

OFFICIAL DISPATCH

VIA: AIR
SPECIFY AIR OR SEA POUCH

DISPATCH NO. MAVA-5890
(SLZ/2938)

CLASSIFICATION

TO : Chief of Foreign Division M
Attention: []

DATE: 30 June 1950

FROM : Chief of Station, Vienna
see for HPO

SUBJECT: GENERAL - Operational
SPECIFIC: USFA Information on Alfred and Herbert KRAUS

Reference: WASH-6465 and SALZ-012

1. Attached are copies of a Memorandum for the Record dictated on 27 June 1950 by Major J. V. Milano in response to a long standing request for transfer of the KRAUS file to us. As is obvious from the text of the memorandum it was dictated in haste in the last hours before Milano's departure from Austria. It consequently does not constitute a complete record of G-2/CIC's dealings with the KRAUS brothers, nor does it present anything like an objective assessment of the relations between the KRAUS brothers and USFA. [] had been led to believe that Major Milano had prepared at least part of the draft of a more substantial study but none was left by Major Milano.

2. Paragraph 11 of the memorandum presents in capsule form Milano's version of an intrigue which more than any tother of the many intrigues in the G-2/CIC complex has created bitter enmities that now exist.

3. Together with the attached memorandum Milano transferred possession of two files:

a. The file personally collected and prepared by Milano covering CIC's relations with Herbert KRAUS:

b. A file of information on KRAUS consisting very largely of telephone and mail intercepts of KRAUS and his associates.

Together these two files amount to a document between 300 and 500 pages in length. The reproduction of these files, which will be accomplished as quickly as possible, is a major mechanical problem since the local sensitivity of both make use of USFA's facilities impossible, and since it is considered unwise to remove the original files from USFA offices for any period longer than several days. There will, therefore, be some delay in the transmission of reproductions to you.

FOR COORDINATION WITH Army

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MAVA-5890

MAVA-5390
(SLZ/2938)

4. Analyses of these files will constitute a major project. It is therefore planned to pouch photostats or photoprints or possible microfilm as soon as the photostating or photographing can be accomplished and to transmit a study of the original material at a later date, when that study can have been properly completed.

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2-Wash.
2-Vien
2-Salz. files
attachments.

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