

14 November 1945

MEMORANDUM

Dear Bob:

I have carefully gone over the briefs and proofs in the Schacht matter.

Also I have discussed the matter with Colonel Gerfein, who has had it in charge.

He shares my view which is this: Schacht made possible the rearmament project. It was his support in financial matters that strengthened Hitler's position. Aided by influences and what he should have known about Hitler's character, we may have enough to hold him for aggressive war. There is strong argument in this.

In addition, Schacht claims that Roosevelt sent him a message that he (Schacht) would be needed after the war.

Schacht made the assertion that when he tried to distract Hitler toward the question of colonies, and refused to give further financial support in Hitler's designs, he was dismissed, and his party Badge of Honor taken from him. He worked with the resistance movement and finally found himself in a Gestapo prison and then in a concentration camp.

It is also true that Don Heath of the American Embassy in Berlin in 1940 was keeping in touch with Schacht on behalf of the State Department. In addition, Gisevius had Schacht as a source of information.

Heath says that our advance notice of the attack on Russia was given to Heath through Schacht.

In view of all of this I return to the suggestion that consideration be given to the possibility of giving him the opportunity to fight his way out by actual testimony dealing with the facts. He could strengthen our case considerably and without promises he could be given the chance in the direct case to state his position. As I have already told you there have come certain suggestions that he would like to talk with me. If anything develops I will let you know. //

/s/ DONOVAN



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