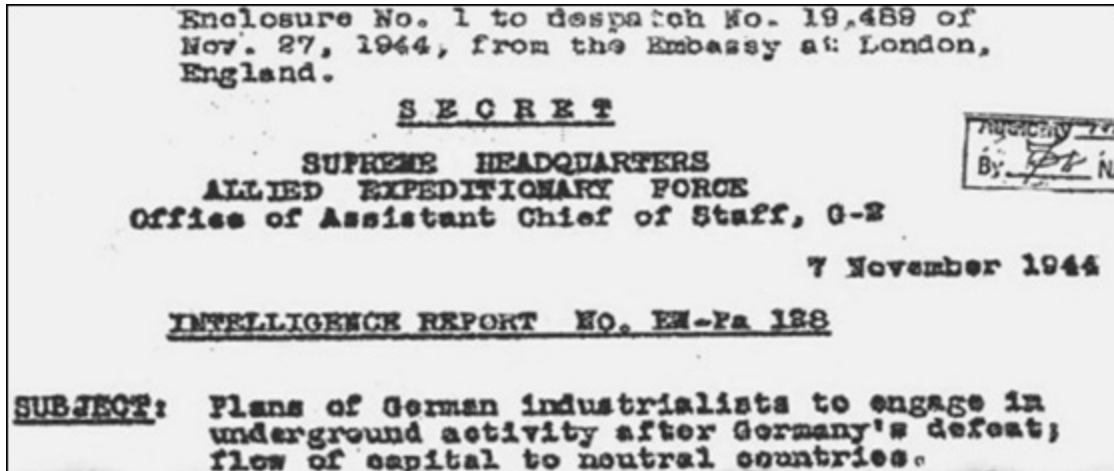


Is "US Military Intelligence report EW-Pa 128" real?

Asked 4 years, 9 months ago Modified 4 years, 9 months ago Viewed 2k times

[The Red House Report — Wikipédia](#) describes "US Military Intelligence report EW-Pa 128":



Is this actually a declassified document, or a clever fake?

US Military Intelligence report EW-Pa 128

Enclosure No. 1 to despatch No. 19,489 of Nov. 27, 1944, from the Embassy at London, England.

S E C R E T

SUPREME HEADQUARTERS

ALLIED EXPEDITIONARY FORCE

Office of Assistant Chief of Staff, G-2

7 November 1944

INTELLIGENCE REPORT NO. EW-Pa 128

SUBJECT: Plans of German industrialists to engage in underground activity after Germany's defeat; flow of capital to neutral countries.

SOURCE: Agent of French Deuxieme Bureau, recommended by Commandant Zindel. This agent is regarded as reliable and has worked for the French on German problems since 1916. He was in close contact with the Germans, particularly industrialists, during the occupation of France and he visited Germany as late as August, 1944.

1. A meeting of the principal German industrialists with interests in France was held on August 10, 1944, in the Hotel Rotes Haus in Strasbourg, France, and attended by the informant indicated above as the source. Among those present were the following:
 - Dr. Scheid, who presided, holding the rank of S.S. Obergruppenfuhrer and Director of the Heche (Hermendorff & Schonburg) Company
 - Dr. Kaspar, representing Krupp
 - Dr. Tolle, representing Rochling
 - Dr. Sinderen, representing Messerschmitt
 - Drs. Kopp, Vier and Beerwanger, representing Rheinmetall
 - Captain Haberkorn and Dr. Ruhe, representing Bussing
 - Drs. Ellenmayer and Kardos, representing Volkswagenwerk
 - Engineers Drose, Yanchew and Koppshem, representing various factories in Posen, Poland (Drose, Yanchew and Co., Brown-Boveri, Herkuleswerke, Buschwerke, and Stadtwerke)
 - Captain Dornbuach, head of the Industrial Inspection Section at Posen
 - Dr. Meyer, an official of the German Naval Ministry in Paris
 - Dr. Strossner, of the Ministry of Armament, Paris.
2. Dr. Scheid stated that all industrial material in France was to be evacuated to Germany immediately. The battle of France was lost for Germany and now the defense of the Siegfried Line was the main problem. From now on also German industry must realize that the war cannot be won and that it must take steps in preparation for a post-war commercial campaign. Each industrialist must make contacts and alliances with foreign firms, but this must be done individually and without attracting any suspicion. Moreover, the ground would have to be laid on the financial level for borrowing considerable sums from foreign countries after the war. As examples of the kind of penetration which had been most useful in the past, Dr. Scheid cited the fact that patents for stainless steel belonged to the Chemical Foundation, Inc., New York, and the Krupp company of Germany jointly and that the U.S. Steel Corporation, Carnegie Illinois, American Steel and Wire, and national Tube, etc. were thereby under an obligation to work with the Krupp concern. He also cited the Zeiss Company, the Leisa Company and the Hamburg-American Line as firms which had been especially effective in protecting German interests abroad and gave their New York addresses to the industrialists at this meeting.
3. Following this meeting a smaller one was held presided over by Dr. Bosse of the German Armaments Ministry and attended only by representatives of Hecho, Krupp and Rochling. At this second meeting it was stated that the Nazi Party had informed the industrialists that the war was practically lost but that it would continue until a guarantee of the unity of Germany could be obtained. German industrialists must, it

was said, through their exports increase the strength of Germany. They must also prepare themselves to finance the Nazi Party which would be forced to go underground as Maquis (in Gebirgsverteidigungsgastellengehen). From now on the government would allocate large sums to industrialists so that each could establish a secure post-war foundation in foreign countries. Existing financial reserves in foreign countries must be placed at the disposal of the Party so that a strong German Empire can be created after the defeat. It is also immediately required that the large factories in Germany create small technical offices or research bureaus which would be absolutely independent and have no known connection with the factory. These bureaus will receive plans and drawings of new weapons as well as documents which they need to continue their research and which must not be allowed to fall into the hands of the enemy. These offices are to be established in large cities where they can be most successfully hidden as well as in little villages near sources of hydro-electric power where they can pretend to be studying the development of water resources. The existence of these is to be known only by very few people in each industry and by chiefs of the Nazi Party. Each office will have a liaison agent with the Party. As soon as the Party becomes strong enough to re-establish its control over Germany the industrialists will be paid for their effort and cooperation by concessions and orders.

4. These meetings seem to indicate that the prohibition against the export of capital which was rigorously enforced until now has been completely withdrawn and replaced by a new Nazi policy whereby industrialists with government assistance will export as much of their capital as possible. Previously exports of capital by German industrialists to neutral countries had to be accomplished rather surreptitiously and by means of special influence. Now the Nazi party stands behind the industrialists and urges them to save themselves by getting funds outside Germany and at the same time to advance the party's plans for its post-war operation. This freedom given to the industrialists further cements their relations with the Party by giving them a measure of protection.
5. The German industrialists are not only buying agricultural property in Germany but are placing their funds abroad, particularly in neutral countries. Two main banks through which this export of capital operates are the Basler Handelsbank and the Schweizerische Kreditanstalt of Zurich. Also there are a number of agencies in Switzerland which for a 5 percent commission buy property in Switzerland, using a Swiss cloak.
6. After the defeat of Germany the Nazi Party recognizes that certain of its best known leaders will be condemned as war criminals. However, in cooperation with the industrialists it is arranging to place its less conspicuous but most important members in positions with various German factories as technical experts or members of its research and designing offices.

For the A.C. of S., G-2. WALTER K. SCHWINN G-2, Economic Section Prepared by MELVIN M. FAGEN Distribution: Same as EW-Pa 1,> with the factory. These bureaus will receive plans and drawings of new weapons as well as documents which they need to continue their research and which must not be allowed to fall into the hands of the enemy. These offices are to be established in large cities where they can be most successfully hidden as well as in little villages near sources of hydro-electric power where they can pretend to be studying the development of water resources. The existence of these is to be known only by very few people in each industry and by chiefs of the Nazi Party. Each office will have a liaison agent with the Party. As soon as the Party becomes strong enough to re-establish its control over Germany the industrialists will be paid for their effort and cooperation by concessions and orders.

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For the A.C. of S., G-2.
WALTER K. SCHWINN
G-2, Economic Section
Prepared by
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Additional information

Information about this was more commonly available than it is now (e.g. there used to be an entry for it in the English Wikipedia, but now only in the French).

I have a (possibly false) memory of seeing all three pages of the typewritten document a decade ago.

Many of the companies attending the meeting are still in existence, with a strong presence in South America, though not always with their original names. E.g.:

- Krupp → [ThyssenKrupp - Wikipedia](#)
- Röchling → [Röchling Group](#)
- Messerschmitt → [Airbus](#)
- Rheinmetall → [Rheinmetall](#)
- Büssing → [MAN SE](#)
- Volkswagenwerk → [Volkswagen Group](#)

government

nazi-germany

document-authenticity

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edited Oct 31, 2019 at 14:33

asked Oct 30, 2019 at 20:37



Ray Butterworth

4,097 1 24 32


If you Google the report you get dozens of references: [dailymail.co.uk/news/article-1179902/...](https://www.dailymail.co.uk/news/article-1179902/...)

– Daniel R Hicks Oct 30, 2019 at 20:56


Is the original version of this document available anywhere? All I can find are transcripts. – DenisS Oct 30, 2019 at 20:56

1 @IsBegot, ideally it would be good to have a statement from the US government that it *is* a real document, even if they can't guarantee the reliability of the French Agent, or a statement that it *is* a fake. Surely they have records of their own (declassified) documents. – Ray Butterworth Oct 31, 2019 at 14:03

1 The wikipedia article on Adam LeBor claims that the US govt. says that the tracking number does exist, but it corresponds to roughly 2000 boxes worth of documents, although that claim isn't sourced on wikipedia. – DenisS Oct 31, 2019 at 14:05

- 3 This seems really dumb. Even if the document were genuine we a) cannot be sure that the meeting reported actually happened b) if it did, there is no indication that the plan was attempted (nothing about Nazi behaviour in 1945 showed they were resigned to defeat) c) if the plan was attempted there is absolutely no indication it succeeded d) there isn't any indication of what a 'successful' plan of this kind might look like, in any form that might be recognizable in postwar politics. – [DJClayworth](#) Oct 31, 2019 at 14:39 

2 Answers

Sorted by: Highest score (default) 



4



A report very similarly worded to the quoted text was presented to The Subcommittee of The Committee on Military Affairs of the United States Senate on 25 June 1945. It appears the United States not only was aware of the information, but was actively combating it in the years after the war.

A testimony very closely matching the document described is found in the book "[Elimination of German Resources For War, Volumes 1-9](#)". Specifically, Part 2, "Testimony of State Department" on 25 June 1945.

The opening statement of this document was given by the Chairman of the Subcommittee, [Senator Elbert D. Thomas](#) of Utah (see page 1).

Mr. Baruch, as we were saying before the hearing started, the period of disintegration has set in. I think I ought to repeat that, to my mind, our troubles are just beginning. The war is a rather simple affair; the peace is very complex. The single objective which we had in the war is now gone, so that definitely the period of disintegration has started.

Our job in Germany is not yet completed. The Nazi armies have been defeated, and the powerful German industrial and economic war machine has been crippled. But the United Nations are still confronted with the great task of dismantling the war machine which supported the Nazi armies as they overran Europe and challenged the freedom of the world.

Bitter experience after World War I has shown us that we must not rest until we have thoroughly and permanently removed Germany's potential for future war. It will require wise policy and conscientious administration to destroy the economic and industrial base for aggression, and to reorganize the economy of Germany on a firm basis for peace. The presence of an Allied army of occupation in Germany is itself testimony that a major task lies ahead.

Part 2 of this document is the testimony of the US State Department (starts on page 30).

In connection with the hears, Senator Kilgore released a press story of a recent interview with the manager of the Krupp Works obtained by an American newspaperman, and a number of hitherto confidential documents which came to the attention of the subcommittee in the course of its investigations of German economic warfare. Senator Kilgore pointed out that these documents - a report on the postwar plans of the Krupp Armaments Works, a statement on the connections of its Essen manager, Eduard Houdremont, with the Nazi Government, and a memorandum on a secret meeting of German industrialists in August 1944 to discuss the post-defeat military revival of Germany - are evidence of how German industry worked hand in hand with the Nazi Party to unloose against the world a war of aggression.

At the bottom of page 30, you can see the start of the report that has been referred to by OP and others as "The Red House Report". A direct link to page 31 (which is the first page that contains only the report) can be found [here](#).

It should be noted, however, that this was not presented with regards to a future Nazi takeover of Europe, but instead a meticulous plan by the US Government, alongside the British and Soviet governments, to remove the ability for Germany to produce weapons of war. The document was presented as proof that certain industrialists were attempting to avoid the disintegration that would eventually befall them and that the allied Governments needed to be vigilant in detecting these hidden Nazi industries.

The document was presented as part of a series of hearings regarding the dissolution of the German War Machine. From a quote from Senator Kilgore on page 30

At the end of the First World War Germany was outwardly a defeated nation. It was assumed that the sources of her military strength had been dried up when she was disarmed. But this was not the case. The war had greatly expanded the industries on which Germany had depended to supply the armaments, munitions, and raw materials for the German war machine. Defeat did not permanently reduce the productive capacity of these industries, nor did it alter their high degree of concentration or impair their position of dominance in the German economy...

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edited Jun 17, 2020 at 9:41



Community Bot

1

answered Nov 1, 2019 at 18:01



DenisS

22.4k

8

96

95



EDIT: [Found it](#), leaving this answer here for posterity sake.



This isn't the greatest source, but a question about the supposed "S.S. Obergruppenführer Dr. Scheid" (the supposed mastermind of the conspiracy) appeared on the [Axis History Forums](#) in 2006 asking about his supposed existence.

First, a couple of notes about the rank of Obergruppenführer from [Wikipedia](#).

Obergruppenführer (German: [ˈɔːbɐˌɡʁʊpˌfʏːɐ̯], "senior group leader") was one of the Third Reich's paramilitary ranks, first created in 1932 as a rank of the Sturmabteilung (SA), and adopted by the Schutzstaffel (SS) one year later. Until April 1942, it was the highest commissioned SS rank, inferior only to then Reichsführer-SS (Heinrich Himmler or RFSS, which was the internal SS-abbreviation for Himmler).

SS-Obergruppenführer was considered the highest rank of the Allgemeine SS until April 1942; equivalent to a lieutenant general (three-star general) in the American and British armies. It was only outranked by Himmler's special rank of Reichsführer-SS. However, within the Waffen-SS, the rank of SS-Gruppenführer was equivalent to a Generalleutnant, and an SS-Obergruppenführer came to be considered the equivalent of a General; holders were titled in full SS-Obergruppenführer und General der Waffen-SS.

On 10 December 2006, a user named Kudi posted [the following thread](#) titled "SS-Obergruppenführer Dr. Scheid?" on the Axis History Forums. I've included some of the more pertinent comments from the thread below. (Everything quoted below, with the exception of the user name in parenthesis at the start of each quote, is [sic]).

(kudi)

Hello all

do you know anything about Obergruppenführer Dr. Scheid?

I can't find any information about this man.

Hi was co-worker of Himmler's economic staff.

regards

robert

(coburg22)

Kudi,

In regards to a Dr. Scheid, I did not locate any senior SS leader with that last name.

Coburg22

(kudi)

I know

but I found his name in Hugh Thomas's book "SS-1. The unlikely death of Heinrich Himmler".

regards

robert

(Andreas Schulz)

A Obergruppenführer Dr. Scheidt had never exist.

AnDie

(Max Williams)

He is fiction, along with much of Thomas' book.

Max.

(kudi)

Max what do you think about meeting in Hotel de la Maison Rouge in 1944?

Thomas wrote that Dr. Scheid lived in this hotel in room number 6 and 7?

He changed names or created fiction?

Did you read "Red House" report?

many question... thanks for request.

robert

After a few more posts back and forth, we get to this answer at the bottom of the thread from user Hadding, who necro-posted into the thread from 2018

I have more information about this alleged Obergruppenführer Dr. Scheid.

"Dr. Scheid" is the main protagonist in the so-called Red House Report, a wartime French intelligence report of very dubious value, unconfirmed and based on the say-so of a single French agent.

In that report Scheid is said to be an SS-Obergruppenführer acting on behalf of Martin Bormann, which already makes no sense since Bormann had no authority over the SS. Three of the firms supposedly represented at this legendary meeting were not even German but Swiss. That's another mistake that the liar made.

"Dr. Scheid" is based on a real person, Johann Friedrich Scheid, director of HESCHO A.G., a company that made ceramic insulators and is now known as KWH. Scheid was an innovator in the field of industrial productivity and received an honorary doctorate of engineering.

Although English Wikipedia has Johann Friedrich Scheid in a list of SS-Obergruppenführer, evidently basing this on the Red House Report, German Wikipedia excludes him. I find German Wikipedia generally more trustworthy, especially in this kind of matter.

Some sources say that Scheid had the honorary rank of Obergruppenführer in the SS. A biography of him from Hermsdorf (the location of his factory) makes no mention of this.
[http://www.hermsdorf-regional.de/person ... start.html](http://www.hermsdorf-regional.de/person...start.html)

Scheid had an honorary degree, but no honorary rank of which I can find trustworthy evidence.

So far as I can tell, the claim that Scheid was an SS-Obergruppenführer is entirely based on the (I believe) untrustworthy Red House Report.

The Red House Report indicates a plan to transfer capital and persons key to German industry outside of Germany and to have the NSDAP go underground for an eventual resurgence. I see no indication that any overall plan like this was implemented (although a few individuals, of course, fled or concealed valuables of their own accord). Scheid himself was captured by the Soviets when the Red Army arrived in Hermsdorf, and was arrested but quickly released and restored as director of the factory, now under Communist rule.

English Wikipedia refers to an Ian Dixon who wrote in 1990 that Scheid was "an honorary SS officer (i.e. without military powers of command).
[http://www.redcap70.net/A%20History%20o ... 20Dr..html](http://www.redcap70.net/A%20History%20o...20Dr..html)

But Alexander Peter d'Erizans' review of Schnepfen's *Odessa und das vierte Reich* says this:

... the alleged civilian chairman of the meeting, a Dr. Schied, was indeed a ceramic industrialist and leading official in Albert Speer's ministry, but he would have been a poor choice of an individual who could have brought the SS into the plan. Having experienced

immense difficulty himself in obtaining membership in the Nazi Party, he never even became a member of the SS. [https://www.h-net.org/reviews/showrev.p... Rm47oEN9Qk](https://www.h-net.org/reviews/showrev.p...Rm47oEN9Qk)

The Red House Report does not say that Scheid's rank was "honorary," only that he was an SS-Obergruppenführer, and that is definitely misleading. Whether he had an honorary rank or no connection whatsoever to the SS, he had in effect no position of authority except over the enterprise that he managed. One more indication of the falsity of the Red House Report.

This obviously isn't the best source, and it's difficult to prove a negative in either case, but it's the only source I could find that is actually referenced to something other than the Red House Report.

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edited Jun 17, 2020 at 9:41



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answered Oct 31, 2019 at 15:11



DenisS

22.4k 8 96 95