

OFFICIAL DISPATCH

MAVA-61715

VIA: AIR
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DISPATCH NO. MAVA-6171
(512/3067)

CLASSIFICATION

TO : Chief, Foreign Division M DATE: 26 July 1950
Attention:
FROM : Chief of Station, Vienna AFS
SUBJECT: general. Operational
SPECIFIC: and JTC300A
Reference: MAVA-6002, FIB-6619 and 6801

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1. stated that his staff consists of 11 persons on all of whom he will furnish details later. In the Lins office there are two case officers (KATTS and PETER) and a woman secretary in addition to . The rest of the staff is distributed throughout the 15 Kreise (Districts) of Upper Austria, attached to the Gendarmerie. The district officers report regularly on agent and political activities with special attention paid to all matters involving the Communist Party or its members. None of them have permanent informants or projects with the exception of the Gmunden representative, a man named DOBEL, who handles the penetration of the Communist Party by GEFFEL. GEFFEL is a nephew of the former Austrian General REMULITSCH and pays GEFFEL 1000 schillings per month for his work.

2. Of the two case officers in Lins ^{Mrs} KATTS has the fewer permanent contacts and no projects of his own. He receives information regularly from Paul ~~RECHT~~ (one of E.K. Thompson's old sources), a certain Simone ~~RECHT~~, ~~see~~, and ~~URBAN~~. While URBAN was employed by CIC, he gave KATTS a copy of all his reports, but this flow of information was stopped when URBAN was dropped by CIC.

3. Stefan ~~RECHT~~ is the most important case officer. He is in regular contact with the following persons:

a. KERNSCHIED, Klaus, Informant #21. A former NSDAP official, he is now the owner of a construction firm in St. Johann in Tyrol, Kaiserstrasse 460. He receives 600 schillings per month for reporting on Communist activities in the Tyrol.

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b. BERNARDI, (Count) Constant, Informant #27. An intelligence agent of the ADAMS group in charge of liaison with the French IS, he lives in Innsbruck, Franzwitzerstrasse 33. He is PETER's contact with Count Aden RODNEY and receives no salary.

c. DALLA SCALLA, (Count) Guido, Informant #34. A former Rumanian diplomat now in the service of the French IS, he furnishes information on Land Salzburg and Land Tyrol and is paid according to the quantity and quality of his reports. He lives in Salzburg, Buckreuthstrasse 12.

d. FISCHER, Dr. Rudolf, Informant #24. A journalist with good contacts among Yugoslav DPs, he is supposed to have an excellent channel to a member of the Communist Party Central Committee in the Kuehviertel area of Upper Austria. His address is Mondsee 181 and he receives a monthly salary of 3000 schillings.

e. JOHN, Dr. Jur. Serius, Informant #15. A former colonel in the VLASOV army, he lives at Mondsee 176 and reports on DP activities, receiving a salary of 500-600 schillings per month. JOHN is a member of a Russian refugee organization which is abbreviated SAF.

f. MASCHER, Secp, Informant #35. MASCHER lives at Vienna IV, Links Wienstrasse 36 and is a commercial representative who travels in the Soviet Zone of Austria. He receives a salary of 4000 schillings a month for reporting on activities in the Soviet Zone. [] learned from ZOEBL that MASCHER has been a trusted friend of KERNSTYER's for the last twenty years and that through KERNSTYER he got a job with Wilhelm HOETTEL while the latter was employed by CIC Upper Austria. ZOEBL recruited him after HOETTEL was dropped by CIC but PETER arranged through ROBERTSBERGER to handle MASCHER personally because he was a productive source. ZOEBL was ordered to drop MASCHER without being given any reasons, but he learned later that MASCHER had told KERNSTYER "How we are in again and working for the U.S. Headquarters in Frankfurt (meaning OCEUM) as well as the Ministry of the Interior." ZOEBL told [] that MASCHER has three informants whose names he did not know:

1) a tailor in the second district of Vienna who is a member of the Control Committee of the Communist Party Central Committee,

2) a woman interpreter in the Vienna Cominform office who translates Cominform circulars arriving from Bucharest,

3) a waiter in Baden.

g. PATIL, Filbala, Informant #60. An Austrian customs official who lives in Salzburg, Franz Josefstrasse 30. He receives no salary.

h. PAY, Alfred, Informant #61. A commercial representative whose address is St. Lorenz-Mondsee 118. He receives no salary.

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1. BRONISLO RUDNICKY (also spelled RUDNICKY), (Capt) fnu, Informant #48. A former colonel in the Polish Army, he is in charge of much of the exile Polish intelligence activity and is also a paid agent of the French IS. RUDNICKY exchanges some of his own reports for information on Austria, Poland, Czechoslovakia, Hungary and Yugoslavia from PETER's SVOBODA contacts and in addition contributes \$300 monthly to the support of this operation. In Paris he recently met the chief of the ANDERS IS who told him that 70% of the SVOBODA reports he had passed on were accurate. RUDNICKY once furnished PETER with radio equipment and asked him to establish W/T contact with a partisan group in the Little Tatra Mountains. [] [] could give no explanation why RUDNICKY did not attempt to do this himself. RUDNICKY is also in contact with WERNER, alias Hans HAEGER (see para. 7 below) and claims to have some contact with Kettle II. RUDNICKY lives in Hail 1/Tyrol and receives no salary from PETER.

2. SVOBODA, Milos (or Jaroslav?), Informant #30. Born on 3 January 1916 in Uprav, Cid, he is now living in Laufen, Bavaria, and is an engineer by trade. His uncle, General SVOBODA (not to be confused with the former Minister of Defense), is allegedly the chief of a resistance group within the Czech army and sends intelligence reports via courier to his nephew. SVOBODA carries Austrian ID card #35021, issued 27 October 1942, which was furnished him by [] [] office through PETER. It is possible that Milos SVOBODA and the Jaroslav SVOBODA of PIR-6619 and 6601 are identical, but we do not rule out the possibility that they are two different persons working for the same net.

3. TRERNWALD, (Captain) fnu, Informant #78. An unwitting and casual informant of PETER's, TRERNWALD is a former Cavalry Captain (Rittmeister) living in Salzburg, Steingasse 45.

4. Of all of PETER's contacts, SVOBODA is the most productive and the most significant, although very little is known of his net. [] [] believes that PETER himself has very little knowledge of the personalities involved and in any case, he has shown a marked reluctance to reveal any of his knowledge on this subject. RUPERTSBERGER allowed him a free hand in running the SVOBODA net and did not press him for operation information. For this reason, [] [] desires to retain PETER in his office until he has had a chance to exhaust his knowledge of the SVOBODA net.

5. Among SVOBODA's contacts in Austria are DMRZAK, fnu, a Czech who was recently arrested in Upper Austria for intelligence activities, and Mrs. SANDERSKA, also Czech, who fled from Brno to Vienna about a year ago. PETER supplied an Austrian ID card for the latter made out in the name of KLUG. [] [] believes that SVOBODA is in touch with CIC in Germany, and SVOBODA claims that he once worked for TIB but dropped the contact because "the Americans have no understanding of European problems."

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In addition to the Austrian ID card mentioned above, PETER also gave STOBODA an Austrian passport which he used to travel to Italy earlier this year and several blank ID cards for the use of his agents. Another informant of STOBODA's in Austria is KARL [redacted], born 2 December 1922 in Neustadt, single, ID card #125016, issued 12 October 1947.

5. STOBODA receives 14,000 schillings a month from PETER to support his net. PETER obtains this money from three different sources, each of whom has access to some of the STOBODA reports; CIC, Upper Austria contributes \$250 monthly, KUDNIZKY pays \$300, and the Italian agent named ACOSTINI (see PIR-6619 and 6801) pays 4000 schillings. This combined income far exceeds the amount paid STOBODA and the excess is used by PETER to finance some of his other operations and probably to line his own pocket. In addition to the money earmarked for STOBODA, CIC, Upper Austria also finances the operations of Sepp MASHER, Dr. Rudolf FISCHER and ZEPHALL. ACOSTINI also supplements his financial contribution with Italian intelligence reports.

7. PETER first met ACOSTINI during World War II while he was stationed in Rome with Group 6 of the Luftwaffenabwehr. PETER worked under ACOSTINI at that time and knew him as Dr. Antonio ACOSTINI. He described him to [redacted] as a physician about 36 years old and stated that ACOSTINI is now supposed to be an Italian commercial representative making frequent trips to Austria. ACOSTINI is in touch with a certain KERDNIK alias Hans WAGNER (see PIR-6619 add 6801) who was in a British PW camp with ACOSTINI at the end of the war. KERDNIK is easily recognized by a crippled arm and is now employed by CIC Land Salzburg.

8. We do not know whether ACOSTINI knew PETER under his true name during the war, since it is not impossible that PETER used the same aliases SPERLE and SIEGFRIED at that time. It appears to be quite likely, however, that the "Ing. LUDWIG" of PIR-6619 and 6801 is actually STOBODA since Laufen, the latter's residence, is just across the border from Oberndorf.

9. After he had taken up the duties of his new post, [redacted] was approached by URBAN who claimed to know all about the STOBODA operation and most of the others run by PETER and MATTES. URBAN offered to take over the entire STOBODA business, cutting PETER out completely, and run it for [redacted] at a greatly reduced cost, but the latter showed no interest in his proposition. However, CIC now plans to discontinue their support as of 1 August since they are convinced that STOBODA's reports are either manufactured out of whole cloth or else completely outdated. They also believe, and rightly so, that they do not have exclusive access to them, although they do not know that PETER channels many of the reports to KUDNIZKY and ACOSTINI and reserves another portion for the exclusive use of [redacted] office.

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10. We have discussed the entire SYOBCDA operation with and arrived at a common course of action. CIC has not processed or properly evaluated any of SYOBCDA's reports, and in any case did not receive all of them. In the belief that only an evaluation and collation with central files not available in the field can determine their worth, we have photographed all the reports received by office during the past two months and are forwarding the negatives under separate cover. It is our urgent request that this material be studied immediately with a view to evaluating each source as well as each report.

11. At the same time, will attempt to exert his influence with CIC and persuade them to continue to support the SYOBCDA net for a short while at least. will redouble his efforts to get operational details and source information from PETER. The combined efforts in the field and at headquarters should provide us with the information needed to determine what part if any of the SYOBCDA network is valid and deserves support. The attached sketch based on our present knowledge is included in the hope that it will help to explain the flow of information and money around PETER and SYOBCDA.



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Comment: Suggest examination of reports obtained through Peter and Urban and other sources for comparison with satellite countries material.

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