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<b>DISPATCH</b>	CLASSIFICATION <b>S E C R E T</b>	PROCESSING ACTION
TO Chief, EUR		MARKED FOR INDEXING
INFO. Chief, SB; Chief of Station, [ ]		NO INDEXING REQUIRED
FROM Chief of Base, [ ] <i>Handwritten</i>		ONLY QUALIFIED DESK CAN JUDGE INDEXING
SUBJECT CALL CAHELM REDLEG/FISR Comments and Recommendations		
ACTION REQUIRED - REFERENCES  REFS: A. EGNW-8778, 10 October 1969 B. EGNW-8562, 30 July 1969  1. We appreciate Headquarters comments contained in Reference A. Strong efforts have been made to ensure the security of the CAHELM operation, particularly in the area of case officer/agent communications. Pre-arranged meetings, generally on a frequency of two or three per month, have been held in small out-of-the-way restaurants and bars. Car meetings and pre-arranged brush contacts augment these arrangements. Recently acquired safehouse facilities, however, will permit us to drop these restaurant meetings in favor of safehouse meetings, which will be the standard for future contact.  2. Re Reference B comments, we feel that CAHELM's "leave of absence" status has presented no cover or security difficulties. There are two reasons for this conclusion:  a. When he is asked about his employment (something that has seldom occurred), he claims to be a consultant (Freier Mitarbeiter) with his previous overt employer, on whose rolls he is still carried. This explanation has satisfied all inquiries to date. Moreover, his "consultant" status also explains his irregular hours.  b. Because of unemployment insurance, veterans' benefits, education assistance (for his school age sons), and other welfare-type programs for which he is eligible,  Distribution: 3 - C/EUR 2 - C/SB ( <i>CSB/X/CEU</i> ) 2 - COS, [ ]		
GROUP I Excluded from automatic downgrading and declassification		
CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER EGGA-4648	DATE 26 November 1969
	CLASSIFICATION <b>S E C R E T</b>	HOT FILE NUMBER 7

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CENTRAL INTELLIGENCE AGENCY  
SOURCE METHOD EXEMPTION 3B2B  
NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2008

CAHELM's net income has dropped only DM 200 (ca. US\$54) monthly since taking the leave of absence. Covering this small amount of difference has not been a problem.

We agree that for the long-run some overt employment should be developed and have been working with CAHELM on this matter for some time. It is hoped that he will be in such a position, compatible with his operational duties, by early 1970, certainly by the time his one year leave of absence expires on 1 April.

3. We note also that the objectives of this operation are regularly reviewed. In 1968 an attempt was made to expand CAHELM's activity beyond the KOBIRD area, which had been his field for several years. At that time he was directed to renew and expand his contacts in local leftist circles and to get himself accepted in the New Left movement. With Headquarters concurrence, as expressed in Reference B, approximately one year was spent in this activity, and it is felt that the degree of success achieved was most satisfactory.

4. However, in line with the recently enunciated downgrading of the New Left target, the objectives of this operation are being realigned. We are currently exploring his leftist connections (both those developed over the past year as well as his long-standing contacts) in a REDTOP context. The objective will be to exploit these contacts as a means of developing CAHELM into an access agent, vis-a-vis either the REDTOP PCS target or visiting MHARSHERS. Definite leads in both of these cases have already been discovered. We are also attempting to arrange CAHELM's future overt employment situation (described in Paragraph 2 above) not merely as a cover mechanism but as a means in itself of bringing him into contact with the REDTOP target.

5. This does not mean, however, that CAHELM is breaking his ties to KOBIRD or New Left contacts. In fact, he continues as an asset of KOBIRD operational potential and will remain so. His New Left contacts will also be maintained, albeit on a less intense basis, while his main effort is concentrated on the REDTOP target. Periodic reporting from the Field will keep Headquarters informed of progress in this operation.

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