

VIA: AIR
(SPECIFY AIR OR SEA POUCH)

DISPATCH NO. EQMA

00553

CONFIDENTIAL
CLASSIFICATION

TO : Chief, EE
(ATTN: Chief, SR)
FROM : Chief of Base, Munich

DATE: 25 Sept. 1952

SUBJECT: GENERAL— REDSOX/ Financial
SPECIFIC— CAMBISTA 2 Expenditures

REF: MJKW-15886

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

1. The undersigned is rather at a loss to understand the statements made in paragraph one of reference dispatch. As the originator of Basic Plan AAQUOK in the summer of 1951, he was fully under the impression that the plan had a two-fold purpose -- firstly, to exploit the Belorussian emigration for anything which it offered in terms of intelligence potential; and, secondly, to subsidize certain Belorussian emigre personnel and publications in return for and complementary to this exploitation.

2. Knowing of the general purpose of the plan, it was presumed by the field that certain activities, such as spotting, recruitment, training, etc. of agents were fully justified. It was on the basis of this that the field has engaged in close collaboration with CAMBISTA 1 for approximately the last 18 months. Furthermore, it has been necessary, in order to accomplish the tasks outlined in the basic plan, to provide financial assistance to CAMBISTA 1 and its personnel. CAMBISTA 2 has been receiving, therefore, a regular salary to provide for his personal expenses while acting as chief operational contact with the AIB and also recruiter for agent personnel. This type of financial responsibility toward CAMBISTA 1 members was envisaged when the basic plan was written at Headquarters. CAMBISTA 5 receives a salary on a similar basis.

3. The basic plan as written also provided for subsidy type activities which at the time fell within the province of BYOLEVIER. It is under the terms of this aspect of the project that such papers as "The Fatherland" and "The Hornet" are subsidized. Pending approval of the project, the authority for subsidization of "The Fatherland" was granted by Headquarters in WASH 07419 on a temporary basis and on a permanent basis by default through MUNI 5753.

4. My predecessors in the Belorussian section have realized for some time the shaky ground upon which their financial expenditures were made with respect to AAQUOK. As long ago as 20 September 1951 approval was requested for various expenditures of the type listed in MJKW-15886. Similar requests for approval were submitted periodically during the last calendar year.

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5. Needless to say, we will welcome a budget under which to operate. It would be very helpful if the budget as forwarded contained a breakdown of the type of activities in which we are authorized to engage. Insofar as the detailed accounting for funds is concerned, it is hoped that the following will suffice: After the undersigned (or anyone else for that matter) draws money from the MOB finance officer, he is required to submit an accounting for the funds. In turn the case officer obtains accountings from his payees -- in this case usually CAMBISTA 2 or 5. These accountings are submitted to Headquarters through regular finance channels. To conform to the request of para 2 reference, would merely involve duplication of an already established procedure.

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Approved:

 N.A.M.

DCM/ayh
Distribution:
√2 - SR (1 hand-carried by [] 6 Sept.)
1 - EE []
3 - Com []
2 - MOB []

SECRET