proposed elemetitutional change of the section protecting private property has been dropped. The new law for the prosecution of war criminals will be probably passed but with substantial changes. Art. 18, the most objectionable feature of the law is also being modified.

<u>Gomment</u>: For story of the King's refusal and for original text of the law, see GR-438 of 12 April 1945.

# 4. Communist appeal for membership

On 11 April a public meeting took place at a hall called "Marna". The speakers were Ana Pauker, Miron Contentinescu from Scantein and about six other communists. The most important thing that the Leit-motiv of the speeches was a fervent appeal for everybody to join the communist party without any intermedicity stages. The speakers pointed out the advantages of belonging to the party and urged everybody to do so. In the evening the independent papers were told by the people from Scantein not to print the story and to make sure that nothing would appear in the press. The workers were also told not to work on the story.

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