

35-CMHTG

7 December 1950

SUBJECT: ZRLYNCH

TO: Chief, ESCAPE
Frankfurt, Germany

INFO: Chief, ESCAPE
Washington, D. C.
ATTN: []

Chief, ESCAPE
Heidelberg, Germany

1. Attached to the Washington copy of this dispatch is [] report on the fourth meeting with Cleveland O. Hahn dated 27 November 1950. Other addressees have received their copies of this report as indicated inside. On the basis of this report and a discussion between [] and [] it was decided to inform Hahn via the established mail system that he would be contacted approximately 15 December by a representative of ours whom [] will arrange to send to MECHEST for this and other purposes. Ways and means are presently being investigated of bringing Hahn to SGCIDER as the first member of an operational group to be established here for the purposes of training and infiltrating into JBCLLOUD operatives whose mission it will be to seek out and establish contact with the existing underground there.

2. The communications and cryptographic system which forms a part of this report has been submitted to commo here with a request that they advise whether or not they will be able to undertake an attempt to establish communications according to this plan without waiting until we are able to dispatch an operative. You will be kept advised of further action.

Attachment 1

(Note: Appendix A has been deleted from the report, since it consists merely of crypto explanations which are already in the possession of all concerned. The key to Appendix B is being forwarded under separate cover.)

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCES METHOD EXEMPTION 2020
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

27 November 1950

SUBJECT: ZRLYNCH - Perth Meeting With Cleveland O. Hamm

TO: Chief, DTRAPID

INFO: Chief, PEMIGHT
Chief, HBCHEST

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1. Introduction:

a. Summary of Past Contacts: Our contact with this JBCLCUD group has been initiated on leads provided by the Agency. The group represented by COH is allegedly connected with a resistance movement in the home land and in the past it has maintained radio communication with their compatriots. This communication has been interrupted for lack of funds and appropriate technical means about two years ago. The present assets of the group consists of personnel suitable for infiltration work and in the possibility of resuming radio communication with JBCLCUD should the technical means for it be provided. Negotiations and discussions along these lines were conducted since June and our support of their activities has been

promised. Two payments of 500 Kronen each were made to defray their travelling and the incidental expenses in connection with the meetings. The personality and behavior of C.O. Hahn makes a favorable impression and speaks well of his integrity and motivation. A record of our contacts and correspondence demonstrates a cautious and responsible attitude on the part of the group.

b. Purpose of the Meeting: Because of the difficulties and security risks involved in organizing radio communications from HBCHEST it has been decided to establish the base of operations in SGCIDER and to induce COH and his group to provide us with the necessary information for transmitting communications to their friends in the homeland. For obvious reasons, it was also desired to enlist COH's personal participation in the operations of the base and the details of this arrangement insofar as it would affect our relationship and our joined activities was to us of vital interest to us.

c. Circumstances of the Meeting: The meeting took place as scheduled at 1800 hours on 18 November 1950 at Marya. To this meeting COH came accompanied by Peterson, Another member of the group whose duties consist of maintaining outside contacts and organizing administrative and financial details of their operations. Discussions took place in a hotel at Marya under the necessary security precautions. When it became apparent that protracted discussions would be necessary before an understanding could be achieved, it was decided to transfer the meeting to Greta where the proximity of the group headquarters would allow the use of their files and records.

2. Matters Under Discussion: From the beginning of the discussion, it was apparent that both representatives of the group were ill at ease. Our proposals and suggestions met with the reserved and evasive responses on their part. As a result we were forced to intimate that such an attitude is hardly conducive to the development of our relationship and that an open and frank statement of conditions would be a more suitable course to take.

The gist and the highlights of the discussions that followed are reported here for reasons of their factual information as well as for their value as a background data on the thinking and behavior of the group.

a. Objections of the Group: Having prevailed in our argument for frankness, we have learned the following:

(1) The group feels that our contacts with them have failed to demonstrate the seriousness of our intentions (lack of concrete operational plans).

(2) The group also feels that:

(a) We have missed certain operational opportunities which they have offered to us (parachute drop by BS).

(b) We did not carry out the plans for the support of the group as it had been agreed upon (operational budget submitted in July).

(c) On the basis of our past performance, they are justified in being sceptical of the scope of our future support and that by nurturing false hopes, they are doing disservice to their cause by losing valuable time.

b. Our Attitude and Arguments: In trying to offset these objections and in presenting our arguments, we were guided by the following consideration concerning the development of our relationship with the group:

(1) It would be wrong to assume an apologetic attitude for fear of creating a precedent in passing judgment on our action.

(2) It would be right to make an attempt in reasserting our prestige at BS's evidentially low ebb because it might result in regained confidence.

(3) It would be justifiable to make certain amends for the objections raised because they are not without foundation and because of their psychological effect on the group is understandable.

In developing our point of view, we have stated that any serious action requires a good deal of planning and numerous preliminary steps in ground work providing for better security. We also stated that it would be better to make a slow progress toward success than to make haste resulting in failure. We intimated that our plans call for action at the earliest time feasible, that our very presence at this meeting and our proposals provide a sufficient proof of our determination and resolve and that our intentions to assist them further financially is substantiated by our readiness to put at their disposal 1,000 Kroner at the present. We mentioned also the fact that although we understand their impatience and their desire for action, it would be possibly more advantageous for the interest of their cause and for them personally if they would be less prompt in their criticism and more steadfast in their behavior.

As a result of the protracted discussions along these lines, our viewpoint was fairly well established and the atmosphere of confidence regained. At this point we inquired whether their former objections were free from motivations other than stated by them previously. As a result of this inquiry, we have learned that in the last months the group has been approached and promised support by the three different intelligence services.

c. Competitive Bidding of Other Intelligence Services: COH and his friend confided to us that as a result of these suddenly presented opportunities on one side and the procrastination on the other, they were seriously considering of discontinuing their connection with us.

The agencies interested in the cooperation of the group are as follows:

- (1) Army Intelligence, DTETHYL, as represented by Major S. S. Crook.
- (2) Army Intelligence, HBCHEST, as represented by Capt. P. P. Gook.
- (3) Naval Intelligence, FBNEGE, as represented by Capt. T. T. Cook.

All these contacts were arranged with the consent and the assistance of the authorities in HBCHEST. The discussions held by COH with Major Crook were along the lines of general interest in the support of the resistance movement in JBCLOUD. He mentioned the possibility of providing the necessary support for the previously abandoned project concerning a parachute drop. These discussions were of the preliminary nature and no definite plans or commitments were made.

The contact with Capt. P. Gook was made for the purpose of providing his agency with a replacement for one member of the crew in the landing craft operated by them. The landing operations conducted by the agency are designed for communication purposes and for transportation of the couriers to and from JBCLOUD. The crew of this craft consists of four people and two of them belong to the group of COH. The desired replacement was procured and on this occasion, Capt. Gook intimated that in the near future a larger field of activities would be open to COH and his group but no definite commitments were made by him in this respect.

The direct and concrete proposition to the group was made through COH by Capt. Cook of the FBNEGE Naval Intelligence. He is interested in recruiting candidates for training as infiltration agents to WCOAST.

He informed COH that they are sponsoring an ambitious program, that they are in possession of a specially built speed boat for which they have paid 120,000 Kronen and that they operate a training school for people whom they select as qualified penetration agents. Each trainee is paid 400 Kronen per month until he graduates and when he is sent on a mission, additional remunerations and compensations are arranged. COH recommended to him BS and insofar as he personally is concerned he made no definite commitments but tentatively expressed his willingness to join the staff of Capt. Cook's organization.

d. SEACOAST Resistance Movement in HBCHEST: Having obtained the above confidence, we elaborated at some length on the necessity of having complete information regarding the contacts which the group might have with the similar agencies. We argued that such a confidence is a necessary prerequisite of our cooperation and that it is equally as well as in their interest as it is in ours.

The detailed reports that follows provides an answer to the validity of this argument;

(1) The various emigration groups in HBCHEST are organized and controlled by the Army Intelligence. Some of these groups are provided with certain technical facilities, such as radio communication, landing crafts and a limited amount of financial support. They are encouraged to carry anti-TPSTALL work and maintain contact with the resistance groups in their homeland. The people forming these operational groups are not necessarily the best qualified for carrying out this work. The groups working presently with the HBCHEST authorities, especially insofar as it concerns JBLOUD and FJKHAKI, belong to the numerically small contingent of the emigration and they do not command neither the support nor the sympathy of the respective nationals abroad and at home. These JBLOUD nationals w~~h~~o~~l~~d~~e~~r~~h~~o~~l~~d~~e~~r influence in the official circles in HBCHEST occupy their present position because of the personal ties with the government and do not enjoy the confidence of the masses. Their present influence finds its explanation in the past and dates back to the years 1943 and 1944 when they came over to HBCHEST as emigrants whose rescue was organized and sponsored with the government's consent and assistance.

(2) The general pattern of relationships between the national resistance group and the controlling agencies of HBCHEST is graphically described in chart number 2 of Appendix A³. The controlling agency operates under the supervision of an army officer of the rank of colonel a special department charged with the support and organization of resistance movements in

QACCOAST. This department is divided into five sectors, each of them headed by a representative of the national group having the confidence and the support of policy makers. The following sectors are included: WSGNOME, FJKHAKI, KMRAINY, JBLOUD and PBCHUTE. The head of the WSGNOME, Major RAVICH; the head of FJKHAKI, August REI; the head of JBLOUD, J. TOPFER; the names of the people heading the other sectors are unknown. The controlling agency has under its direct supervision certain operational groups such as for instance, a JBLOUD group operating the landing craft. Other operational groups, such as SC, representing COH and his collaborators, are under detached supervision and are being used for operational purposes only from time to time. The man in charge of the JBLOUD activities, J. Topfer, belongs to the political faction described as parliamentarian. In his homeland he has been in opposition to the national regime of President ULMERIS and he came to power and became foreign minister during the occupation of JBLOUD by the SCIDERites. In 1943 he emigrated to HBCHEST with the assistance of the then ambassador, Salnajs, who because of his personal influence and contacts with authorities was able to put TOPFER and other men in his group in a privileged condition which they maintained until the present time.

(3) In October 1948 a courier of the resistance group in JBLOUD, under the name Jensen, succeeded in landing on the island of Gotland in a fishing boat operated by the trusted people. Upon landing the boat immediately returned home and the courier announced himself to the local police and presented his credentials identifying him as a member of the resistance group. By chance, the chief of the district police where this happened was a personal friend of COH and in this fashion the occurrence became known to them. A contact was established and at a later date Jensen came to live with COH at his home. In April 1949, after receiving three months training, this courier was sent back to his homeland. This operation was carried out by the landing craft in direct control of HBCHEST agency. Prior to his departure the courier was given instructions in radio communications and was given a code for sending the messages. Because both COH and Jensen belong to the same resistance group and because the operational control exercised over them by TOPFER was objectionable to them, they had elaborated by their own efforts a special code quite apart from the one given them by the agency. Also it has been agreed between them that upon arrival home, Jensen will communicate with COH on the basis of this private code established between them. Because the use of this code was predicated on the availability of a transmitter, it has never been used with any degree of success. During the last months COH was informed by TOPFER that Jensen is expected shortly in HBCHEST and that communication to that effect were received

from him.

(4) The landing craft scheduled to bring them over is the one operated by the HECHEST official agency but it must be noted that half of the operational personnel in it is comprised of the members of the COH group. Landing operations are carried out by a large fishing boat and a small speed boat which are launched from the mother ship to make a run for the land at a point prearranged through radio communications. The members of the crew are employed by the agency on a parttime basis. For their regular subsistence they depend on their earnings from industrial work. When planning operation the crew members are alerted in advance in order that their participation in the operation will be guaranteed. During the past month one successful landing was made on the shores of JBLOUD and two men were brought over and are being detained at the present time in the staffs house operated by the agency.

(5) The members of the COH group as well as the members of the crew of the landing craft don't particularly care to work for the HECHEST official agency because they feel that their work is more useful to the agency than to the resistance movement in their native land. They feel that their efforts are being exploited for the advancement of interests of the few people within the agency and for the sale of information obtained through their efforts.

e. Particulars on Position and Organization of COH Group:

As it has been stated previously group is known under code letters SC (which in Latvian means center of communications) it is under the control of the HECHEST intelligence agency but this control exercised through Topfer and Capt. Andreas is almost exclusively on the negative side. It restricts their movements, their contacts and their possibilities but it does not provide them with any operational means. COH personally is bound by the terms of agreement under which he was admitted to the country. According to these terms he is not allowed to leave the country under any circumstances and therefore should we be interested in transferring him to SUCIDER, it would be necessary to organize, either with the consent of the authorities or do it clandestinely.

As it is grafically described in Chart 1 of Appendix B, the present organization of the group is arranged along the following lines:

(1) The leadership of the group consists of three people, G - Gangis, alias COH; P - Peterson; L - Linde.

Gengis maintains direct contact with the leaders of the resistance movement at home and he also maintains relationship with the intelligence agency at HBCHEST. Peterson maintains contacts with the resistance movements and operational groups of other nationalities but he has no direct contacts with the HBCHEST intelligence agency. Instead of that he has wide contacts in the JBCLCUE emigration circles and through the intermediary of these people a wide off-ramification of extensive contacts is being achieved. Linde, who is a former army officer and technician, has contacts through the person of "R" with a large number of potential candidates for active work among the sailors and the mechanics of the JBCLCUE nationality.

3. Details of the Current Proposal by the Group:

a. Division of Activities and Personnel: Having discussed at length our proposal concerning the transfer of base to SOCIDER, the following proposal was made by COH and Peterson. The activities carried out by the group in HBCHEST would consist of maintaining relationship with the existing operational groups in the resistance movement, obtaining information as to their planned activities and physical assets. This will include maintaining proper relationship with the official HBCHEST agency in order to keep track of the possibilities which might be opened through such incidents as bringing over a new courier. All this information will be channeled to SOCIDER for use and exploitation. For this work, Peterson will receive a salary of 500 Kronen per month in addition to the expenses required for travelling and for entertainment in connection with the collection of information. At the present time, Peterson is employed as a factory worker and this occupation precludes his ability to make extensive contacts which would be required for a successful carrying out of his assignment.

COH activities will be transferred after 9 January to SOCIDER. His work will consist in assisting to establish communication with the homeland, in collecting information regarding the qualified candidates for recruitment and in helping to formulate and implement any plans that might be decided upon in connection with the penetration of JBCLCUE. For this work COH will receive 500 DM from 9 January or sooner if his transfer to CIDER is effected prior to that date. All the arrangements regarding physical transfer to CIDER will be undertaken through our facilities and at our expense.

b. Relation and Contact with SOCIDER: The contact between the group in HBCHEST and the base in CIDER will be maintained on a regular basis and the report of the general activities and developments

will be forwarded every two weeks. The address to which this information will be forwarded remains for the time being the same as previous in BGMIDDY.

Arrangements will be made however that a new address or at least a new post office box will be provided for reasons of better security. The personal contact and the payment of money will be arranged on a monthly basis and the accounting for the expenses will be delivered by Peterson personally or forwarded through the pouch facilities when they become available.

4. Details of the Code System Used by the Group. The communication stations in JBCLLOUD are known under the code name "Veronika". The frequency used by them are (a) 7010 klc, (b) 4561 klc, (c) 4404 klc (reserve).

a. The transmission station operating from HBCHEST or CIDER would be known as "Albins" and the frequency used should be (a) 7030 klc, (b) 5321 klc.

b. The choice of frequency is determined by the following rule: The frequency "a" is used when the date of the months and the number of the months added together make an even number. For example, 15 July, $15+7=22$; in this instance the frequency "a" would be used.

c. When the date and the month added together form an odd number as for example, 5 August, $5+8=13$; in this case frequency "b" will be used.

d. Frequency "c" for "Veronika" always remains in reserve, and is used only in case of emergency when the other frequencies "a" and "b" could not be used.

e. When the broadcast falls on a date that is an even number, then the broadcasting time is 2010 hours, when it falls on a date that is an odd number (such as 17 September), then the broadcasting time is 2110 hours. (The time in this case is the TPCOCQA time which is GMT plus three hours.)

f. The days of the broadcasts. The broadcast is made blind or one sided and it is repeated and resumed in accordance with the following pattern: The starting point of calculation is 15 May 1949 when "Veronika" broadcasts. The return broadcast by "Albins" is made nine days after (which in this case is 24 May). Then the broadcasting is resumed again by "Veronika" and then again by "Albins" on the 10 of June and then starts a new period. The frequency of the period for both "Veronika" and "Albins" is nine-eight-nine and with the end of one period begins a new period which is also nine-eight-nine. To make it more explicit we repeat, when "Veronika" broadcasts on 19 June, "Albins" answers on 27 June. This system is not changed unless both stations agree and