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TO : Chief, WE DATE: 2 April 1957
ATTN: Chief, Italian Branch
FROM : Chief of Station, []
SUBJECT: GENERAL - Plan LABLAZE/LALUXE
SPECIFIC - Activities of Karl HASS
Reference: OIRA 8190 (KAPOK-4805)

1. Reference is the last indication [] Station has concerning LABLAZE activity. The following is an attempt to bring up to date the activities of, and information from Subject from a variety of channels. He remains, of course, a prime CI personality of continuing KUBARK interest.

Report of 24 July 1956 - Source: []

RIS INPUT NO. 39

HASS is still continuing his commercial activity for the S.I.R. (Societa Italiana Rappresentanza Import-Export) and for "Rheingold" (commerce in movie rolls of film) in Rome. He continues to keep contact with Harald EMBCKE who is working for the Baroness CARONELLI in the German toy business (this concerns the old "Import-Export Harald EMBCKE" of which HASS was a partner, later bought by CARONELLI). It was not possible to ascertain whether HASS and EMBCKE on the morning of 6 June 1956 were actually at the PCI Directorate. (Field Comment: This last statement is in reference to a query made by the Field on a [] report).

Report of 27 September 1956 - Source: []

3. During the summer of 1956 a so-called Dr. RIGHI appeared in Rome antiquarian circles, a person previously unknown in these circles, who said (among other things to Source) that he had been sent to represent the Zurich antiquarian STOSSER in Rome, charged with purchase of antique objects of art.

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In this guise he was introduced into various circles by Baroness Elizabeth CARONELLI (see above and Headquarters files), living at 31 Via Orsini. She placed RIGHI in contact with another rather dubious and well known person whose previous activity had been bent to supporting economic penetration in Italy of several East German industries including SIEMENS, together with CARONELLI; this person is the Baroness RATKE, presumably a German citizen.

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FORM NO. 51-28A MAR. 1949

NAZI WAR CRIMES DISCLOSURE ACT

- EXEMPTIONS Section 3 (1)
(2) (A) Privacy
(2) (C) Methods/Sources
(2) (D) Foreign Relations

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- RIS INPUT NO. 33
5. She in turn introduced RIGHI into various other circles with the assistance of the Swiss citizen LABERTY; the latter for several years has lived in Italy, officially giving French lessons but in recent months only as an expedient and considering her old ties with Rino TREBBI, 8 Via Panerolo, she was probably an informant of TREBBI in the period in which he was in contact with some American offices. Miss LABERTY is particularly well introduced in various Italian governmental offices because of the support which the present Under Secretary of the Merchant Marine accords her (reference books list him as Ing. Corrado TERRANOVA), important member of the Social Democratic Party (Field Note: TERRANOVA is listed as a Christian Democrat) with whom she is intimate and for whom, according to Source's direct proof of two months ago, she procures the favors of young acquiescent women (the precise activity of this woman, for some time outside Source's range of action, will be ascertained also through her past ties, imprecise but close, with Karl HASS).
 6. Although RIGHI appeared in Rome in May 1956, there was no sign of him until July 1956. Introducing himself to persons and businessmen as an antiquarian art expert, he displayed a rather superficial knowledge of his presumed professional background although with a vast general culture. He demonstrated an excellent knowledge of modern and ancient art of Eastern countries, particularly Hungary and Poland. However, all of the Roman dealers who have met him exclude that he is an art expert or dealer; more than one expressed the opinion that RIGHI demonstrated his aims to be more of an information-gathering nature than commercial. For example, the fact that RIGHI busied himself with inquiring into links with foreign countries with the persons he met made an unfavorable impression; he stated he was noting this information for future use of other representatives of the same Swiss group which he represented.
 7. Marked errors of evaluation on RIGHI's part were noted, inconceivable even for a person of mediocre experience in this field. It was further noticed that RIGHI with the evident aim of channeling discussions on themes familiar to himself, stated he wanted to acquire works of artists from Eastern countries. This was an absurdity because the tragic currency situation in those countries compels their respective governments to sell in the West even what is in their museums.
 8. RIGHI bought nothing from anyone. His many letters, telephone calls and telegrams to Switzerland were documented. He showed a knowledge of the Italian language which was not perfect but sufficed for a longish stay in Italy. He spoke perfect German, with an Austrian accent; he spoke French with a German accent. He probably is a homosexual (Note: Source is by profession a physician). When he was called on the phone, almost invariably a woman with a foreign accent replied, not concealing her apprehension and refusing to identify herself in any way.
 9. Recently some Rome dealers requested RIGHI's references, but he had unexpectedly departed for Geneva, Zurich and Lausanne. Some acquaintances of Source looked for him in Zurich art shops but found no traces of him.

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Report of 3 October 1956 - Source: []

10. Karl HASS called Source's attention to an article (see Attachment A) stating as follows:

a. The operation of the "Centro Cattolico Georgiano", personally organized and directed by him, was of no use after the Allied occupation of Rome (5 June 1944). However, the collaboration of BASILIUS and the unwitting collaboration of Father Michael TARSHNISHVILI prior to 4 June 1944 was very useful because these two, in ways which were never made clear to the German service, succeeded in gaining political and military information of considerable value from Moscow and Leningrad, information which often was received considerably prior to that of the well-organized Eastern services of Admiral CANARIS and of the S.D.

b. Up to now BASILIUS has been sought by various intelligence services and lives in continuous fear of being tracked down and becoming a victim of reprisals. HASS met him the last time not many days ago at Bressanone where the so-called BASILIUS lives as an employee of an insurance company specializing in agricultural insurance. The self-styled BASILIUS is company manager for the Bressanone zone.

HASS met this BASILIUS several other times in the train between Bolzano and Merano in the period in which HASS lived in Lambach, Austria, and he went often to the Alto Adige to meet with his informers or to meet his friends in the Italian Ministry of Interior.

11. According to HASS, all of his meetings with this BASILIUS in the post-war period were accidental and of no consequence. BASILIUS, according to HASS, was in the past a professional SD agent and not an occasional informant. Further, from HASS' statements, Source gathered the impression that BASILIUS was a German citizen.

Report of 3 October 1956 - Source: []

12. According to HASS, there are in Rome at least five separate German information-gathering nuclei whose direction is entrusted to a person known to HASS, an ex-officer (NU) who has a cover office at the new gallery which joins Via delle Terme di Diocleziano and Via Torino, Rome. This organization is under the direction of the Bonn military office which heads the reconstruction of the German Air Force. The wife of this ex-officer who is also a German citizen, living in Rome with her husband, once had an intimate relationship with HASS - her husband doesn't know this. HASS met the pair before his departure for Bressanone, presumably two months ago (August 1956). (Field note: This will be looked into).

Reports of 24 and 25 January 1957 - Source: []

13. (There follows a field synopsis of Source's reports for these two dates which are not worth full translation in the light of their marginal interest

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to KUBARK, save as a continuing insight into HASS' activities).

14. HASS reappeared in Rome in January 1957. The last news that Source had heard from him indicated an imminent trip to France on behalf of the West German Government Military Graves Commission. At the last moment, however, the French Government refused to let HASS enter, without giving any reasons. Therefore this Commission sent him to Romagna where the wartime "Gothic line" reaches the Adriatic at Argenta. He lived for some months there in the only hotel in Argenta which was also a locally notorious center for clandestine deals and assignations.

15. HASS became friendly there with the local despot and owner of the inn, a ferocious former partisan named "Commandante Bill" now tied closely to the local Communists and a local G.A.P. leader. Apparently, Argenta under this person was wide-open for crime and vice (prostitution, drugs, gambling) in which Carabinieri and local police had been bought off. One of the flourishing "businesses" there consisted of bootlegging archeological finds which, by Italian law, strictly enforced, belong to the State.

16. On 25 January 1957, after first calling Source on the phone, HASS and "Commandante Bill" appeared in Rome with four bronze archeological pieces to sell. Source immediately discerned that the four pieces were really fakes and sent the "Commandante" back to Argenta deeply disappointed. Source noted that the "Commandante" had a pistol and had a Rome cousin with him in the capacity of a body-guard; apparently he had confidential contacts with former partisan subordinates now in the Communist Federations of Bologna and Ferrara, as well as a network of cross-country truck drivers who send articles anywhere in the country for him.

17. Source had an idea of compromising "Commandante Bill" (having him arrested red-handed) which he presented to [redacted] but there is no further information on this individual.

18. HASS' personal and financial situation is not rosy. On or about 22 January 1957, on the request of the Pretura of Albano (Rome), the furnishings of his apartment at Villini in Castel Gandolfo were sold at auction to cover unpaid debts. Source feels therefore that currently HASS has no remunerative activity outside of his commercial activity. It is puzzling to Source to learn, however, that HASS has at least a part of his correspondence sent to a post office box in Aprilia (Province of Rome). In his place of employment, HASS has created an atmosphere of close-mouthedness ("omertà") which enables him to dominate the place without being boss, and to drag his colleagues, for the most part old nazis, into compromising adventures.

Report of 15 February 1957 - Source: [redacted]

19. There are indications that HASS has resumed his intelligence activity. He told Source on 14 February that his position with the West German Graves Commission has changed, so that after three months of special apprenticeship the direction of a group will be entrusted to him and he will have almost complete autonomy of choice of locality out of which he will operate; this becomes particularly significant in the light of what follows.

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- RIS INPUT NO. 4
20. HASS states that up to the present his superiors, acceding to his request, have permitted him to work on his own and he has moved, with all documents, to a room, rented from a family at Via Gran Sasso, Rome. The rent will be 7,500 lire a month and the expense will be shared in part, by his office and in part by HASS himself. In this room, according to HASS, there is no telephone. One of the owners of the apartment is a German national, one an Italian. (Source comments that this is a strange set-up indeed for a graves registration unit).
 21. HASS is currently administrator (manager) of a special group which is concerned with recovery of scattered German graves, that is, where it is believed or felt that they can be found. In his functions, not purely administrative, he often must concern himself with identifying the remains on the basis of facts and data emerging from the exhumation of the graves and those details furnished by families or by the Bonn Government. For HASS it is therefore very easy to fabricate death-certificates for persons who for their own reasons are interested in passing themselves off as missing: this is one of the immediate possibilities permitted by his present work.
 22. In the course of this meeting between HASS and Source, the former insistently made reference to the former SD Captain of Como, CLEMENS, who currently has an important directive function in the GEBLEN service, according to HASS. The reason for his statement to Source is not clear to the latter.

Report of 19 February 1957 - Source: []

23. The German citizen, Karl HASS, is authorized to reside in Italy during the entire duration of his assignment with the "German Graves Service"; (Servizio Onoranze Caduti Germanici) with offices at 8 Via della Cisa, Rome.

Field Comment:

24. It is clear that HASS, under graves-registration commission cover, is again engaged in some sort of intelligence activity. In any case, through Source, we will continue to have an excellent "window" into HASS and through him into the efforts of the German services to reestablish themselves clandestinely in Italy.
25. It is requested that any information from the German desk throwing light on the efforts of the German I.S. in Italy be forwarded to this Station (on an information only basis, if necessary) in order that coverage of HASS and his colleagues ca. be channelled along lines of priority interest. It should not be forgotten that HASS is capable of virtually anything for self-aggrandizement and financial gain including (see files information) throwing in his lot with the Soviet service.

Prepared by []

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