

20 February 1952

MEMORANDUM FOR: DEPUTY CHIEF, SE

SUBJECT: Implications of Naturalization of N. Malaxa and  
Effect on OPC Mission

REFERENCE: Brief of N. Malaxa's Career

1. The abject retraction by Drew Pearson in the Washington Post, 19 February 1952, of a previous condemnatory article on Malaxa is indicative of the tremendous effort being made by certain influential persons to whitewash the Rumanian industrialist in order to permit him to remain in the United States and to acquire U.S. citizenship. On the basis of past unsuccessful attempts, we may assume that the forces behind Malaxa are such as to over-ride any action on our part to prevent his naturalization. If this assumption proves correct, we must be prepared to deal with a series of consequences adversely affecting our protracted attempts to effect the unification of the Rumanian refugees, and to accept the fact that U.S. prestige has been lowered in the eyes of Rumanians at home and abroad for Malaxa's reputation is international.

2. Briefly the consequences mentioned above are:

a. Malaxa's past activities and methods are known to everyone in the emigration, and are admitted by all except those presently benefitting from his interest in certain members of Radescu's Association. His apparent vindication at last year's deportation hearings, his almost certain acceptance for naturalization, and evidences of high-level U.S. interest in his welfare such as Adolph Berle's scheduled appearance at the congressional hearing, a character recommendation from a member of the White House staff, and the Pearson retraction, identify the U.S. Government with Malaxa and the unsavory elements in the emigration which he is backing.

b. Although denied by the NCFE, it is a fact that Malaxa provides financial support, both directly and through the NCFE, to the Radescu faction in New York, which has included in the executive council of its recently formed League of Free Rumanians a number of infamous individuals with Iron Guard affiliations. These Rumanian fascists were included without consultation with other members of the Council. The Radescu group, because of these and a number of other members, is considered anti-royalist by the King and his supporters. Similar manipulations within the Radescu group will continue as long as Malaxa resides in this country in an unassailable position.

c. The feud between

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c. The feud between Malaxa and the Visoianu group, the pro-royalist Rumanian National Committee, has been a violent one and is likely to increase in intensity once Malaxa has obtained his naturalization. Enough is known of his past activities to justify the conclusion that Malaxa will continue to work to discredit the Visoianu group with greater assurance and vindictiveness after his position in the U.S. is consolidated. It is entirely possible that Malaxa will, after his naturalization, attempt to have Visoianu and Cretzianu deported from the U.S. by supplying evidence against them because of their accusatory testimony at the deportation hearing.

d. It has been our policy to attempt to enlist the aid of the King in finding a solution to the chaotic situation among the refugees. Unfortunately, over the past year there have been several instances of what appears to be official U.S. support of elements critical of the King. The whitewashing, with what is unmistakably high-level sanction, of Malaxa, who is contributing to the support of such elements is another, serious instance of this type. We must be prepared, therefore, to expect a greater degree of coolness on the part of the King to any proposal we may make in the future.

e. So long as Malaxa continues to enjoy the confidence of NCFE, he will be in a position to interfere constantly in the handling of Rumanian refugee matters by the NCFE to the serious detriment of our overall effort. Once the U.S. Government has condoned his past activities by granting permanent asylum and, eventually, citizenship on the grounds that he has been viciously maligned, it will be difficult to convince our colleagues in New York that the Malaxa influence is anything but benign.

3. The Malaxa case will be introduced before the Walter sub-Committee of the House Judiciary Committee on Monday, 25 February, in an open hearing. It is unfortunate that the Agency did not take advantage of the deportation hearing, which was closed, to forestall any further action by Malaxa and friends to assure his position in the U.S. Because of the seriousness of this matter and its detrimental effect on OPC operations, it is considered that the Agency should take action to prevent the naturalization of N. Malaxa which will follow if the hearing results in a favorable recommendation.

Chief, SE/PC-5

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