

VIA: _____
 (SPECIFY AIR OR SEA POUCH)

DISPATCH NO. EASA-468

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 SECURITY INFORMATION
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TO : Chief, EE
 Attention:

FROM : Chief of Station, Vienna

SUBJECT: GENERAL— Operational/GROOVI
 SPECIFIC— GROSSBAHN - CC-2

Ref: EASW-82, EASA-409, EASA-372

DATE: 12 December 1952

Deadline	Check one
Hq Action Req. by cable	<input type="checkbox"/>
See para _____ by pouch	<input type="checkbox"/>
Hq Comments Req. by cable	<input type="checkbox"/>
See para _____ by pouch	<input type="checkbox"/>
For info and files	<input checked="" type="checkbox"/>

1. Attached are two GROSSBAHN reports on the CC-2 matter. The first, dated 2 December 1952, is in answer to our request that he review the security situation vis-a-vis CC-2, and the second, dated 10 December 1952, covers an annoying angle on the possibility that CC-2 may wind up a Nationalrat before Christmas.

2. In regard to the earlier report, it is a bit difficult to sum up CC-2's exact duties in one single phrase. From what GROSSBAHN says, it appears that CC-2 has been doing some case work, some report work and some research work, all of which, we cannot deny, may possibly have given him more access to GROSSBAHN operations and files than all at this moment are inclined to suppose. We feel it is too premature to either condemn or condone GROSSBAHN (and ourselves) on this CC-2 affair; the interrogation of CC-2 will tell the story. On paragraph 9 of GROSSBAHN's report, we have instructed him that a campaign of character assassination should not yet be undertaken, if at all. We wish to study this point a bit more before deciding if such a move would net us an appreciable advantage.

3. The Nationalrat business leaves us a bit cold, and we have so expressed ourselves to GROSSBAHN. The question of immunity appears to have little bearing on the problem. Our interrogation will be along genteel lines, but firm, and we do not feel that CC-2 will make the matter a subject of Parliamentary debate once we make it quite clear where he stands with us and the possible consequences should he choose to air publicly the injustice he might feel has been done him.

4. We have talked with via telephone, and he now plans to be here no later than 5 January 1953 or possibly before Christmas, if he can work it into his rather heavy workload. With this improved time schedule, we ~~will~~ wait for him as we still feel he can help us do a real job on

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5. As if we didn't already have enough to worry about, HASS' role in this CC-2 affair is becoming even more obscure than it has been up to now. Detachment 35 passed us a few more of his reports amongst which we found the two we are attaching hereto. HASS, as far as we can see, went far out of his way to make up a report on CC-2 as he specifically states that reports which CC-2 sent to HOETTL can no longer be forwarded to the "Amt Blank" as MAST has destroyed all his files. Wouldn't the same be true for all reports originating with all HOETTL's alleged sources? Why single out CC-2's stuff and say it specifically can no longer be sent? It could be that Detachment 35 has over-briefed HASS on the CC-2/HOETTL contact, certainly not at our prompting. However, they still stoutly contend they are giving HASS no operational direction. All this leads us to think possibly HASS or HOETTL, or a combination of the two, may be coloring up the CC-2 reports for a completely unclear reason. This would be strange, for if CC-2 is under HOETTL domination, it would be a poor time for HOETTL to cast him adrift, for our guess is that if HOETTL ever needed a friend (or a source) the time is now. If reports reaching us are correct, HOETTL's standing is at the lowest ebb it has been for the past several years.

6. We are not pouching a copy of this memo to POB and FRAN, in spite of the fact the attachment on the quarrel between the Munich and Austrian branches of "Amt Blank" would be of interest to them. We plan to pouch them this material separately as there appears no point in confusing them with the CC-2/HOETTL affair, which appears to have little direct bearing on the "Amt Blank" matter.

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