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DISPATCH

VIA AIR POUCH

Dispatch No: MGBA_ 5101

30 November 1949

TO S

: Chief, Foreign Division "M"

FROM

Chief of Station, Karlsruhe

SUBJECT:

CARBOHYDRATE -- Progress Report

Synopsis:

This memorandum reviews the CARBOHYDRATE operation since May 1949. CARBOHYDRATE's change of residence to the East Sector and the resultant security factors involved in contacting him, his new salary status, his present overt employment and opportunity of obtaining a position in the secretariat of the chief of the Volkspolizei, his recent and current intelligence production, and our assessment of CARBOHYDRATE's future usefulness to BOB are emphasized in this report. No requests for action are presented.

l. Change of Residence: The need for CARBOHYDRATE ultimately to move to the Seviet Sector of Berlin was stated in MGBA-3931, para 11, which presented a plan whereby the agent hoped to exchange his US Sector apartment for one in Berlin-Pankow belonging to an ex-Nazi publisher who feared that, because of his political status, he stood in danger of losing his business. These negotiations dragged on, and, in all probability, were never pursued too heartily by CARBOHYDRATE, who suggested to his case officers at every exportunity the hardships upon his wife and children which the Soviet Sector residence would necessarily impose. In this connection it will be recalled that the agent's devotion to his wife and family were noted by in MGBA-3931, which also pointed out (cf. Ibid, para 6) the reluctance with which CARBOHYDRATE's wife agreed to an eventual move to the East Sector. With the publication, however, of the SMA order dated 1 August 1949 (cf. MGB-8975), directed, in part, against police personnel who failed to establish East Sector residence by 15 August 1949, it became quite clear to GARBOHYDRATE that compliance would be a necessary prerequisite to continued employment.

CARBOHYDRATE at first attempted to enlist the aid of the Personnel Office of the Berlin Polisei Präsidium (East) in obtaining an apartment in the Soviet Sector. This method showever, met with no success, although he was able to have the deligation of the move extended, originally until 1 September, and until 1 October 1949. In the meantime, after fruitlesses and until 1 October 1949. In the meantime, after fruitlesses and until 1 october 1949. In the meantime, after fruitlesses and instant a Fraulein Frieda JOACHIM and friend, Fraulein Frieda JOACHIM and JOACHIM an

2. New Security Factors Involved in Contacts: As was envisaged prior to CARBUHYDRATE's removal of residence to the Soviet Sector, additional security factors must be considered in all future contacts between agent and case officer. In view of the increased ricks to wreed by CARBUHYBRATE in meeting the case officer in the US Sector, the following precautions have been instituted:

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- a. During CARBOHYDRATE's period of residence in the US Sector, and, particularly, during the late summer of this year, at which time the reorganization of the GAI was in progress, it was deemed advisable to establish regular and frequent meetings with the agent. These contacts, at an operational house or in a moving car, occurred not less than once a week and usually, as was found most convenient for both parties, on the same day of each week. This system offered the obvious advantage of consistent coverage of GAI and police reorganizational trends and policies. Since 17 October, however, a new plan has been instituted whereby meetings are staggered as to both days and times, the agent being mat at various S-Bahn stations and other public places in the US Sector. He is then taken to an operational house for debriefing and instructions.
- b. Whereas in the past a large proportion of the agent's monthly remuneration took the form of deliveries of food items not easily found on the German economy, security precautions now forbid the agent's possession of quantities of these items which he could not reasonably afford to buy on the black market. For this reason, and in line with the BOB policy of gradually substituting monetary payments for supply items, the amount of food and luxury products given to GARBOHYDRATE has been substantially reduced. (The agent's revised pay status will be discussed below.)
- c. CARBOHYDRATE has been instructed, since moving to the Soviet Sector, that in the future extreme caution must be exercised in all telephonic communications with us. If it is necessary for him to call his case officer he will cross to the US Sector and there call from a public phone.
 - the danger inherent in CARBOHYDRATE's continued membership in the SPD. It was at that time stated that his case officer was consulting with SPD experts in an effort to remove the agent's name and record from party rolls without attracting attention. Unfortunately no method of attaining the desired end without endangering CARBOHYDRATE could be found, since any attempt to extract his papers would necessarily cause him to become an object of suspicion to SPD functionaries. Thus, at present, while still attempting to solve the problem, we are forced to allow the matter to remain, in abeyance, trusting that in the event the agent should be confronted with the charge of SPD membership he will be able to clear himself by admitting his original entry and stating that membership become inactive.
 - e. In the past CARBOHYDRATE submitted written reports at meetings with his case officer. In view of the increased risks involved in CARBOHYDRATE's coming to the U.S. Section, the practice of carrying compromising material has been stopped. The agent at present reports orally to the case officer.

It should also be pointed out that if, in the event that future developments make it even more difficult for the agent to come to the US Sector, he may have to be provided with secret writing equipment or photographic supplies.

3. CARBOHYDRATE'S Revised Salary Status: As CARBOHYDRATE'S removal of residence to the Soviet Sector became imminent, the necessity of revising his scale of remuneration, with regard both to security factors and to his reduced living costs, appeared evident. Thus the following salary status was proposed for which Washington approval was requested by Graham L. Page in MGBA-4870, dated 17 October 1949. As stated above, CARBOHYDRATE's allowance of supply items was reduced, and permission was asked to discontinue the exchange of 285 East Mark for an equivalent amount of West Mark, since the agent will now suffer no monetary loss by receiving his salary in Soviet Zone currency. Concomitantly, we proposed to increase CARBOHYDRATE's monthly pay by 100 West Mark to 150 West Mark in order to defray the loss incurred anothe decreased

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food items, to compensate him for the additional travel expenses involved in coming to the Western Sector and to remunerate him to some extent for the greater risks entailed by his work for us. We plan to continue the agent's monthly deposit in the West of 400 West Mark. Although CARBOHYDRATE at first protested slightly the reduction in his salary schedule, he admitted that the necessity for the generous monthly exchange on a one-for-one basis had ceased to exist concurrent with his move to the Eastern Sector, and he now professes himself content with the revised wage scale proposal.

4. Possibility of Transfer to Hauntverwaltung für Volkspolisei:
At present CARBORYDRATE is the director of the Referat for legal affairs in the secretariat of the president, Berlin Polisei
Prasidium. As such he holds the rank of Police Kommandeur (erster Klasse), receiving a monthly salary of 1100 East Mark, 830 after deductions. During the last week of October he was approached by Erich LUST, chief of the Administrative Police Department, who inquired of CARBORYDRATE whether or not he would be interested in again working for the GAI. Specifically, LUST told CARBORYDRATE that Dr. SCHOEPPE, currently with the Organization and Legal Affairs Section of the Hauptverwaltung für Volkspolisei, and a member of President FISCHER's secretariat, was about to be relieved of his position. Because of CARBORYDRATE's legal training and experience in similar affairs with the Berlin Poliseipräsidium, LUST proposed to recommend the former for the vacancy. According to the agent, LUST seemingly awaited only CARBORYDRATE's affirmative answer before submitting his name to the personnel section. CARBORYDRATE, for his part, attributed LUST's proposal to the good understanding, if not warm friendship, which has characterised their relationship since they worked together in the GAI. CARBORYDRATE replied that he was not adverse to the idea, but he requested time for consideration, and, at the next meeting with his case officer, informed the latter of the proposal. (Cf. BRLN-2207). Our criginal instructions required CARBORYDRATE to advise LUST that he was interested in the transfer, yet not to take any further action independently. We then informed Washington of the proposal as stated by LUST, together with our recommendation that, in view of the wider horison open to CARBORYDRATE should be be appointed to FISCHER's secretariat, the transfer would be desirable.

The meeting with CARBOHYDRATE, on 22 November 1949, afforded an opportunity to learn more details of the proposed transfer and to answer the points outlined in WASHF-3376. On the basis of this meeting we made the following observations in BRIN-2270: Since CARBOHYDRATE may be slated for a definite position, as replacement for SCHORPPE, he will have to accept or reject the offer at the time the opening is ready. He himself feels that should this opportunity not be seised there is no certainty that he could arrange a transfer at a later date; on the contrary, CARBOHYDRATE is of the opinion that should he openly decline the position he could hardly expect LUST again to nominate him for any vacancy which might appear in the future.

CARBOHYDRATE is also of the opinion that his career as an East Zone police official can best be advanced by service in the Hauptverwaltung für Volkspolisei, particularly in the secretariat of FISCHER. He maintains that the Berlin Polizei-präsidium is of secondary importance and discounts GYPTNER's presence there by describing him as very dissatisfied with his present position as acting police head, only anticipating the appointment of a new permanent chief, thereby permitting GYPTNER to continue his P/K work. CARBOHYDRATE also maintains that, due to the recent reorganization of the GAI and MIEIKE's installation as head of the Hauptverwaltung zum Schutze des Volkseigentums, the latter is hardly now in a position to block CARBOHYDRATE's transfer if it is approved by FISCHER. The agent also feels that should the move become a reality, he could continue to cover the Polizei-präsidium from his new post, both through his closer relations with LUST which would attend the transfer, and through periodic duty visits to his former department. With these conditions in mind, BOB again recommended that the transfer be made, if possible, in BRIN-2270.

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5. Recent and Current Intelligence Production: The following disseminations were made from material submitted by CARBOHYDRAY during the period from June 1949 to the present:

MGB-8596	
MGB-6663	
MGB-8718	MGBA-4086
MGB-8739	MGBA-4248
MGB-8788	MGBA-4252
MGB-8882	IGBA-4649
MGB-8959	
1GB-8975	•
.(GB-9051	BRLN-2193
MGB-9131	
MGB-9196	
MGB-9214	
MOB-9216	

In addition to these information reports, CARBOHYDRATE provided one operational lead on 17 October 1949 which led to our contact with Overkommissar Kurt BECKMANN, who defected from the Soviet Zone police on 13 October 1949.

of Assessment of CARBOHYDRATE's Future Usefulness:

—letailed analysis of the agent's personality,
additing and motivation; contained in MGBA-3931, leaves little
to be enlarged upon. Carbohydrate is essentially motivated by
materialistic considerations based, in turn, on a sincere desire
to provide for his family. He is, occasionally, inclined to
boast of his legal training and ability, although this characteristic is counter-balanced by his native caution and operational
discretion. He is, however, an excellent reporter, combining an
ability to sense immediately the core of a problem or situation
with a facility for writing clear, lucid reports, separating
meticulously fact from rumor. At present, CARBOHYDRATE provides
spot police information for Berlin customers and reports on
trends and policies attending the reorganization of the police
under the DDR.

At the time of CARBOHYDRATE's transfer from the GAI to the Berlin Polizeipräsidium, there was a tendency on the part of BOB to feel that the agent's police career had entered the first phase of a downward trend. Subsequent events, however, show that CARBOHYDRATE, rather than having fallen completely from grace, has succeeded in continuing in his new post and in obtaining the favor of both EICKEMEYER and SCHOZHERRR. Should the agent remain with the Polizeipräsidium, he will continue to provide police and personality information, but if his transfer to the Hauptverwaltung für Volkspolizei can be accomplished, he should be in a position both to solidify his connections in the police, to the betterment of his career, and to provide a more complete coverage of events in the FISCHER organization.

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