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OFFICE OF STRATEGIC SERVICES

Washington, D. C.

15 April 1945

MEMORANDUM FOR THE ASSISTANT CHIEFS OF BUREAUX AND CHIEFS, OSS
SUBJECT: Business and Financial Intelligence

The enemy, in tacit acknowledgment of defeat, is seeking refuge in free and neutral countries for persons and assets in order to remove them from anticipated Allied controls. For this reason the United States Government has indicated an increasing interest in intelligence relating to enemy activities in the field of international business. A program known as SAFEHAVEN has been established by the State Department for the exploitation of all intelligence dealing with this subject.

OSS has continuously collected through its normal intelligence activities such information of an economic, scientific and biographical nature which has and is now proving of the greatest value to this project. However, the Department of State has officially requested that we intensify our clandestine investigations dealing with these subjects, and at the same time establish a close working relationship with the diplomatic officer in each area charged with responsibility for this project. A letter dated 3 April 1945 has been received from the Department of State reading in part as follows:

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"With the European war now approaching its climax, the necessity for increasing the scope and intensity of our SAFEHAVEN activities has become an extremely important matter. The Department has recruited and sent to the field several persons trained in German cartel activities and in addition the Embassy and Consular officers everywhere have been requested to devote as much of their time and attention as can be possibly spared to SAFEHAVEN work. I believe that the Department's officers in the field are doing all that may reasonably be expected in the way of open, as opposed to clandestine, investigations on the flight of Axis capital and Axis technicians.

"Since your organization has been charged by the Joint Chiefs of Staff with the duty of conducting clandestine investigations abroad, I should like to see your organization intensify its SAFEHAVEN investigative activities. As you know, each Chief of Mission has designated a qualified Foreign Service Officer to coordinate the investigative and reporting work on this project at each mission. It is believed therefore that your organization in cooperation with our Foreign Service Officers and other attached agencies will undertake such investigations as may be required on this project in each of the missions."

Attached hereto is a statement giving a detailed summary of the various types of information which the State Department requires in connection with this project. You will recognize that much of the intelligence which you are now collecting and forwarding to Washington in the normal course of your operations is of SAFEHAVEN interest, and should be continuously examined with this additional project in mind. As combat in Europe approaches an end our activity in the above type of intelligence should be intensified.

It is my desire that OSS should make a substantial contribution to this program but it must be remembered that the collection of military, political, and other general types of intelligence will continue to be an important function of

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this agency and accordingly our efforts under the State Department program should be directed primarily to the collection of such additional information as may be obtained by clandestine means. This information consists of business or financial intelligence, and it should be considered not merely as a wartime or post-hostilities necessity but rather as a vital and permanent part of our national intelligence.

It is desired that all material of this nature which does not need processing or evaluation in Washington should be made available at once to the State Department representative in your area, as it may be possible for the Department of State or the Theater Commander to take immediate remedial action. However, copies of all intelligence produced on this project should be forwarded as heretofore to Washington. As your efforts become less absorbed by the immediate military effort, you should devote a greater proportion of your time and facilities to the collection of this type of intelligence.

In order to implement this program, you should establish through a special appointee of your staff close liaison with the representative of the Department of State in your area appointed for the coordination of this activity. OSS Washington is already cooperating very closely with the State Department here.

We would appreciate receiving as soon as possible the benefit of your opinion and advice as to what extent your organization is now equipped to cooperate with this new

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development. In particular, information is needed with respect to the following items:

- (1) Personnel available at the present time.
- (2) Personnel which you estimate will be available when the war ceases.
- (3) Additional personnel required.

In order to direct the program, a small unit attached to the Director's Office is being organized in Washington by Mr. John A. Mowinckel. Mr. Mowinckel will report directly to the Director. Representatives of the Intelligence Branches have been assigned to this office in order that it may function in the closest cooperation with their branches, and all information of value to the program will continue to be transmitted as in the past to the individual Branches.

G. Edward Buxton
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Acting Director

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DETAILED SUMMARY OF INFORMATION
REQUIRED FOR THE PROJECT

I. ENEMY ASSETS, INVESTMENTS, TRANSACTIONS, AND
MOVEMENT OF FUNDS AND MERCHANDISE.

- (A) Bank balances and gold holdings and transfers thereof, whether between central banks or otherwise.
- (B) Precious metals privately owned, currency, gems, art objects, watches, rare stamps; stocks of merchandise, in particular such merchandise as falls into the general type of high-value, low-weight and small-bulk, raw material in warehouses, equipment, machinery, etc.
- (C) Real estate, including leaseholds (e.g., industrial, commercial, mining, agricultural and residential properties).
- (D) Securities including investment in securities of neutral and other governments, as well as industrials.
- (E) Obligations owing to the enemy in the form of mortgages, bills of exchange, insurance policies, annuities, promissory notes, cartel agreements, rights to future delivery of pre-paid goods, options and re-purchase, after the end of hostilities, of assets allegedly sold to neutral parties, claims with or without collateral, and all evidences of indebtedness or book credits of any kind.
- (F) Patents, trademarks, and copyrights; and transfers, assignments, licenses, etc., in connection therewith.
- (G) Beneficial interests under trusts or estates of deceased persons.
- (H) Long-term investments of enemy new capital, such as: properties, mines, industrial plants, banks, warehouses, shipyards, railroads, all commercial, industrial, financial or other enterprises, trusts, holding companies which in any way represent enemy assets, looted or otherwise.

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- (I) Establishment or acquisition of interest (both cloaked and open) in new or established enterprises.
- (J) Sales and transfers of enemy properties and assets, including those in transit.
- (K) Credits arising from delivery of merchandise, performance of services, including credits acquired by the following devices:
 - (1) The importer or user pays only a fictitious low price, keeping on his books for post-war payment, the difference between this and the real price.
 - (2) The importer or user defers the entire payment until after the war, especially when the goods have high specific value.
 - (3) The importer or user ships enemy goods to the Western Hemisphere under some kind of disguise to make them appear to be neutral goods.
 - (4) Subsidiaries of enemy firms located in neutral countries ship goods to their own subsidiaries or representatives in the Western Hemisphere.
- (L) Counterfeit U. S. or Allied Bank notes and securities issued or circulating in neutral or liberated areas.

II. INSTITUTIONS AND INDIVIDUALS.

- (A) Enemy technicians, financial experts, managerial help, employed by any enterprise, irrespective of nationality, or attempting to place themselves in positions where they can assist in the development of the industrial and military potential of that area.
- (B) Enemy scientists, experts, professors, engaged in private, governmental or university research, with details of the present projects being worked on by these men and relevant facts on previous training and employment.
- (C) Enemy military personnel abroad (with complete biographical data).

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- (D) ~~Enemy~~ cultural and political organizations presently in operation abroad, with details on the techniques of recruiting members, the responsibility of the members, relationship between the organization and enemy business firms in the particular locality in which the organization is operating.
- (E) Summaries of enemy newspapers and other periodicals being published abroad, with special attention to any significant trends in comments concerning the future of enemy countries. Biographical data on the editors and persons associated with these newspapers, including the methods used to finance them, their circulation, and names of leading advertisers.
- (F) All information available on enemy international banking activities, and ties of these firms with large international banking institutions abroad.
- (G) Persons and entities in neutral or friendly countries giving assistance to the enemy in one of the following manners:
 - 1. Acting as depository for enemy assets or effecting financial transfers or transactions.
 - 2. Dealing or participating, directly or indirectly, in the disposition of looted assets, regardless of current ownership.
 - 3. Dealing in gold, U. S. currency, or securities, when there is reason to believe that such funds have emanated from enemy or enemy-occupied territory.
 - 4. Dealing in free currency to cloak operations of the following type:
 - a. Acquisition of a free currency to facilitate the shipment of goods from occupied countries to neutral countries.
 - b. Transfer of funds to banks in the Western Hemisphere from enemy deposits held in banks located in neutral European countries.
 - c. Exchanging looted gold for gold already located in the Western Hemisphere.

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- (5) Representing enemy interests, utilizing enemy technical or managerial help through the medium of partnership relations, employment connections, or in an advisory capacity, providing opportunities for technical experience, research facilities, and all association with enemy individuals or enterprises.
- (6) Circumventing neutral countries' laws, prohibiting foreign ownership of certain industries in the form of loans.

III. TRAVEL.

- (A) Any information on trips made to neutral countries by representatives of important enemy banks, financial institutions, industrial or commercial organizations and the like.
- (B) Activities, names, or clues to identity of individuals who travel regularly between neutral countries and enemy dominated areas and between Eastern and Western Hemispheres, and between neutral countries and recently enemy occupied areas.
- (C) Names of people moving, or planning to move, from Axis countries, Axis occupied, or recently liberated areas, or neutral countries to the Western Hemisphere; and information concerning suspicious activities of foregoing individuals.
- (D) Passengers and crews of ships and planes travelling to and from enemy occupied or enemy dominated areas, and to and from neutral countries, particularly to and from recently enemy occupied areas.

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APPENDIX

Information should cover the value, nature, location, ownership, and date of acquisition of all enemy assets which have not been satisfactorily vested, expropriated, confiscated, nationalized, or otherwise disposed of, by the government of an Allied or other friendly country.

Special distinction should be made, wherever possible, between looted assets and other enemy assets; and for this purpose those assets owned by the enemy prior to 1939 and those acquired since 1939 should be considered separately.

The field must report not only certified facts, but also unconfirmed rumors of all attempts by the enemy to transfer his assets to places of safekeeping abroad in anticipation of impending defeat or of the movements of enemy persons seeking refuge for similar reasons. It is possible that proof can be obtained from other areas or at least when Allied control over enemy territory is established.

NB: Definitions of the words "Enemies" and "Looted Assets".

ENEMIES: Persons or entities in any of the Axis countries, or countries which have been or are allied with the Axis, and nationals of any country who would be considered a present or potential threat to the effective execution of Allied control plans.

LOOTED ASSETS: Those owned by persons or firms in territory now or formerly enemy occupied and which since occupation have passed to enemy ownership. They include both properties which have been transferred from enemy occupied territory and properties which originally were located in non-enemy territory but title to which has passed to an enemy.

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