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Chapter Three

**Persons From All Spheres of Influence (U)**

Germany became the scene of intense competition between East and West as the Cold War heated up.[1]  While Berlin was the epicenter of this struggle, many of the Central Intelligence Agency's earliest operations in Germany originated in Munich, the birthplace of Nazism.  The city's proximity to both Austria and Czechoslovakia transformed the city into a crossroads for Europe's refugees in the wake of Hitler's *Gotterdammerung* and a center of postwar intelligence operations. (U)

American occupation officials had sole responsibility for Munich, the largest city in the US zone after the four allies divided Germany in 1945.  The city's location minimized direct contact with the Russians or, for that matter, with the British and the French as well.  Consequently, US intelligence agencies faced fewer obstacles from competing Allied and Soviet intelligence services and preferred Munich for unilateral

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[1]The literature on the American role in Germany after World War II is extensive.  For example, see Douglas Botting, *From the Ruins of the Reich: Germany 1945-1949* (New York: Crown Publishers, 1985); Earl F. Ziemke, *The US Army in the Occupation of Germany 1944-1946* (Washington, DC: US Army Center of Military History, 1975); and Harold Zink, *The United States in Germany 1944-1955* (Princeton: D. Van Nostrand, 1957). (U)

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operations. Intelligence collection and operation, however, was still split among several

US civilian and military organizations. In addition, American intelligence in Germany

was in a state of flux as the United States demobilized its military forces after World War

II and debated the merits of creating a peacetime, civilian-controlled central intelligence

structure. (U)

Life in Munich in the years after the war was a struggle. Between 1940 and 1945,

Munich had been the target of some 70 Allied air raids, which dropped over 60,000

bombs and 3.5 million incendiary devices. Of the city's prewar population of 820,000,

some 6,000 men, women, and children had died during the war and 15,000 had suffered

injuries. Another 18,000 residents of Munich had lost their lives as members of the

German armed forces, while 12,000 were still listed as missing. The city's physical

structure was heavily damaged by the bombings; 97 percent of Munich's buildings,

including many of its architectural wonders, sustained damage. The Americans used

many of the buildings not damaged by the air raids—including the *Neues Rathaus* and the

*Haus der Deutschen Kunst*— as headquarters, clubs, or billets.[2] (U)

With the disbandment of the OSS in the fall of 1945, the Strategic Services Unit

focused on two missions in Germany. This chapter examines the activities of Secret

Intelligence (SI) and Counterespionage (X-2), and their successor units in Munich, from

the Nazi surrender in May 1945 until mid-1947. The transition from declared war with a

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[2]Brian Deming and Ted Iliff, *Hitler and Munich: A Historical Guide to the Sights and Addresses Important to Adolf Hitler, His Followers and His Victims* (Berchtesgaden: Verlag Anton Plank,

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known enemy to the murkiness of the underground war between East and West rapidly

took shape. In this new conflict, yesterday's foe became today's friend in Munich. (U)

## SI's New Missions (U)

Secret Intelligence played a leading role in OSS operations in the European

Theater during the last months of the war. Tasked with the collection of information on

Nazi Germany's order of battle, its economic potential, the development of new weapons,

and the assessment of the chimerical anti-Nazi resistance, SI launched over 100

intelligence missions behind German lines in 1944 and 1945.[3] (U)

In June 1945, SI Bern station chief Allen W. Dulles established the new OSS

German Mission in Biebrich, near Wiesbaden. Secret Intelligence, a part of the German

Mission under the direction of US Navy Cdr. Frank Wisner was put to work, developing

new networks of agents to penetrate selected targets. Wisner targeted the remnants of the

Nazi military, political, and security structures; Germany's industrial, economic, and

scientific elements; the defeated enemy's social, religious, cultural, and educational

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n.d.), pp. 93-97. See also Landeshauptstadt Munich, *Munchener Nachkriegsjahre 1945....1946....1947....1948....1949....1950....*(Munich: Buchendorfer Verlag, 1997). (U)
[3]For a description of SI's operations against Germany, ⌐

⌐ , Clandestine Services Historical
Program ⌐

⌐ See also Joseph E. Persico, *Piercing the Reich: The Penetration of Nazi Germany by OSS Agents during World War II* (London: Michael Joseph, Ltd., 1979). The most recent examination of OSS's role in the fight against Nazi Germany is

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hierarchies; and evidence useful to the investigations of Nazi war crimes.[4] He noted in June 1945 that it was "becoming increasingly apparent that the American authorities in Amzon [the American zone] consider the most useful activity of OSS in Germany to be that of keeping them informed of conditions and developments in adjoining areas not accessible to the other official information and intelligence agencies."[5] (S)

The new OSS/SI organization in Germany consisted of a Steering Division and a Production Division. The former, run by Army Capt. Harry Rositzke, built upon lessons learned by SI while in London during the war and maintained liaison with all American organizations in Germany to identify intelligence requirements. The Steering Division also established contacts with German civilian organizations, such as labor and church groups. It processed positive intelligence reporting from various sources and ran requirements, liaison, and distribution services.[6] (S)

SI's Production Division recruited agents to meet the requirements of the Steering Division. It had Production Units, or "P Units," scattered throughout Western Europe and the American Zone of Germany.[7] By mid-September 1945, SI/Germany had some 120 civilian and military personnel assigned to the OSS German headquarters and in "P

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found in Christof Mauch, *Schatten-Krieg Gegen Hitler: Das Dritte Reich im Visier der amerikanischen Geheimdienste 1941 bis 1945* (Stuttgart: Deutsche Verlags-Anstalt, 1999). (S)

[4]For a discussion of the OSS role at Nuremberg trials, see Michael Salter, "The Prosecution of Nazi War Criminals and the OSS: The Need for a New Research Agenda," *The Journal of Intelligence History* (Vol. 2, No. 1, Summer 2002), pp. 77-119. (U)

[5]Frank G. Wisner to W.H. Shepardson, S.B.L. Penrose, and Walter Langsam, "Miscellaneous Operational Matters – SI Germany," 16 July 1945, L-002-716, (S), in DO Records, ⸤ ⸥ Box 2, Folder 20, CIA ARC. (S)

[6]⸤ ⸥pp. 93-96. (S)

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Units" in Berlin, Bremen, Heidelberg, Kassel, Munich, Nuremberg, and Regensburg as well as smaller units in non-German missions, such as Oslo and Prague. The "P Units" were generally referred to by their British county codename; for example, the Munich "P Unit" was called "Northampton" while Berlin had two separate SI missions known as "Wiltshire" and "Cambridge." In addition to SI's regular missions, the Production Division also controlled the "Crown Jewels," Dulles's collection of high-level agents who returned to Germany from Switzerland after the Nazi surrender.[8] In September 1945, Wisner ordered the "P Units" to target the Soviets in their zone in Germany as well as German Communism Party activities in the Western Allied occupation zones. In the meantime, SI continued to monitor German political activities in the American zone. (S)

## SI Operations in Munich (U)

SI's activities in Munich fell short of expectations, and it had a brief existence. Commanded by Maj. John L. Caskey, an archeologist from the University of Cincinnati who had previously served with SI in Turkey, SI/Munich collected mostly low-level,

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[7] Ibid, pp. 96-97. (S)

[8] The names and locations of SI personnel in Germany is found in Rolfe Kingsley to Shepardson, "Personnel Roster of SI/Germany as of 15 September 1945," (S), in DO Records, ⊏ ⊐ Box 2, Folder 20, CIA ARC. Dulles recruited some 40 "Crown Jewels" during the war from his base in Switzerland, and they continued to serve as intelligence sources in Germany after 1945. Prominent German citizens, the Crown Jewels sometimes created additional handling problems for OSS and its successor intelligence agencies. As late as 1970, one of the Crown Jewels still provided information to CIA. ⊏ ⊐

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open-source information on Bavarian political affairs.[9]  In July 1945, SI/Munich

produced 75 reports, but the SI's Steering Division disseminated only 12 of them.  Capt.

Rositzke commented that the Northampton reports were "mainly of CIC [Counter

Intelligence Corps] or MG [Military Government] rather than SI interest."  In fairness,

Rositzke recognized, "a greater proportion of P-unit intelligence has thus far been of a

kind normally obtainable by overt means; but the full value of coverage by agents stably

and permanently placed in the German community has not been achieved by any [other]

unit."[10] (S)

SI's coverage of Bavarian regional affairs remained less than satisfactory

throughout the summer of 1945.  In his report for the month of August, Rositzke

observed, "the Munich unit is not yet providing even semi-adequate coverage of the

priority targets in its area."[11]  The outlook continued to be unimpressive for the

remainder of the year.  In early January 1946, the German Mission complained that SI's

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[9]John Langdon Caskey was born in 1908 in Boston and graduated from Yale University in 1931. He received his Ph.D. from the University of Cincinnati in 1939 and worked on excavations in Troy.  After the war, Caskey taught at the University of Cincinnati and served as the university's head of the Department of Classics during 1959-72.  He supervised archeological digs at several sites in Greece and served as director of the American School of Classical Studies in Athens during 1949-59.  Caskey retired from active teaching in 1979 and died in December 1981. Obituary, "John Langdon Caskey, Professor of Archeology," *New York Times*, 8 December 1981, p. D31. (U)

[10]Rositzke to Wisner, "Monthly Report of Steering Division, SI/Germany," 2 August 1945, L-010-731, (S), in DO Records, [⊏        ⊐], Box 2, Folder 19, CIA ARC. (S)

[11]Rositze to Wisner, "Monthly Report of the Steering Division, SI/Germany," 5 September 1945, L-038-905, (S), in DO Records, [⊏        ⊐] Box 2, Folder 19, CIA ARC. (S)

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coverage of the Social Democratic Party and the German Communism Party in Munich was "still semi-overt, gossipy, and unimportant."[12] (S)

SI confronted several administrative problems that limited its ability to collect intelligence in Munich. Primarily, Maj. Caskey and three officers had little time for intelligence operations because of their cover mission with the Office of Military Government for Bavaria (OMGB).[13] While Maj. Caskey spent most of his time as OMGB's Chief Intelligence Officer, his assistant, Lt. Calhoun C. Ancrum served as the Military Government's Public Relations Officer. Wisner quipped that Caskey's detachment was doing a "more valuable job for Military Government as such than for ourselves." [14] (S)

Wisner, however, added that SI's Military Government cover had some benefits because Caskey and his officers were "very much in the middle of things in a very important political arena and enables them to have almost unlimited contacts with the most knowledgeable and important Germans in Bavaria."[15] Wisner's successor as the head of SI in Germany, Maj. Gordon Stewart, however, disagreed with this assessment in

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[12]Hugh T. Cunningham to Commanding Officer, SSU/WD Mission to Germany, "Progress Report, January 1946," 11 February 1946, L-010-131, (S), in DO Records, ⊏ ⊐, Box 3, Folder 43, CIA ARC. (S)

[13]Wisner to Shepardson, Penrose, and Lt. Col. Howard M. Chapin, "SI Personnel and Operations in the American Zone, Germany and Denmark; Present Status and Proposals for Near-term Future," 6 December 1945, L-002-1206, (S), in DO Records, ⊏ ⊐, Box 2, Folder 20, CIA ARC. For a detailed description of the Office of Military Government for Bavaria (OMGB), see Christoph Weisz, ed., *OMGUS-Handbuch: Die amerikanische Militarregierung in Deutschland 1945-1949* (Munchen: R. Oldenbourg Verlag, 1995), pp. 145-315. (S)

[14]Ibid. (S)

[15]Ibid. (S)

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January 1946. Stewart felt that SI's Military Government role in Munich "resulted in Major Caskey's concentration on semi-overt political intelligence" and "double-checking political gossip."[16] (S)

In March 1946, Stewart released Maj. Caskey to the Army for direct assignment with the Military Government or discharge to return to civilian life. "I decided," Stewart wrote to Washington, "to discontinue the Munich operation where the energies of some of our best personnel have been spent on cover work." [17] Like many other SSU operations, SI/Munich was in the midst of the Army's postwar demobilization. Caught between its clandestine mission and its cover role with the Military Government, SI/Munich never developed its resources to provide broad intelligence coverage. (S)

## An Influx of Staggering Proportions (U)

X-2 in Munich had greater influence and more longlasting impact than its SI counterpart. Capt. Eric W. Timm, who transferred to the OSS in 1944 from the Federal Bureau of Investigation, established the SCI Detachment in Munich and commanded the

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[16]Maj. Gordon M. Stewart to Shepardson, Penrose, and Maj. Hans Tofte, "Survey of SI-AMZON," 18 January 1946, L-002-118, (S), in DO Records, ⊏ ⊐ Box 2, Folder 20, CIA ARC. (S)

[17]Stewart to Penrose, Helms, and Rositzke, "SI, Germany," 30 March 1946, G-SITS-781, (S), in DO Records, ⊏ ⊐ Box 2, Folder 19, CIA ARC. (S)

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detachment until his demobilization in November 1945.[18] Despite constant turnover in unit personnel, Timm turned his attention to the new demands of a chaotic, postwar world–a world marked by shifting alliances and desperate struggles for survival in the rubble of what had been one of Germany's loveliest cities. (U)

At the end of the war, the OSS shifted to new missions in Germany with a strong emphasis on counterintelligence, as opposed to positive intelligence. The gathering of evidence for war crimes trials of Nazi officials, the rounding up of members of Nazi underground movements in Germany, and the recovery of gold and art looted by the Germans throughout Europe, all required OSS personnel and resources.[19] During this hectic period, individual Germans scurried to broker deals with their conquerers. In its monthly progress report for May 1945, X-2/Germany reported that "thousands of Germans, having various degrees of counter-espionage interest, were either arrested or processed through military channels in the three weeks following the end of the war. Every effort," X-2 commented, "has been made to exploit to the fullest these German Intelligence Service personalities, although the influx has been of staggering

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[18]X-2 had its headquarters in Munich at 5 Heilman Strasse next to the main OSS billets at 1 Heilman Strasse. OSS had three separate units in Munich in 1945: Timm's X-2 detachment; Caskey's P Unit; and the OSS Munich headquarters element. (U)

[19]Secretariat, Strategic Services Unit, "The Office of Strategic Services on VE Day - VJ Day," 11 March 1946, (S), in CIA History Staff Records, ⊏ ⊐, Box 36, CIA ARC. For information concerning a joint project between OSS and the Army's Counter Intelligence Corps involving the penetration of underground SS organizations immediately after the war, see files on the "Danube" and "Elsa" operations in DO Records, ⊏ ⊐, Box 4, Folder 59, CIA ARC (S). See also X-2, SCI, Seventh Army to SAINT, Washington, 20 September 1945, LWX-002-920, 9S), enclosing Charles Flickinger, 307th CIC Detachment, to Officer in Charge, "The

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proportions." A month later, X-2 observed that "there have been surprising offers on the part of former *Abwehr* and SD members to turn over to the Allies networks of agents, but most probably all offers were made either to ingratiate these men with the American authorities in order to gain support for purely selfish motives (Austrian Nationalists in one case) or to embroil us with the Russians."[20] (S)

In a single week in June 1945, Capt. Timm noted that X-2 in Munich had arrested 15 German intelligence officers and agents.[21] Timm wanted to use former GIS [German Intelligence Service] officers and enlisted men to uncover German efforts to resist the Allies. Consequently, X-2 in Munich and elsewhere concentrated on the recruitment of German intelligence officers and agents to work for the Americans as agents and informants. "It has been for sometime apparent," he wrote in August 1945, "that a well-balanced network of counterintelligence and counterespionage agents must include persons from all spheres of activity." Timm observed that "the implementation of the penetration agent program wherein the use of former GIS personalities is contemplated remains of critical importance." With the concerns of a resurgent Nazi party in mind, Capt. Timm commented, "such persons are of importance because they are in a position

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DANUBE Affair," 20 September 1945, in DO Records, ⊏       ⊐:, Box 1, Folder 14, CIA ARC. (S)

[20]X-2 Branch, OSS Mission Germany to Secretariat, "Monthly Progress Report - X-2 Branch - May 1945," 14 June 1945, LSX-010-614, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 276, (no folder listed), NARA. (U)

[21]Capt. Timm, SCI Liaison Officer, Third Army, to Assistant Chiefs of Staff, G-2, Third Army, Seventh Army, and Commanding Officer, SCI Detachment, Twelfth Army Group, "Activity Report for the Week Ending 9 June 1945," 10 June 1945, LWX-4, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 287, (no folder listed), NARA. (U)

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to recognize other GIS personalities and are logical contacts for any illegal or resistance group."[22] (S)

By late August, Timm had recruited 13 agents to work for him, with another dozen under active consideration.[23] He was frustrated, however, by X-2's lack of manpower and a breakdown in the process to vet new agents.[24] Timm also encountered problems in getting his agents approved by the Military Government in Bavaria; restrictions on the employment of Nazi party members and German military personnel handicapped his recruitments.[25] As early as June, the German Mission's X-2 observed that "in the absence of any well-defined policy concerning the direction in which

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[22]X-2 Branch, OSS Mission to Germany to SAINT, "Semi-Monthly Operation Report, SCI Munich," 22 August 1945, LMX-010-815, (S), enclosing SCI Detachment, Munich to Commanding Officer, OSS/X-2 Germany, "Semi-Monthly Operation Report SCI Munich," 15 August 1945, (S), DO Records, [   ], Box 3, Folder 21, CIA ARC. (S)

[23]SCI Detachment, Munich to Commanding Officer, OSS/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 31 August 1945, G-TSX-2891, (S), in DO Records [   ], Box 3, Folder 21, CIA ARC. (S)

[24]For a discussion of the immense load that OSS faced to vet new agents, primarily Germans, in the summer of 1945, see 1st Lt. Richard W. Cutler, Vetting Officer, to Lt. Col. Berding, Chief, X-2/OSS, Germany, "Review of Vetting Operations, Germany – 8 June 1945 to 18 July 1945," 18 July 1945, LWX-002-718, (S); Cutler, OSS/Germany, to Wilma Taber, SAINT, London, "Coordination of Vetting Records in Europe," 28 July 1945, LWX-002-728, (S); AB-16 [Cutler] to SAINT, Washington, "List of Vetting Cases Outstanding as of 27 August 1945," LWX-002-827, (S); Cutler to Lt. Cdr. Richard M. Helms, SI/Production, "Summary of Preliminary Vetting," 4 September 1945, XARZ-24819, (S); and AB-16 [Cutler] to SAINT, Washington, "Current Vetting Requests Outstanding," 13 September 1945, LWX-002-9138, (S). All documents, except the 4 September 1945 memo to Helms from Cutler, are located in DO Records, [   ], Box 406, [no folder listed], CIA ARC. The 4 September 1945 memo is located in DO Records, [   ], Box 1, Folder 7, CIA ARC. (S)

[25]Timm, for example had to turn down an offer from CIC to run an operation against an underground Hitler Youth faction in Bavaria. This project, known as NURSERY, resulted in the apprehension of Artur Axmann, the head of the Hitler Youth. (U)

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American interests are to be pointed, aggressive exploitation [of German intelligence personnel] has been somewhat stifled.[26] (U)

By the end of the summer, the lack of official policy posed a serious constraint to Timm's plans in Munich as he pointed out to his superiors:

> Numerous difficulties are being experienced in the actual implementation of our program for recruiting and placing agents who were formerly members of the GIS or other proscribed categories. Our primary interest in handling these people has been to place them in positions of strategic importance so that they could be in a position to obtain valuable information to observe trends and possible underground activity, and to be self-supporting, as our budget does not allow us to pay these people salaries. It is also realized that any person with no apparent means of support could at best be a short term agent.

> Realizing this fact we have for some time centered our contacts with Military Government in this area, and were originally led to believe that the officers in charge were cognisant [sic] of the problem involved, the essential value of intelligence operations of the kind being conducted by SCI, and we were promised active cooperation. However, in each instance, when we proposed some specific individual there has always been a directive in existence which bars our man from employment by Military Government. Even though we have offered to submit a letter assuming full responsibility in the case, we have not been able to obtain employment for such persons.

> The proscribed list of persons has now grown so large that no former member of the Nazi Party or Army officer, to say nothing of GIS personnel, can be hired. We, of course, realize the desirability of such restrictions, but we do feel that the blind adherence to a general policy without discretion on the part of Military Government in this area is potentially dangerous. It is creating a huge segment of society which has no hope of rehabilitation, and is driving the Army and the Nazi party into each other's arms. However, it is not our function to comment upon the

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[26]X-2 Branch, OSS Mission Germany to Secretariat, "Monthly Progress Report – X-2 Branch – May 1945," 14 June 1945, LSX-010-614, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 276, [no folder listed], NARA. (U)

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overall policy. All we are interested in is the application of this policy as it affects the operations of this unit.[27] (S)

**A Shifting Focus (U)**

Uncertainty in Washington as to the future of the Office of Strategic Services complicated intelligence work in Germany. President Harry Truman, in fact, disbanded the Office of Strategic Services on 30 September 1945, a few weeks after Japan's surrender. He divided its various functions between the State and War Departments, with the latter gaining SI and X-2 in the form of a new Strategic Services Unit.[28] The effect of

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[27]SCI Detachment, Munich to Commanding Officer, OSS/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 31 August 1945, G-TSX-2891, (S), DO Records, [ ], Box 3, Folder 21, CIA ARC. X-2 headquarters, in turn, raised the issue of treatment of former GIS personnel who had assisted the Americans. See Lt. Col. Berding to Chief, Counter Intelligence Branch, USFET, "Treatment of GIS Personnel," 13 August 1945, LWX-002-813, (S), in DO Records, [ ], Box 406, [no folder listed], CIA ARC. In a vetting request from Germany, a X-2 officer appealed to Headquarters to pursue requests to vet Germans, including one who "appears to be an unmitigated stinker." This officer noted, "Whatever rumors may circulate as to the duration of this organization, both branches [SI and X-2] will continue to recruit agents here at this mission for two reasons. First, they feel it particularly desirable to leave any possible successors with a well-established network of operatives. Second, much can be produced with agents now being recruited – even during the next few months. Since those months are to be critical ones for American policy in Germany, SI is anxious to do a good job getting information for American policy makers. So, please don't feel that the vet requests which we forward to you are academic. The men are being and will continue to be used. Some will occupy extremely important positions in German life and government for years to come. This is not a dream. It is already happening." AB-16 [identity unknown] to SAINT, Washington, "Vetting of Heinz Karl Hermann Krull for SAINT," 7 September 1945, LWX-002-97b, (S), in DO Records, [ ] Box 406, [no folder listed], CIA ARC. (S)

[28] [ ] *The Central Intelligence Agency: The First Thirty Years 1947-77* (Washington, DC: CIA History Staff, 1990), p. 10 (S). For additional information on SSU, see [ ], "Salvage and Liquidation: The Creation of the Central Intelligence Group," *Studies in Intelligence* 39 (Fall 1995), pp. 49-57. (S)

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Truman's action became apparent in Munich and threw into doubt many of the SCI

Detachment's efforts. Capt. Timm glumly reported:

> In view of the impending administrative dissolution of OSS,
> and the resultant uncertainty of the identity or nature of the successor
> organization it is difficult to formulate operational plans for the future
> at this time. Numerous contacts have been made by the Munich
> Detachment who are in favorable positions to assume a preeminent
> position in Bavarian life. Some will do so without assistance from the
> Americans in general or this detachment in particular. Others have
> been aided in some fashion to facilitate their obtaining passes, etc. At
> the present time the unsettled political, social and economic conditions
> which are a necessary result of the occupation make it impossible to
> anticipate specific developments. It is therefore difficult to formulate
> accurately a plan of definite future action for any of these people.[29] (S)

Changes in Washington coincided with a reexamination of American intelligence

targets and operations within Germany itself.[30] As late as September, X-2 had been

ordered by US Forces European Theater (USFET), the senior Army headquarters in

Germany, to mount an "intensive program of penetration of potential German intelligence

or subversive organizations."[31] In October, however, SSU headquarters near Wiesbaden

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[29]SCI Detachment, Munich to Commanding Officer, OSS/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 30 September 1945, G-TSX-3747, (S), in DO Records, ⊏ ⁖- ⊐ Box 3, Folder 21, CIA ARC. (S)

[30]For example, in September, Lt. Col. William G. Suhling, Jr., the deputy of the German Mission, outlined his proposal to dissolve OSS's presence in Germany. Likewise, Cdr. Wisner, chief of SI in Germany, recommended that SI and X-2 merge because of the blurring of their intelligence missions and the need to conserve manpower and resources. ⊏ , ⊐

[31]Maj. Thomas F. Purner, Jr., OSS/X-2 Germany, to See Distribution, 10 September 1945, LWX-003-910, (U), enclosing USFET, "OSS/SCI Personnel and Facilities," 21 August 1945, in

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ordered X-2 in Munich to reevaluate its agents for long-term productivity. In the light of X-2's growing personnel shortages (the branch had dropped to 79 staff members by the time of OSS's disbandment), SSU wanted to focus political groups in Germany (including the Communist Party) because Nazi resistance to the Allied occupation had failed to materialize. As a result, Capt. Timm reviewed his crop of 31 agents and decided to retain only eight assets; the remainder were placed in an "inactive status," and some transferred to CIC control.[32] (U)

Following a conference in Wiesbaden to discuss future SSU projects in Germany that November, X-2 received orders to abandon efforts against German intelligence organizations and the Nazi underground.[33] SSU shifted its efforts to collect information on personnel, activities, and goals of all foreign intelligence services, with particular emphasis on the Soviet Union. "It was, therefore, decided," Timm wrote,

> ...that SCI would serve the future CIA [the projected, but
> not yet formed Central Intelligence Agency] best by limiting its

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WASH-REG-INT-163, OSS Records, RG 226, Entry 108A, Box 287, (no folder listed), NARA. (U)

[32] Lt. Sidney H. Lenington, Deputy Chief, SSU/X-2, Germany to SAINT, Washington, "Semi-Monthly Reports," 12 December 1945, LMX-005-1130, enclosing Timm to Commanding Officer, SSU/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 31 October 1945, LMX-005-1130, in WASH-REG-INT-163, RG 226, Entry 108A, Box 275, (no folder listed), NARA. (U)

[33] As early as 27 September 1945, OSS field stations received the following directive: "The conversion of this agency from a wartime to a peacetime basis brings with it a shift in emphasis in counterespionage targets. No longer are the German and Japanese Intelligence Services the focal point of our attention. Instead, all foreign intelligence services, and personnel connected thereto, now become the legitimate object of observation and study for this Branch." JJ1 to All Field Stations, 27 September 1945, X010-927, (S), in DO Records, [ ], Box 1, Folder 9, CIA ARC. (S)

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primary targets to the gathering of information on personnel, activities, and objectives of all intelligence services. This will enable a CIA to have at its disposal central records of a world-wide nature concerning the various groups which come within this purview.[34] (U)

**Two Distinct Operations Are Being Developed (U)**

While X-2 in Germany shifted its focus to the Soviet Union, the new Central Intelligence Group–formed in Washington in January 1946–made plans to absorb SSU's field elements and provide new guidance on operational targets.[35] X-2 became CIG's new Security Control (SC) group while the Foreign Reports (FR) group assumed the functions of SI. The Central Intelligence Group soon formed the Office of Special Operations (OSO) in July 1946 to handle both the collection of foreign intelligence and counterintelligence work. CIG sorted SSU's field stations into geographic teams at headquarters within OSO; consequently, the German Mission fell under Foreign Branch M. Richard Helms, who had served with SI in Germany, was named the Branch's acting chief.[36] The changes in Washington eventually provided the German Mission with new

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[34]Lt. Sidney H. Lenington, Deputy Chief, SSU/X-2, Germany to SAINT, Washington, "Semi-Monthly Reports," 12 December 1945, LMX-005-1130, enclosing Timm to Commanding Officer, SSU/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 15 November 1945, LMX-005-1130, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 275, (no folder listed), NARA. (U)

[35]Ten months later, CIG absorbed SSU's overseas personnel in October 1946. (U)

[36]Cable, Washington to AMZON, Vienna, Bern, 18 June 1946, Washington 1147, (S), in DO Records, ⊏         ⊐ , Box 1, [no folder listed], CIA ARC. (S)

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personnel and a renewed sense of direction.[37]  But change was slow in coming.  Between

October 1945 and September 1946, X-2 in Germany had dropped from 19 officers and 56

enlisted men and civilians to less than 20 personnel.[38] (S)

In November 1945, Capt. Timm had rotated to the United States, leaving Sgt.

Boleslav A. Holtsman as X-2's lone representative in Munich.[39]  In a summary of his

duties in January 1946, Holtsman estimated that he spent some 40 percent of his time in

the "recruiting, training, and running of penetration agents, particularly those in a position

to watch or enter the Russian service operating in Bavaria."  His other major task

consisted of interrogating German intelligence personnel, "particularly their counter-

intelligence officers concerning the organization and activities of foreign intelligence

services, particularly Russian and location of German files pertaining thereto."  In

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[37]For example, SSU's field stations in July 1946 received guidance for the priority collection of intelligence.  See SAINT to SAINT, Brussels, [no title], 16 August 1946, XA-333, (S), in DO Records, Job 91-01046R, Box 1, Folder 10, CIA ARC. (S)

[38]Lewis to Helms, Acting Chief, Foreign Branch M, "Security Control Group, Amzon Mission," 3 September 1946, L-002-903, (S), in DO Records, Job 79-00332A, Box 368, Folder 3, CIA ARC. (S)

[39]Born in Detroit in 1912 of Polish parents, "Bill" Holtsman spent his childhood years in Poland. He returned to the United States in 1931 to attend college and was ordained as a minister in the Lutheran Church. He entered the Army in 1942 and served as a translator and later as a case officer with OSS in Europe until his discharge in early 1946.  He received an appointment as Intelligence Officer with SSU/X-2 in March 1946 ⌐

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addition, Holtsman mingled in "German political and intellectual circles to keep abreast as to the latest local developments which might lead to foreign agents."[40] (S)

The next month, in December 1945, Maj. Crosby Lewis, the new X-2 chief at the German Mission, reported that he had held talks with USFET's Counter Intelligence Branch (CIB) in the Office of the Director of Intelligence.[41] CIB wanted to separate X-2 from the German Mission and merge its projects and files with those of the Army's. In essence, X-2 would cease to exist as an counterintelligence organization within SSU in Germany. Maj. Lewis refused to agree to this arrangement, but he agreed that X-2 would terminate the bulk of its cases in the American Zone and turn these over to the Army's Counter Intelligence Corps.[42] Brig. Gen. Edwin L. Sibert, USFET's G-2 or intelligence chief, ordered X-2 in early January 1946 to relinquish many of its counterintelligence activities to the Army. Sibert cited SSU's manpower shortage and the need for better coordination between the various intelligence agencies in the American Zone as his

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[40]Holtsman, OSS Position Description Survey Form, 3 January 1946, in Holtsman, Personnel file. (S)

[41]Lewis, born in 1916, graduated from Haverford College in 1939. He enlisted in the Canadian Army in 1940 and served with that military until his transfer to the US Army in 1942. Lewis received his commission in 1943 and commanded the 202nd CIC Detachment in North Africa, Sicily, and Italy during 1943-45. He joined SSU in September 1945 as the German Mission's X-2 chief and became the chief of SSU's German Mission in January 1946 ⊏

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[42]Lewis to Secretariat, "Monthly Progress Report, X-2 Branch, November 1945," LX-012-1212, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 288, [no folder listed], NARA. (U)

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reasons for this decision. He directed X-2 to concentrate on counterintelligence activities outside of the American zone of occupation, with particular emphasis on the Russian intelligence services. "Two distinct operations are being developed," according to Sidney H. Lenington, X-2's acting chief in Germany during the absence of Crosby Lewis in February 1946. The "accumulation, appraisal and study of documents prepared          by the German I.S. on Russian intelligence efforts on the Eastern

Front during the war[,] and counter-intelligence operations actively in progress . . . designed to gather all possible information on present personnel and techniques of the RIS."[43] (S)


**A Top Target for Espionage Activities (U)**


The changes in Washington gradually affected intelligence collection in Munich. For much of the interim period, Holtsman found himself simply trying to keep X-2's office in Munich and maintaining contact with other American agencies in Bavaria. He did not receive much direction from either the German Mission or from Headquarters in Washington. In fact, Holtsman had been informed in early 1946 that his office would close and that he would join the Mission in Heidelberg. Likewise, it wasn't until March 1946 that Holtsman finally learned that "our objective is the SIS" [Soviet intelligence

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[43]SAINT, AMZON to SAINT, Washington, "X-2 Operations Report for Month of January, 1946," 25 February 1946, LWX-TS-8, (S), in DO Records, ☐          ☐., Box 1, Folder 13, CIA ARC. (S)

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services] and that "the GIS [German intelligence services] was liquidated and is to cease to figure in our consideration."[44] (S)

Despite these difficulties, Holtsman still produced over 350 intelligence reports in nine months. The arrival of new personnel in Munich allowed Holtsman to expand his coverage and to spread his work load. George N. Belic, a US Navy officer who had served in Rumania and Turkey during the war, joined SSU in March 1946 and was posted to Munich in May. A native of Russia, Belic took over several of the Russian cases in Munich while Holtsman, who spoke Polish and Ukrainian, concentrated on other projects. Belic's most important case was the debriefing of Anatoli Granovsky, a Soviet defector codenamed SAILOR. Granovsky, the first major defector for SSU and CIG in Germany, jumped a Soviet ship in Sweden and smuggled into the American zone from Denmark in the fall of 1946.[45] Two other officers, Toivo Rosvall and Capt. Bengt C. Herder, also arrived in Munich in 1946 and early 1947, respectively.[46] (S)

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[44]SAINT, AMZON to SAINT, Washington, "Review of Activity since 10 December 1945 to 10 September 1946," 17 September 1946, (S), enclosing AB-43, Munich [Holtsman] to AB-51, AMZON [Hecksher], "Review of Activity since 10 December 1945 to 10 September 1946," 10 September 1946, L-010-910, (S), in DO Records, ⊏ ⊐ Box 1, Folder 14, CIA ARC. (S)

[45]See Anatoli M. Granovsky, *I was an NKVD Agent; A Top Soviet Spy Tells His Story* (New York: Devin-Adair, 1962). Belic's role in the SAILOR project is discussed in Murphy et al, *Battleground Berlin*, pp. 20 and 458. For additional information, see Anatoli Granovsky, ⊏ ⊐ DO Records. (S)

[46]Belic, who shortened his name from Belicovitch in 1938, was born in Odessa, Russia, in 1911, the son of a colonel in the Imperial Russian Army. Belic moved to the United States in the 1920s and graduated from Georgetown University in 1936. After joining SSU ⊏

⊐ Toivo Rosvall, born in 1913, graduated from Clark University in 1934. A teacher and author before the war, Rosvall served in the US Army during the war. He joined SSU in February 1946 and reported to Germany in the spring. ⊏ ⊐

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Between 1945 and early 1947, ⊏        ⊐ built an

extensive network of contacts "to keep informed on CI matters in Munich." Under

⊏   ⊐ direction, the intelligence post in Munich recruited or handled 129 agents, of

whom the Americans still maintained contact with 39 in March 1947. The contacts came

from all walks of life and nationalities with the bulk drawn from the ranks of Nazi

intelligence organizations or Eastern or Southern European collaborators of the Third

Reich. Munich's contacts were far-ranging and diverse, reflecting a growing need for

intelligence in the chaotic conditions in postwar Germany.[47] Cases worked by these early

CIA officers in Munich illustrate the shifting bureaucratic concerns during this uncertain

period. (S)

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⊏     ⊐ Bengt C. Herder joined OSS in May 1945 in London after serving as an Army officer. Born in Sweden in 1920, Herder lived in Wisconsin at the outbreak of the war and spoke five languages. He entered the US Army in 1942 and was commissioned the following year. After serving briefly with OSS, Lt. Herder returned to the United States to serve at Army G-2 headquarters. He then joined SSU in February 1946 for assignment to Germany. ⊏

[47]For listings of SC Munich's contacts, see SC, AMZON to FBM, for SC, Washington, "Present Contacts of SC, Munich,"(true names), 24 March 1947, FSRO-1535, (S); Chief, SCB, AMZON to FBM, for SC, "Present Contacts of SC Munich," (cryptonyms), 19 March 1947, HSC/OPS/34, FSRO-1545, (S); SC, AMZON to FBM, for SC, Washington, "Discontinued Contacts of SC, Munich," (true names), 24 March 1947, FSRO-1548, (S); and Chief SCB, AMZON to FBM, for SC, "Discontinued Contacts of SC Munich," (cryptonyms), 19 March 1947, HSC/OPS/33, FSRO-1821, (S), all in DO Records, ⊏    ⊐ Box 514, Folder 4, CIA ARC. (Hereafter cited collectively as "SC Munich Present and Discontinued Contacts"). Microfilm copies of 32 agent card files from Berlin and Munich are found in SC, AMZON to SC, Washington, "Transmittal of Micro-film," 18 February 1947, FSRO-1376, DO Records, ⊏   ⊐

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**MOUNT (U)**

The MOUNT case drew the attention of senior OSS officials in Washington, including Maj. Gen. William J. Donovan, and threatened to disrupt US-Soviet relations even before the end of the war.[48] In a separate move from Wolff's negotiations with Dulles in Operation SUNRISE, Dr. Wilhelm Hoettl, a major in the SS and a senior intelligence officer in Amt VI, acted as an intermediary between senior Nazi officials (such as *Reichsfuhrer* Heinrich Himmler and RSHA chief Ernst Kaltenbrunner), and a mixed bag of Austrian anti-Nazis who sought favorable terms with the Western Allies.[49] Dulles in Switzerland reported that "Hoettl's record as a SD man and collaborator [of] Kaltenbrunner is, of course, . . . bad and information provided by him [is] to be viewed with caution, but I believe he desires to save his skin and therefore may be useful." OSS, however, regarded Hoettl's dealings as a ploy on the part of Himmler and refused to enter into negotiations.[50] (U)

Captured in Alt-Aussee, Austria, at the end of the war by the 80th CIC Detachment, Hoettl offered the Americans a "complex of agents in Rumania, Hungary, Bulgaria, Jugoslavia, Montenegro and Albania, capable of reporting high-level political

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Folder 3, CIA ARC (S). Many of ⌐        ⌐ present and dropped agents in Munich also appear on this microfilm.

[48]Portions of this section on Hoettl appear in Kevin C. Ruffner, "Wilhelm Hoettl: International Man of Mystery," *Center for the Study of Intelligence Bulletin* (Fall 2001), pp. 4-9. (U)

[49]Hoettl's contact with OSS is described in Petersen, ed., *From Hitler's Doorstep.* (U)

[50]Ibid., pp. 506-508. (U)

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and military information."[51] Hoettl claimed that his radio "Centrale" still existed in Austria and could communicate with his isolated agents behind Soviet lines using a group of Hungarian cryptographers. These elements could be resurrected under American control if given the signal from Hoettl.[52] (U)

X-2 sought to uncover further information from Hoettl, who had been confined in Munich in May 1945.[53] Capt. Timm in Munich and Capt. William B. Browne in Steyerling, Austria, used members of Hoettl's "Centrale" to contact both Budapest and Bucharest, although "only service messages are being sent in an effort to hold the entire ring together until a final determination of policy can be made." Coming at the end of the war, the Americans expressed natural concerns about operating a net behind the Soviet lines; the Russians, of course, were still regarded as military allies. Timm offered several possibilities about the MOUNT Case:

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[51]Declassified MOUNT case material is found in Lt. Col. Andrew H. Berding, Chief, OSS/X-2, Germany, "Documents Pertaining to Hoettl Case," 27 June 1945, LWX-11, in WASH-REG-INT-1634, Record Group 226, Records of the Office of Strategic Services, Entry 108A, Box 287, (no folder listed), NARA. See also SAINT, London to SAINT, Washington, "War Room Comment on Hoettl Report," 6 February 1946, XX-10734, enclosing Counter Intelligence War Room London, "War Room Comment on Hoettl Report," P.F.602.139, in WASH-REG-INT-175, RG 226, OSS Records, Entry 109, Box 58, Folder 332, NARA. (U)

[52]Berding to Maj. Gen. William J. Donovan, "Hoettl Case," 8 June 1945, in Berding, Documents Pertaining to Hoettl Case, NARA. (U)

[53]The circumstances surrounding Hoettl's capture at the end of the war by US forces is discussed in Robert E. Matteson, "The Last Days of Ernst Kaltenbrunner," *Studies in Intelligence*, Vol. 4, No. 2 (Spring 1960), pp. A11-A29. See also Robert E. Mattson, *The Capture and the Last Days of SS General Ernst Kaltenbrunner, Chief of the Nazi Gestapo, Criminal Police, and Intelligence Services* (Inver Grovers: n.p., 1993). Mattson, a member of the 80th CIC Detachment, participated in the apprehension of Kaltenbrunner, Hoettl, and other SS

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a. The offer is genuine and his net may believe that they are still working for him.
b. Hoettl's offer may be an effort to entangle the Allies.
c. Hoettl's agents may actually be working for the Russians already.
d. The offer may be a distraction to divert the US from other networks or operations.[54] (U)

News of Hoettl's network soon made its way to the top echelons of OSS. Lt. Col. Berding, X-2's chief in Germany, told Maj. Gen. Donovan on 8 June about Hoettl's offer. In a series of lengthy memoranda, Berding recounted the history of the MOUNT case and its implications for the Americans. Berding forcefully advocated that OSS "secure from HOETTL the last syllable of information that he is able to furnish us on the Balkan networks." Berding, however, believed Hoettl "is not in the slightest degree actuated by a fatherly concern for the well-being of the American intelligence services; most of what he has to gain must lie in the empoisoning of Russian-American relationships." Consequently, the X-2 chief advocated that the Americans tell the Soviets about Hoettl's system and that both powers jointly exploit it "in behalf of general Allied security."[55] (U)

Although Donovan had authorized X-2 to maintain radio contact for counterespionage purposes on 10 June, the MOUNT case quickly dissolved after the

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officers in what had been planned to be the center of German resistance in the "National Redoubt." (U)

[54]Capt. Eric Timm, SCI Liaison Officer, Third Army, to Assistant Chiefs of Staff, G-2, Third Army, Seventh Army, and Twelfth Army Group, "Activity Report for the Week Ending 9 June 1945," 10 June 1945, G-TSX-201, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 287, (no folder listed), NARA. (U)

[55]Berding to Maj. Gen. William J. Donovan, "Hoettl Case," 8 June 1945, in Berding, "Documents Pertaining to Hoettl Case," NARA. (U)

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NKVD presented OSS with specific questions about the German operation.[56] By late

August, Donovan told the German Mission that the "JCS [Joint Chiefs of Staff] has now

authorized OSS to execute proposed liquidation of Hoettl network in collaboration with

the Russians as simply and promptly as possible."[57] (U)

Members of X-2, including Capt. Browne in the Alps, were disappointed. As

early as 24 June, Browne had reported to Lt. Col. Berding on the importance of the

MOUNT operation for postwar American intelligence:

> It is my belief that both the organization and the direction of American
> Intelligence agencies are inadequate for the successful operation of these networks
> as a serious effort to penetrate Russian occupied territory. However, I do not
> believe it will be in American interests to destroy, by handing it over to Russia,
> the net. In Romania, at least, it can function without assistance or direction from
> this side. My recommendation is that it be allowed to do just that. Key personnel
> now in our hands could be disposed of through the IC [Interrogation Center] at
> Freising, some allowance being made for the offer which they have made. The
> Central can be easily dismantled. Unless we are sure to eliminate forever all
> personnel involved thus far, a double-cross such as that contemplated in the plan
> to turn over all the information to the Russians would eventually become known,
> and would possibly result in the alienation of most of those well-placed political
> elements in Rumania and Hungary who are tied into this net, and who now seem
> so favorably disposed toward the United States. We would thus loose potential
> friends without realizing any gain commensurate with such a loss; for all that we

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[56]Anthony Cave Brown, *The Last Hero: Wild Bill Donovan* (New York: Times Books, 1982),
pp. 752-754. See also David E. Murphy, Sergei A. Kondrashev, and George Bailey,
*Battleground Berlin: CIA vs.KGB in the Cold War* (New Haven: Yale University Press, 1997),
pp. 4-6 and 456. For more recent work on the role of OSS in turning over Hoettl's network to the
Soviets, see Allen Weinstein and Alexander Vassiliev, *The Haunted Wood: Soviet Espionage in
America–The Stalin Era* (New York: Random House, 1999), pp. 247-248, and Bradley F. Smith,
*Sharing Secrets with Stalin: How the Allies Traded Intelligence, 1941-1945* (Lawrence:
University Press of Kansas, 1996). (U)

[57]Director to AMZON, 21 August 1945, OUT 20920, in WASH-OSS-R&C-3, RG 226, OSS
Records, Entry 90, Box 4, Folder 42, NARA. (U)

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could hope for by such a move would be gratitude and appreciation from a government which has heretofore never displayed much of either.[58] (U)

In September 1945, US Army officials concluded that "Hoettl has been of great assistance to Allied counterintelligence by debunking the myth of a [German] prepared plan to continue operations after defeat." The Army noted, however, that Hoettl is "a skilled opportunist and a firm believer in his own indispensability."[59] Following his interrogation at the Third US Army Interrogation Center, the Army planned to transfer Hoettl to Nuremberg as a witness for the International Military Tribunal and then turn him over to OSS. By the fall of 1945, Hoettl had provided American interrogators with a significant amount of information about German intelligence activities and personalities.[60] (U)

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[58]Browne to Chief, X-2, "MOUNT Operation," 24 June 1945, X-1339, in RG 226, OSS Records, Entry 210, Box 305, Folder 1, NARA. For information regarding the dispersal of the "Centrale," see X-2 Branch, OSS Mission to Germany, to SAINT, London, 18 July 1945, enclosing Browne to Chief, X-2, "MOUNT Operation," 12 July 1945, X-1301, in RG 226, OSS Records, Entry 210, Box 305, Folder 1, NARA. These documents were among the 400,000 pages of OSS material declassified by CIA in June 2000 and transferred to the National Archives. (U)

[59]Headquarters, Third US Army Interrogation Center (Provisional), "Hoettl, Wilhelm, Dr. SS Sturmbannfuehrer, AIC 984," 15 September 1945, in Record Group 338, European Theater of Operations and US Forces European Theater, Records of the Third US Army Interrogation Center, Box 69, NARA. (U)

[60]Some of the reports generated by Hoettl include Headquarters, Third US Army Interrogation Center, Interrogation Report No. 15, "The SD and the RSHA," 9 July 1945; Interrogation Report No. 16, "Amt VI of the RSHA," 13 July 1945; Interrogation Report No. 18, "The W/T Net of Gruppe VIE of the RSHA," 16 July 1945; Interrogation Report No. 36, "Japanese Intelligence Activities in Europe," 31 August 1945; Interrogation Report No. 38, "Plans of Amt VI for Postwar Activities in Spain," 9 September 1945. All of these interrogation reports are found in RG 338, ETOUSA/USFET, Third US Army Interrogation Center, Box 64, NARA. A critique of Interrogation Report No. 15 by OSS is found in SAINT, London to SAINT, Washington, "War Room Comment on the Hoettl Report," 6 February 1946, XX-10734, enclosing Counter Intelligence War Room, "War Room Comment on the Hoettl Report," [no date], P.F. 602.139, (U), in WASH-REG-INT-175, RG 226, OSS Records, Entry 109, Box 58, Folder 3, NARA. (U)

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Between 1945 and 1947, the Americans held Hoettl in Nuremberg and Dachau for further interrogations in support of Allied war crimes prosecutions. In his most memorable testimony, Hoettl recounted a meeting at his home in Budapest in August 1944 with SS-*Obersturmbannführer* Adolf Eichmann, the "Architect of the Final Solution." According to Hoettl, Eichmann, who was depressed about the German war effort, admitted that he would rank among the chief war criminals sought by the Allies for his role in the roundup and massacre of Europe's Jews. When asked by Hoettl how many Jews had perished, Eichmann stated that some six million had died, including four million in German concentration camps.[61] (U)

Following his return to Austria in late 1947, Hoettl remained active in intelligence circles in postwar Austria into the 1950s. The CIA, however, distrusted the former German SS officer since his first days in American hands. One Agency officer who had interrogated Hoettl considered him a "born intriguer and a dyed in the wool Austrian Nazi," who had "delivered a sufficient number of Nazi war criminals to the gallows, unbeknownst to his former associates, to afford us a strong hold over him."[62]

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[61]Hoettl's claim that the Nazis killed some six million Jews is regarded as the most authoritative source for the number of deaths during the Holocaust. See Whitney R. Harris, *Tyranny on Trial: The Evidence at Nuremberg* (Dallas: Southern Methodist University Press, 1954), pp. 313-314, and United States Chief of Counsel for Prosecution of Axis Criminality, *Nazi Conspiracy and Aggression*, Volume V (Washington, DC: Government Printing Office, 1946), pp. 380-382. (U)

[62]Quote appears in Chief, FBM, "SS Sturmbannfuhrer Dr. Wilhelm Hoettl," 12 June 1949, in Hoettl, CIA Name File, NARA. According to one source in Austria, Hoettl was hated by at least one former comrade because Hoettl had betrayed the Nazi cause at Nuremberg. Adolf Eichmann, for example, reportedly vowed to kill Hoettl. Likewise, former SS officers felt that Hoettl had "willfully invented the number of 6 million Nazi-killed Jews, and thereby having

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Nonetheless, the Agency refused to have anything to do with Hoettl, although it spent considerable time and resources to track his activities and contacts.[63] Hoettl continued to surface in the news and, in 1961, Hungary demanded his extradition as an accomplice of Adolf Eichmann's.[64] (U)

Hoettl died at his home in Austria in 1999, by which point he had reconstructed himself as a leading authority on the SS.[65] (U)

## ROBOT (U)

Josef Mueller, nicknamed "Ochsenseppi," (Joe the Ox) was one of OSS's earliest contacts in Munich as an SI source and an agent for X-2.[66] Born in 1898 in Bavaria,

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bought World Jewry protection." Former Nazis also regarded Hoettl as an agent of the Americans and the Israelis who had stolen hidden SD gold and assets in Austria. (U)

[63]CIA's extensive file on Hoettl is replete with reports about his postwar activities. Although the Army's CIC used Hoettl from 1948 until 1949, CIA regarded him as a "notorious fabricator" of intelligence. By the early 1950s, Hoettl had formed his own intelligence organization, and he may have been in contact with other intelligence services, including the West Germans and possibly the Israelis. In 1953, the US Army arrested Hoettl on the suspicion of spying for the Soviets in the Curt Ponger, Otto Verber, and Walter Lauber espionage case. For further details about this forgotten Cold War incident, see George Carpozi, Jr., *Red Spies in Washington* (New York: Trident Press, 1968), pp. 30-59. (U)

[64]Ironically, a Hungarian interrogator questioned Hoettl at Dachau in 1947 about looting of a Jewish residence in Hungary in 1944. See "Interrogation of Dr. Hoetl [sic], W.C. at Camp Dachau," 12 March 1947, in RG 260, Records of the Office of Military Government for Germany, Restitution Research Records, Box 484, NARA. (U)

[65]An extensive amount of declassified information regarding Hoettl is found in his CIA Name File transferred to the National Archives on 27 April 2001. For Hoettl's writings, see Wilhelm Hoettl as told to Ladislas Farago, "I Was Hitler's Master Spy," *Argosy*, November 1953, pp. 18-19. See also Hoettl, *The Secret Front: The Story of Nazi Political Espionage*. Trans. by R.H. Stevens (London: Weidenfeld-Nicolson, 1954); Hoettl, *Hitler's Paper Weapon* (London: R.

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Mueller served in World War I and later attended the University of Munich. He settled in

the city as a lawyer and became active in the *Bayerische Volkspartei*, or Bavarian Peoples

Party, a wing of the Catholic Center Party, witnessing at firsthand the rise of the Nazis.

Mueller represented Catholic interests in Bavaria and provided information to Catholic

leaders, thus earning the enmity of the Nazis.[67] (S)

Mueller's wartime saga illustrated the tangled and furtive efforts of the resistance

to Hitler from within the German military establishment. German armed forces

intelligence–the *Abwehr*–was a center of this small resistance movement. *Abwehr* leaders

early on recognized the usefulness of Mueller's links to high Church circles, which

included Father Robert Lieber, a Jesuit aide to Cardinal Eugenio Pacelli (who became

Pope Pius XII in 1939), and Monsignor Ludwig Kaas, formerly the head of the Center

Party in Germany and in exile in Rome.[68] In 1939, *Oberst* Hans Oster, chief of the

*Abwehr's* Central Office, commissioned Mueller as an *Abwehr* lieutenant with the

clandestine mission of acting as a conduit between the military's resistance to Hitler and

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Hart-Davis, 1955); and Hoettl, *Einsatz fur das Reich* (Koblenz: Verlag Siegfried Bublies, 1997)
(U)

[66]Mueller's file contains an extensive amount of information regarding his postwar intelligence
service. See Josef Mueller, ⊏          ⊐ , DO Records. (S)

[67]For a general description of Mueller's activities, see David Alvarez and Robert A. Graham,
*Nothing Sacred: Nazi Espionage Against the Vatican, 1939-1945* (London: Frank Cass
Publishers, 1997). See also John H. Waller, *The Unseen War in Europe: Espionage and
Conspiracy in the Second World War* (New York: Random House, 1996). (U)

[68]The general account of Mueller's role as the contact between the German resistance and the
Vatican is found in Alvaraz and Graham, *Nothing Sacred*, pp. 23-33 and Waller, *The Unseen
War in Europe*, pp. 95-103, 114-128, 306-324, and 392-393. For Mueller's interrogation by CIC,
see SAINT, London to AB/17, AMZON, "Josef Mueller," 24 October 1945, X-4116, (S),
enclosing Col. Earle N. Nichols, Assistant G-2, Allied Force Headquarters to SHAEF (Rear) CI

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the Vatican. Between 1939 and 1943, Mueller estimated that he traveled to Rome at least 150 times from his post in Munich. German intelligence agencies ran across various leads to Mueller's clandestine role, but Adm. Wilhelm Canaris, the head of the *Abwehr*, was able to divert the SD from arresting Mueller.[69] (U)

In April 1943, the Gestapo finally arrested Mueller and searched his home in Munich, uncovering substantial evidence of Mueller's anti-Nazi activities. But, once again, Mueller's luck held out. He was acquitted of high treason, and spent the remainder of the war at various concentration camps, including Buchenwald, Flossenberg, and Dachau. (U)

In the final days of the war, the Gestapo transferred Mueller and other political prisoners to Austria and then to northern Italy, where American forces liberated him in early May 1945. The Americans, in turn, took Mueller to the island of Capri where CIC first interrogated the German lawyer. After that point, Joe B. Cox, the CIC special agent handling Mueller, accompanied him to Rome where he was reunited with Father Lieber and his other Vatican acquaintances. Special Agent Cox completed his report on Mueller in mid-June.[70] (S)

Mueller, in the meantime, returned to Germany via military air transport. OSS quickly recognized that Mueller could be a valuable source of information about German

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War Room, "Mueller Josef," 17 June 1945, GBI-389.701.Pf/1710, (S), in Mueller, ⊏
⊐ DO Records (hereafter cited as Mueller CIC Interrogation). (S)
[69] Alvarez and Graham, *Nothing Sacred*, pp. 23-33. (U)
[70] Mueller CIC Interrogation. (S)

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resistance efforts against Hitler as well as political developments in occupied Bavaria.[71]

Henry Hecksher, an officer with the Third Army's Interrogation Center, who later served

with SSU and CIA, interrogated Mueller concerning the fate of Admiral Canaris and

other members of the German resistance.[72] "From a brief conversation with Mueller,"

Hecksher wrote in 1949, "I carried away the impression of an unusually forceful, shrewd,

and informed man, who even at the time of total internal collapse and national paralysis

was laying his plans, with deliberation and diplomatic skill, for a political career." Like

most American intelligence officers, Hecksher "was particularly impressed by the range

of Mueller's political contacts inside Germany and the Vatican. This, coupled with a

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[71]Mueller was first reported by SCI Munich as a possible penetration agent in X-2 Branch, OSS Mission to Germany to SAINT, "Semi-Monthly Operation Report, SCI Munich," LMX-010-815, (S), enclosing SCI Detachment, Munich to Commanding Officer, OSS/X-2 Germany, "Semi-Monthly Operation Report SCI Munich," 15 August 1945, in DO Records, ⊏　　⊐, Box 3, Folder 21, CIA ARC. Starting in 1944, OSS developed a file of known anti-Nazis living in Munich, including Cardinal von Faulhaber. Mueller, however, does not appear in this file. See "Munich Biographical Record Sheets," in 7th Army-SSS-OP-1 in RG 226, OSS Records, Entry 158, Box 4, Folder 58, NARA. (S)

[72]Hecksher was born in 1910 in Hamburg, Germany, and came to the United States in 1939 after attending the universities of Berlin and Hamburg. He entered the US Army in 1941 and served as an instructor at the Military Intelligence Service school at Camp Ritchie, Maryland, when he transferred overseas in 1944. Fluent in German, French, and Russian, Hecksher specialized in the interrogation of German officials. He transferred to SSU as a first lieutenant in December 1945 and became a civilian employee in May 1946. Hecksher served in Heidelberg as the chief of the German Mission's SC Branch during 1946-47 and later in Berlin. He did not depart from Germany until 1954 at which time, Hecksher partook in the planning for Operation ⊏　　　　　　　⊐ . Until his retirement from CIA in 1971 ⊏

⊐ . Hecksher died in New Jersey in March 1990. Personnel file, Henry D. Heckshei ⊏　　　　　　　　　　　⊐

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seemingly untarnished personal and political record, induced me to prevail on the Munich Detachment of SCI to recruit Mueller."[73] (S)

Boleslav A. Holtsman served as Mueller's case officer and, according to Hecksher, Holtsman "succeeded in establishing an unusually close understanding with Mueller, based upon mutual respect and the former's rare understanding of what in Bavaria goes by the name of politics."[74] In submitting Mueller's biographical information for vetting as an agent of SCI Munich, Holtsman noted in August 1945 that he was "being approached for advice by all political factions and by many individuals. He has numerous friends and acquaintances."[75] (S)

Holtsman also queried whether Mueller should "be considered subject to our 'automatic arrest' policy? For in spite of the fact that he was our agent and informant during the war with Germany, he was also a member of *Abwehr*." Holtsman admitted that "this might sound very naïve at first glance, but our 'automatic arrest' policy does not allow for any flexibility."[76] (S)

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[73]Hecksher to Chief, Foreign Branch M, "Conversation with Dr. Josef Mueller on 31 January 1949," 19 February 1949, MGB-A-3322, (S), in Mueller, ⊏          ⊐, DO Records. (S)
[74]Ibid. (S)
[75]B.A. Holtsman to Commanding Officer, X-2, Germany, "Dr. Josef Mueller," 31 August 1945, X 2874, (S), in Mueller, ⊏          ⊐ , DO Records. (S)
[76]B.A. Holtsman to Commanding Officer, X-2, Germany, "Dr. Josef Mueller," 31 August 1945, X 2874, (S), in Mueller, ⊏          ⊐ , DO Records. In fact, SSU came under criticism from the Office of Military Government in February 1946 because Mueller, "an ex-*Abwehr* character, was not only still at large, but was in an influential position with the Christian Socialist Party." See AB/11 to AB/02, Internal Route Slip, "Dr. Josef Mueller," 7 February 1946, L-003-207, (S), and SSU's response, Lenington to Capt. George Schriever, "Dr. Josef Mueller," 11 February 1946, LX-003-211, (S), in Mueller, ⊏          ⊐ , DO Records. (S)

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By mid-September, Holtsman submitted eleven reports written or collected by Mueller, including information on Communism Party activities and on the formation of the Christian Social Union (CSU) in Bavaria.[77] He was a rising star in the early political scene in southern Germany, and he was as much a source for SI as he was for X-2.[78] (S)

Despite Mueller's usefulness in assessing nascent German political developments, American intelligence had lingering doubts about his credibility. London Station in October 1945 asked directly "Why wasn't Mueller executed? Everyone else taking part in the July 20 conspiracy was and Mueller, while admittedly having good connections, wasn't any more important or presumably better protected than Oster, Canaris, and various others." The obvious question remained – "Was he just plain lucky or did he at one time or another talk?"[79] (S)

After an initial assessment of Mueller's case, London determined that "it seems very likely that Mueller, having primarily served the Vatican both before and during the War, will continue to do so after it. This might," SSU added, "not preclude his usefulness to us but it would certainly seem to limit it."[80] SSU's uncertainty about

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[77]Holtsman to Commanding Officer, X-2, Germany, "Information Collected by Dr. Josef Mueller," 11 September 1945, X 3223, (S), in Mueller, ⊏　　　⊐ , DO Records. (S)

[78]Examples of Mueller's political reporting during this period include SSU Intelligence Disseminations, "Information Concerning Dr. Josef Mueller of the Bavarian Christian Social Union," 3 October 1945, A-62357; "Christian Social Union in Bavaria," 10 October 1945, A-61798; "Stegerwald Program for Germany," 10 October 1945 (date of distribution), A-61798a; ""Future Plans for the Bavarian Christian Social Union (BCSU)," 10 December 1945, A-64163; and "Josef Mueller and the BCSU," 20 February 1946, A-65375, (S), in Mueller, ⊏　 - ⊐ DO Records. (S)

[79]24 October 1945 cover memorandum to Mueller CIC Interrogation. (S)

[80]Ibid. (S)

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Mueller was never fully resolved, but X-2 in Munich moved ahead with its plans to use

Mueller as a penetration agent.[81]  After receiving permission to do so in September,

Mueller was given the codename of ROBOT.[82] (S)

Mueller had already embarked on projects for X-2 that kept him busy in the fall of

1945.  He identified the members of O-VII (or Organization VII) in the former German

Army Wehrkreis (Military District) VII.  This shadowy anti-Nazi group drew its members

from two Bavarian resistance formations, the *Freiheits Aktion Bayern* (FAB) and the

*Bayerische Freiheits Bewegung* (BFB), which sought to denounce former Nazis in

positions of power in Bavaria.[83]  He also provided Holtsman with information about the

Austrian resistance movement that had sprung up just before the Nazi collapse.[84]  In

addition to his work with SSU, Mueller also assisted the War Crimes Commission in

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[81]In late December 1945, Lt. Lenington discussed the Mueller case with Holtsman and raised London's concerns about how the German survived the spate of executions during 1944-45. As far as could be ascertained from traces made in Rome, "at this stage of the vetting Mueller's story has been fairly well corroborated from outside checks." See AB-17 [identity unknown] to Holtsman, "Summary of Preliminary Vetting of Dr. Josef Mueller," 31 December 1945, LX-003-1231, (S), in Mueller, [⎯⎯⎯⎯⎯⎯] , DO Records. (S)

[82]SCI Detachment, Munich to Commanding Officer, OSS/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 30 September 1945, G-TSX-3747, (S), in DO Records, [⎯⎯⎯⎯⎯⎯] Box 3, Folder 21, CIA ARC.  ROBOT first appears as an active case in German Mission's reporting in OSS/X-2 Germany, "Progress Report on X-2 Penetration Cases Run in the American Occupied Zone in Germany, September 1945," 1 October 1945, LWX-010-10, (S), in DO Records, [⎯⎯⎯⎯⎯⎯] Box 1, Folder 14, CIA ARC. (S)

[83]SCI Detachment, Munich to Commanding Officer, OSS/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 30 September 1945, G-TSX-3747, (S), in DO Records, [⎯⎯⎯⎯⎯⎯] Box 3, Folder 21, CIA ARC. (S)

[84]SAINT, AMZON to SAINT, Washington, "Few Details on Munich Contact with Austrian Resistance Movement," 29 November 1945, LSX-002-1129, enclosing Holtsman to Commanding Officer, X-2/Germany, "Few Details on Munich Contact with the Austrian Resistance Movement," 21 November 1945, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 276, (no folder listed), NARA. (U)

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Nuremberg. Maj. Gen. William J. Donovan, the former director of OSS and briefly a

member on the American team for the International Military Tribunal, wanted Mueller to

gather information on German resistance to Hitler.[85] Donovan was particularly interested

in the Church's role in opposing Hitler, which allowed Mueller to draw upon his clerical

contacts.[86] (U)

SI's contact with Mueller ended when its Munich post closed in March 1946.[87]

In a report written in 1947, ⊏ ⊐ , formerly an SI officer in Munich,

recalled that he and other members of SI/Munich would meet every week or so at

Mueller's house. The meetings, more like open gatherings with other guests, such as

members of the clergy and CSU party members, were informal, the Americans would

bring "a jar of Nescafe, as we would have done on any social visit to Germans." ⊏ ⊐

stated that Mueller "never produced written intelligence for us and we never considered

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[85]Mueller provided a lengthy affidavit in Munich on 16 January 1946 about his knowledge of the fate of Adm. Wilhelm Canaris, the head of the *Abwehr*, who was executed by the Nazis just before the war's end. See Col. Edward M. Finkel, Headquarters, Third US Army, G-2, to Commanding General, Headquarters Command, International Military Tribunal, "Admiral Wilhelm Canaris," 14 February 1946, in RG 338, ETOUSA/USFET Records, HTUSAIC, Box 66, (no folder listed), NARA. (U)

[86]Lt. Sidney H. Lenington, Deputy Chief, SSU/X-2, Germany to SAINT, Washington, "Semi-Monthly Reports," 12 December 1945, LMX-005-1130, enclosing Timm to Commanding Officer, SSU/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 31 October 1945, LMX-005-1130, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 275, (no folder listed), NARA. (U)

[87] ⊏ ⊐ , Chief of Base, Berlin, to Chief of Station, Heidelberg, "Josef Mueller," 25 November 1947, MGB-A-883, (S), in Mueller, ⊏ ⊐, DO Records. Gordon Stewart, then Chief of the German Mission, forwarded ⊏ ⊐ comments to Munich. See Stewart, COS, Heidelberg, to Chief, Munich Operations Base, "Josef Mueller," 4 December 1947, MGH-A-2268, (S), in Mueller, ⊏ ⊐ , DO Records. (S)

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him an agent. His statements," ⊏ ⊐ observed, "were always taken as political utterances, rather than as actual information." (S)

Bill Holtsman, X-2's lone representative in Munich, continued for a time to draw upon Mueller's connections to expand his coverage of the counterintelligence scene.[88] Among his many acquaintances, Mueller introduced Munich X-2 to a senior *Abwehr* officer who became a leading SCI asset. At least one of Mueller's contacts, however, evoked a strong degree of antipathy from SSU. Holtsman informed his superiors in November 1945 that Mueller had learned the whereabouts of Erich Heidschuh, an SS officer who had evaded American efforts to track him in Munich. Holtsman reported that "Heidschuh believed well informed mass murder [in] Poland, *Abwehr* activity in [the] East and in France." According to Mueller, he could establish "friendly relations" with Heidschuh, who was "reported as type to whom intelligence work appeals and is anxious to work with West." Sidney Lenington at the German Mission headquarters responded that "it would seem inadvisable to establish relations with Heidschuh" and that "it is our suggestion that Heidschuh be not used and that, in light of his former activities, his case be brought to the attention of CIC."[89] (S)

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[88]For example, Holtsman submitted several reports by Mueller on individuals of CI interest in late 1945. See SCI/Munich, "Herbert M. Ritter," 26 December 1945, (S); "Sokol, Originally of AST/Wien," 26 December 1945, (S); "Professor Euler," 26 December 1945, (S); "Dr. Ritzinger (Democratic Royal Party of Bavaria)," 24 December 1945, (S); and "Baron Vladimir Kaulbars," 26 December 1945, (S), in Mueller, ⊏ ⊐ , DO Records. (S)

[89]AB-43 [Holtsman] to AB-2 [identity not known], 12 November 1945, NR-143, (S), and AB-24 [Lenington] to AB-43 [Holtsman], "Eric Heidschuh," 14 November 1945, (S), in Mueller, ⊏ ⊐, DO Records. (S)

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X-2's relations with Mueller dwindled after 1946 for several reasons. His stature in the CSU grew controversial when he ran afoul of both American Military Government officials and the rightwing faction of his party. Mueller's contact with the French and the Soviets raised new concerns about his political allegiances as he continued his rise in Bavarian political circles.[90] In addition, [ ] reported in 1947 that, while Mueller was "very friendly with [ ] in 1946, ROBOT subsequently began to exploit the friendship to assist some of his CSU friends in denazification and other matters. The services he required," [ ] wrote, "and the small returns received prompted [ ] to break contact. On a different basis of association, ROBOT is still potentially useful, since he is a shrewd and energetic politician with a good knowledge of behind-the-scenes activities."[91] (S)

Mueller's significance to American intelligence can be measured in the leads that he provided. Although CIA continued to meet with Mueller periodically and reported on his activities until the late 1950s, contact with and interest in the German lawyer-spy-politician never took on the same scale as it did during the first year after VE-Day.[92] Mueller continued to play a leading role in early West German political developments.

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[90]For example, see Arthur Report No. A-3, "Discussions of Dr. (Josef) Mueller with the Russians in Berlin," 2 November 1946, MGH-106, (S); Peter Report No. 75, "Jos. Mueller in Karlshorst," 18 October 1946, MGB-75, (S); SC AMZON to . [ ]l, "Dr. Josef Mueller," 2 December 1946, MGH-003-1202, (S); and External Survey Detachment 11 Intelligence Report, "Josef Mueller's Recent Contacts with Karlshorst," 18 December 1946, MGH-112, (S), in Mueller, [ ] , DO Records. (S)

[91]"SC Munich Present and Discontinued Contacts." (S)

[92]Munich Base's contact reports with Mueller in the late 1950s are located in Mueller, [ ] DO Records. (S)

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He served as deputy minister president and minister of justice in the Bavarian Government from 1947 to 1950 and then joined the Federal government as minister of justice until 1952. He remained a visible figure in CSU circles until his death in September 1979. (S)

## GAMBIT (U)

Hildegarde Beetz offered X-2 in Munich a unique perspective into the machinations of the RSHA. Beetz, who came to the attention of American intelligence through Wilhelm Hoettl, had been close to Count Galeazzo Ciano di Cortellazzo, the son-in-law of Italian dictator Benito Mussolini. Ciano had served as Italy's foreign minister until 1943 when he was arrested for betraying the Italian Fascist cause. (This led to his execution the following year.) Born in 1919 near Weimar, Beetz joined the SD in 1939 as a clerk after receiving language training. Two years later, she transferred to Rome, where she briefly worked for Guido Zimmer as a translator. She worked later in Amt VI of the RSHA under Herbert Kappler, the SD's representative in Rome. (U)

With the Italian surrender in September 1943, Beetz, along with other German female personnel, was evacuated from Rome. After her posting to Berlin, Hoettl, the head of Amt VI's office dealing with Italy, assigned Beetz to be Count Ciano's secretary and translator while he was held as a prisoner in Germany and later in Italy. The SD wanted her to obtain Ciano's diary with his annotations about Italian peace negotiations

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and secret meetings. She accomplished her task and, at the end of the war, buried the

diary in the garden of her parents' home in Weimar. In the early summer of 1945,

American intelligence officers subsequently recovered the diaries, dubbing them the

"Rose Garden" papers.[93] (S)

  After recovering the Ciano diaries, the Army interrogated Beetz about the German

wartime intelligence organization, activities, and personnel in Italy.[94] As early as June

1945, OSS realized that it could employ Beetz to keep track of Hoettl. Lt. Col. Berding,

X-2's chief in Germany, noted that "as the former secretary and confidant of Dr. Hoettl,

she [Beetz] can be expected to find out from Hoettl what he considers to be the purpose

of his present collaboration with us, and what his plans are for the future of Germany and

of himself."[95] She provided "partial confirmation of the suspicion that Dr. Hoettl had

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[93]Details of the recovery of the Beetz's "Rose Garden" papers is described in Smyth, *Secrets of the Fascist Era*, pp. 73-78 and in Smyth, "Italian Civil and Military Records on Microfilm," in Wolfe, ed., *Captured German and Related Records*, pp. 176-179. See also Berding to Chief, CIB, G-2, Twelfth Army Group, "Hildegard Beetz, nee Burkhardt, SD Executive and Agent," 18 June 1945, XARX-3305, (S), in Hildegard Purwin, ⊏  ⊐ DO Records. (S)

[94]Maj. Edmund L. King, Third Army Intelligence Center, "The SD (Amt VI, RSHA) in Italy," 4 August 1945, (S), in DO Records, ⊏ ⊐ ., Box 1, Folder 6, CIA ARC. See also Berding to Chief, CIB, G-2, USFET, "Special Interrogation Report, Frau Hildegard Beetz," 9 July 1945, (S); USFET Interrogation Center, Capt. Harry K. Lennon, Preliminary Interrogation Report, "Beetz, Hildegard, nee Burkhardt;" 19 July 1945, (S), and Capt. C.M. Hopkins, X-2/Germany, to SAINT, Caserta, "Letter of Transmittal," 8 October 1945, (S), all documents in Purwin, ⊏ ⊐ DO Records. (S)

[95]Berding to SCI, Third Army, "Exploitation of Frau Hildegard Beetz," 6 July 1945, (S), and SAINT, AMZON to SAINT, Rome, "Vetting of Hildegard Beetz," 12 October 1945, (S), both in Beetz, File 201-0104258. Interrogation of Beetz by OSS on her relationship with Hoettl is found in SAINT BB090 to SAINT BB008, "Frau Hildegard Beetz," 24 July 1945, XX 8353, (S), enclosing Berding to Chief, CIB, G-2, USFET, "Special Interrogation Report, Frau Hildegard Beetz," 9 July 1945, (S), in DO Records, ⊏ ⊐ Box 3, Folder 35, CIA ARC. (S)

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offered the services of his Southeastern Europe intelligence network to the Americans to further his own political ambitions in Austria."[96] (S)

By August, OSS had decided to use Beetz as a "Penetration Agent" in Munich and gave her the codename of GAMBIT. Special Agent Albert M. Grant, a member of X-2/Munich, proposed that "Frau Beetz secure employment as a secretary through the *Arbeits Buro* in Munich. She will then pick up former social contacts in the area which have a former [Nazi] Party affiliation." In addition, Beetz will "join the Roman Catholic Church. She feels that the Church will very possibly be the 'cover' used in any future operations of the GIS. By cultivating contacts within the Church she will be in a position to be immediately informed of any subversive action." Grant felt that Beetz could be controlled because she fell into the "automatic arrest" category as a member of the SD and because the Americans still held her husband as a prisoner.[97] Beetz claimed to have been an "unwilling member" of the Nazi party and said she had stopped paying her Party dues while in Rome.[98] (S)

Beetz soon found work with a small translating firm in Munich. The owner, formerly a diehard Nazi and now converted to communism, published tracts urging Germans to "engage yourselves with the ideals of Socialism." In December, Holtsman

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[96]Lt. Edward R. Weismiller to SAINT, Washington, "Semi-Monthly Operation Report, SCI Munich," 3 August 1945, LWX-62, enclosing Timm to OSS/X-2, Germany, and G-2, CIB, Third Army, "Semi-Monthly Operation Report, SCI Munich," 1 August 1945, in WASH-REG-INT-163, OSS Records, RG 226, Entry 108A, Box 287, (no folder listed), NARA. (U)
[97]Special Agent Albert M. Grant to Chief, X-2/Germany, "Frau Hildegard Beetz," 11 August 1945, X-2273, (S), in Purwin, ⊏          ⊐, DO Records. (S)

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admitted that "GAMBIT's present activity has been very limited because of the limited

contact she is able to make." SCI Munich even contemplated setting up a joint operation

with CIC to more effectively employ Beetz.[99] (U)

By early 1946, it was clear that Beetz was underutilized in Munich. At the behest

of Dana Durand, Beetz departed Munich in April for Berlin to embark on a secret project

in the divided city. Henry D. Hecksher of X-2/Berlin arranged with Lawrence E. de

Neufville, a former civilian OSS employee now posted with the Military Government, to

have Beetz employed as a confidential agent in the Economics Division of the Office of

Military Government to ascertain whether the Soviets had penetrated the American

command.[100] SSU falsified Beetz's denazification papers and gave her a new identity as

Hildegard Blum in order to facilitate her new employment. Hecksher, who had first met

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[98]SAINT, AMZON to SAINT, Rome, "Vetting of Heldegard Beetz," 12 October 1945, X1836, (S), in Purwin, ⊏　　　⊐, DO Records. (S)

[99]Lenington to SAINT, Washington, "Semi-Monthly Reports, SCI/Munich," 12 December 1945, LMX-005-1130, enclosing Timm to OSS/X-2, Germany, and G-2, CIB, Third Army, "Semi-Monthly Operation Report, SCI Munich," 31 October 1945; Holtsman to SSU/X-2, Germany and G-2, CIB, Third Army, "Semi-Monthly Operations Report SCI Munich," 15 November 1945; and Holtsman to SSU/X-2, Germany and G-2, CIB, Third Army, "Semi-Monthly Operations Report," 30 November 1945, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 275, (no folder listed), NARA. (U)

[100]Born in London, England, in 1913, de Neufville immigrated to the United States in 1933 and became a citizen seven years later. Educated at Oxford and at Harvard University, de Neufville was a journalist and magazine editor before the war. He joined OSS as a civilian in 1944 and served in Morale Operations and X-2. De Neufville was one of the first two members of X-2 to enter Berlin when the American forces moved into the German capital in July 1945. He resigned from SSU in December of that year to accept a position with the Military Government in Berlin. ⊏

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Beetz when OSS put her in touch with Hoettl, felt that "she is probably one of those extremely rare Germans who understand and are sympathetic to Democracy."[101] (S)

As X-2's planning progressed in using Beetz to attract Soviet agents, Richard W. Cutler in Berlin provided Hecksher with additional details about Beetz, now known as GAMBIT, and her proposed role in what was now described as Project SITTING DUCK:

> As an aid to current and prospective double agent operations against Soviet Intelligence Stations lying outside Berlin it is proposed to place Frau Beetz in OMGUS as a secretary in the near future. As is now well known, one of the principal targets of the Soviet Intelligence System is the penetration of important American offices at OMGUS. In the process of doubling back Soviet agents dispatched on such a mission, it almost inevitably becomes necessary to use a cutout, someone actually employed inside the Soviet target-office, in order to give the Soviet controlling officers the illusion that their agent has in fact contacted a well-placed source of information. Such a decoy or 'sitting duck' placed inside the Soviet target would be subject to our complete control and, by giving the Soviets increasing confidence in the success of their operation, enable our penetration of their service to achieve greater results. (S)
>
> In the past friendly and secure American officers have sometimes cooperated with us as 'sitting ducks,' but the Soviets do not, for understandable reasons, appear to trust such a contact of their agent as much as a well-placed German secretary. It is therefore deemed imperative to have at least one, but preferably two or three, German decoys inside the target. Newly discovered Soviet agents can then be directed – probably unconsciously – to the decoy for neutralization, and doubled

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[101] A discussion of Beetz's role in Berlin is found in AB-16 [Richard W. Cutler] and AB-51 [Henry D. Hecksher] to AB-24 [Sidney H. Lenington], "Project for GAMBIT," SCI-B-174, LTX-TS-160, (S). For approval of this project, see AB-16 to AB-24, "GAMBIT Project," 25 May 1946, LBX-TS-324, enclosing Col. H.G. Sheen, Chief, Counter Intelligence Section, Office of the Director of Intelligence, to Brig. Gen. Draper, Director, Economics Division, OMGUS, "Counter Espionage," 21 May 1946, (S), in Purwin, ⊏ ⊐, DO Records. Further discussion of Beetz's trustworthiness is found in Wilma Taber, X-2 Vetting Officer, to Sidney Lenington, Acting Chief, X-2, "Vetting of Hildegard Beetz," 13 May 1946, LWX-TS-158, (S), and SAINT, AMZON, to SAINT, Washington, "Hilde Beetz," 1 July 1946, LWX-531, enclosing AB-16 to AB-17 [identity unknown], "GAMBIT's Lebenslauf and Analysis by AB-16," 5 June 1946, LBX-347, (S), in Purwin, ⊏ ⊐ DO Records. (S)

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agents already under our control can use the sitting duck as camouflaging support for their delicate double role.[102] (S)

Project SITTING DUCK soon proved lame. By November 1946, five months after Beetz accepted her job at the Economics Division, Hecksher was forced to declare the project a failure.[103] Hecksher, however, planned to use another SSU double agent, known as FORD, to entice MVD's Capt. Skurin's interest in the German secretary. The Americans hoped that Skurin would seek out Beetz at OMGUS and try to recruit her. In turn, SSU wanted to draw him out of the Soviet sector and, with Beetz's help, encourage him to defect. Skurin refused to take the bait, despite meeting with Beetz in the French sector.[104] (S)

Beetz, now redubbed CAMISE, continued to work for the new CIA, and she was placed in the office of Arno Scholz, the publisher and editor in chief of *Der Telegraf*, the British licensed, pro-Social Democratic newspaper in Berlin. Through Beetz, the CIA monitored Scholz's activities, gathered information from him on his social and political

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[102]AB-16 to AB-51, "Project Proposal for CIB: GAMBIT," 13 July 1946, LBX-435, (S), in Purwin, ⊏            ⊐ , DO Records. See also AB-16 to AB-24, "Further Details of GAMBIT Project," 29 May 1946, LBX-332, (S), enclosing Hecksher, "Aide Memoire;" and Hecksher to Capt. Everett O'Neal, "Project "Sitting Duck," 16 July 1946, LWX-TS-306, (S), both in Purwin, ⊏            ⊐ ·, DO Records. (S)

[103]Beetz quickly became a highly-regarded employee at OMGUS and attracted the attention of American officers, one of whom wanted to employ her as a tutor for his children. See SAINT, AMZON to SAINT, Washington, "Transmittal of Report," 12 August 1946, LWX-TS-383, FSRO-240, (S), enclosing "Status of Berlin Operations Report: 1-31 July 46," 5 August 1946, (S), in DO Records, ⊏           ⊐ , Box 386, Folder 1, CIA ARC. (S)

[104]AB-52, "GAMBIT Project," 25 November 1946, BSC/Ops/002, MGB-746, FSRO-1172, (S), in Purwin, ⊏            ⊐, DO Records. For more details, see Murphy et al, *Battleground Berlin*, pp. 408-410 and 504. (S)

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connections, and subsidized the distribution of his paper in the Soviet zone.[105]

Operational use of Beetz petered out after 1950, when she become the head of the local *Telegraf* bureau in Frankfurt am Main. She soon remarried, this time to Karl Heinz Purwin, a West German trade unionist and editor of *Welt der Arbeit*. The Agency, in fact, briefly considered using Beetz to penetrate the Social Democratic party through her husband's connections. Over the next two decades, Beetz (now known by her married name of Purwin) became a respected West German journalist and editor of the *Neue Rhein-Ruhr Zeitung* in Essen. She was considered a friend of West German chancellor Willi Brandt, and the government presented her with an award for her work in journalism. (S)

The Agency periodically considered reactivating her as a source, but these proposals were always dismissed. In 1961, for example, the German Station raised the idea of using Beetz as an informant on the local political scene and as a way to plant articles in West German newspapers. When the proposal reached the Counterintelligence Staff for operational approval, it was quickly squelched. The CI Staff felt that Beetz was too knowledgeable about the CIA's operations in Germany and could identify too many

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[105]Upon further investigation by the CIA, the Agency determined that Scholz had mismanaged his covert subsidies. The Agency also concluded that Scholz gave false information between 1952 and 1954; CIA terminated its relationship with him in early 1955. For information on Scholz, ⊏ ⊐l Arno Scholz, ⊏ ⊐ DO Records. (S)

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officers. Likewise, the CI Staff regarded Beetz as "politically confused" and in contact

with other intelligence services.[106] (S)

Two more proposals for using Beetz emerged and sunk in subsequent years.

Thomas Polgar ⌐                              ⌐, met Beetz, his former agent, in

1979. Polgar, one of the original X-2 officers in Berlin, had known Beetz almost from

the beginning of her association with American intelligence. After talking with her on

several occasions, Polgar reported to Washington that he felt that Beetz had fine contacts

in Bonn and that she was a "living encycloepedia of political and personality

information." (S)

In 1982, the CIA once again examined Beetz's case; this time in relation to private

records and diaries that she asked to be returned. Headquarters claimed that all of her

papers had long ago been given back and that the diary had been missing since 1945. The

German Desk, in addition, reached the conclusion that her performance as an agent had

been mediocre and that her forte had actually been "the ease with which she handled case

officers for her own benefit. We earnestly hope you will not request permission to initiate

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106 ⌐            ⌐, Chief, CI/OA, to Chief, EE/Germany, "CAMISE," 19 April 1961, (S), in
Purwin, ⌐            ⌐, DO Records. In 1982, Headquarters provided ⌐            ⌐
with a summary written by Hecksher in 1949 about Beetz's work with CIA. "CAMISE is
probably better acquainted with the history of our organization and its personnel than any other
agent this base has ever run. This is in part due to an unfortunate occurrence that took place, I
believe, in 1945. At that time CAMISE requested that her private papers be returned to her.
Instead, however, of merely receiving those papers she was given the complete operational file
on a (very high level double agent operation) which she studied with bated attention and then
returned. After she had been turned over to BOB [Berlin Operations Base] for further handling,
CAMISE's case officer became deeply infatuated with her, and we assume that the drop in
security consciousness which is customary byproduct of infatuation helped to increase her

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a relationship with CAMISE unless you are convinced that she has something unique to offer, something that she and she alone can provide."[107] (S)

While the CIA's interest in Beetz ceased 20 years ago, an Italian magazine located her in 1996 in an unnamed town and interviewed her about her experiences with Count Ciano. The magazine, however, left Beetz in peace and did not provide any further biographical details beyond stating her new assumed name.[108] (U)

## MALT (U)

The rounding up and interrogation of members of the defeated German military intelligence services and the collection of their records absorbed a great deal of X-2's time in the summer and fall of 1945.[109] In addition to the MOUNT case, SCI/Munich had already organized two projects in June 1945 that utilized Nazi intelligence and communications personnel. X-2 arrested *Oberstleutnant* Fechner, the head of the *Abwehr's Leitstelle II*, and his adjutant, *Hauptmann* Novak, as well as another officer in

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knowledge of our organization." See Cable, Director to ⊏ ⊐12 April 1982, Director 196337, (S), in Purwin, ⊏ ⊐ , DO Records. (S)

[107]See Cable, Director to⊏ ⊐, 12 April 1982, Director 196337, (S), in Purwin, ⊏ ⊐, DO Records. See also Cable, Director to⊏ ⊐27 January 1982, Director 128021, (S), in Purwin, ⊏ ⊐, DO Records. (S)

[108]Moseley, *Mussolini's Shadow*, p. 264. (U)

[109]As an example, see Capt. Thomas F. Purner, Jr., Deputy Chief, X-2/Germany, to Capt. Timm, SCI Liaison Officer, Third Army, Munich, "Records Found at Castle Lauenstein (J575190) near Probstzella (J5821)," 26 June 1945, LSX-002-626C, enclosing Lt. Sam E. Harwell, Commanding Officer, 87th CIC Detachment, to Assistannt Chief of Staff, G-2, 87th Infantry Division, "Records

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charge of the organization's staybehind agents in Rumania. The TIP Case, as it became

known, resulted in the discovery of an extensive cache of material pertaining to German

clandestine activities in the Balkans.[110] In mid-August, Lt. Col. Berding cited Fechner's

aid to the Americans in recovering valuable enemy intelligence records. Berding sought

clarification from the Army as to the disposition of the "Leitstelle Group."[111] (S)

In a related case, X-2 in Munich also developed another project, the JUNKET

case, to interrogate members of the Wehrmacht's 506th Signal Regiment. This unit had

the responsibility for maintaining communications with German agents in the Balkans,

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Found at Castle Lauenstein (J575190) near Probstzella (J5821)," 26 May 1945," in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 276, (no folder listed), NARA. (U)

[110]See Timm, SCI Liaison Officer, Third Army, to G-2, Counter-Intelligence Branch, Seventh Army, "Frontleitstelle II Sued Ost Personnel and Documents; Pertisau, Tyrol," 5 June 1945, LSX-002-605; Timm to Assistant Chiefs of Staff, G-2, Third Army, Seventh Army, and Commanding Officer, SCI Detachment, Twelfth Army Group, "Activity Report for the Week Ending 9 June 1945," 10 June 1945, LWX-4; Lt. Col. Berding, X-2/Germany, to Chief, CIB, G-2, USFET, "Relation of Leitstelle II Sud-Ost and Other Intelligence Agencies," 19 July 1945, LWX-52, enclosing Lt. Pierre M. Haas, French Army, SCI/Twelfth Army Group, to Commanding Officer, X-2/Germany, "Lt. Alfred Piff Interrogation Report Appendix A: Relations between Leitstelle II Sud-Ost and Other Intelligence Agencies," 19 July 1945; Lt. Col. Berding, X-2/Germany, to Maj. John B. Oakes for Chief, CIB, G-2, USFET, "Technical Data from Leitstelle Sud-Ost," 24 July 1945, LWX-18, enclosing Timm, to Commanding Officer, X-2/Germany, "Technical Data from the Leitstelle II Sud-Ost," 20 July 1945; and Lt. Col. Dupre Sassard, USFET, G-2, to CI War Room, "Captured Documents Concerning Sabotage Caches in Greece," 26 July 1945, LWX-385-726, all documents in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Boxes 276 and 287, (no folders listed), NARA; and Timm to ACS, G-2, Third Army and Seventh Army and Commanding Officer, SCI Detachment, Twelfth Army Group, "Activity Report for the Week Ending 16 June 1945," 18 June 1945, LMX-010-618, (S), in DO Records, ⊏        ⊐, Box 3, Folder 21, CIA ARC. (U)

[111]Lt. Col. Berding to Chief, Counter Intelligence Branch, USFET, "Treatment of GIS Personnel," 13 August 1945, LWX-002-813, (S), DO Records, ⊏        ⊐ Box 406, [no folder listed], CIA ARC. (U)

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Italy, the Soviet Union, and Turkey. By June, X-2 and CIC had apprehended as many as 50 members of the unit and tried to crack the unit's call signs and frequencies.[112] (S)

X-2 continued to pursue these leads into 1946. In Munich, Bill Holtsman's contact with *Oberleutnant* Wolf Ulrich Wirth, a German signals intelligence officer, proved valuable. Wirth, who served in an intelligence staff position and commanded a communications unit in Russia, provided SSU with documents concerning the interception of Soviet radio traffic.[113] He also supplemented American intelligence on certain Soviet wartime espionage activities in Germany, known as *Rote Drei*, and explained German intelligence material on the Polish service as it existed in 1939. Holtsman remained in touch with Wirth into 1947 and helped him enter the journalism department at the University of Munich. By this point, Wirth had been given the operational designation of BARLEY.[114] (S)

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[112]Ibid. (U)

[113]See USFET, SCI Detachment, Munich to Commander, SSU/X-2 Germany, "OKW AG WNV/Fu/Ost," 14 February 1946; and "Documents Recovered from Wirth (Addendum to Report of 14 February 1946 entitled OKW AG WNV/Fu/Ost - Documents)," 14 February 1946, in WASH-X-2-PTS-135, RG 226, OSS Records, Entry 171A, Box 67, Folder 823, NARA (these same documents are also found in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 287, [no folder listed] transmitted as SAINT, AMZON to SAINT, Washington, "OKW AG WNV/Fu/Ost," 1 March 1946, LWX-TS-10,). See also AB-43 [Holtsman] to Commanding Officer, SSU/X-2 Germany, " 'Razvedupr' Personnel of the Soviets, Situation as of 1939," 4 January 1946, in WASH-X-2-PTS-135, RG 226, OSS Records, Entry 171A, Box 67, Folder 823, NARA. (U)

[114]"SC Munich Present and Discontinued Contacts." See also SAINT, AMZON to SAINT, Washington, 1 March 1946, LWX-TS-10, (U), in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 287, (no folder listed), NARA. For further details, see Ulrich Wirth, ⊏ ⊐ DO Records. Contact with Wirth ended after 1948 although the Agency noted that Wirth accompanied the West German chancellor on a visit to the United States in 1964. (S)

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Holtsman's contact with *Oberst* Heinz Schmalschlager, who had commanded

*Leitstelle III/Ost der Frontaufklarung*, or the German *Abwehr's* counterintelligence

branch on the Eastern Front, was an important, but limited, success for X-2.[115] Born in

France in 1898, Schmalschlager surrendered to American forces in May 1945.[116]

Holtsman's contact with Schmalschlager (via Mueller and a former *Abwehr* officer, Karl

Suess) later that year coincided with SSU's shift from targeting Nazi resistance groups to

collecting information on foreign intelligence services operating in Germany.[117]

Schmalschlager became a desirable contact for his knowledge of the Red Army. In

November, Schmalschlager came to Munich to meet with Holtsman, who promptly

submitted a plan to X-2 to use the German intelligence officer and his contacts "for a

thorough interrogation into the past activities" of the *Abwehr* on the Eastern Front.[118]

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[115]AB-17 [Cutler], AMZON, to SAINT, "Vetting of Heinz Schma[l]schlager," 28 November 1945, LX-003-1128, enclosing B. Holtsman to Commanding Officer, SSU/X-2 Germany, "Heinz Schmalschlager (former Oberst)," 14 November 1945, (S), in DO Records, 匚        ⊐┆, Box 1, Folder 11, CIA ARC. (S)

[116]See ibid for details about Schmalschlager's biographical details with particular emphasis on his military intelligence service. See also Letter, Hans Buchler to the author, 22 January 2001, in CIA History Staff files. (S)

[117]Lenington, Deputy Chief, SSU/X-2, Germany to SAINT, Washington, "Semi-Monthly Reports," 12 December 1945, LMX-005-1130, enclosing Timm to Commanding Officer, SSU/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 31 October 1945, LMX-005-1130, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 275, (no folder listed), NARA. Karl Suess, known as GUMDROP, was also a member of the *Abwehr* and a Nazi party member. He retained his post as a German customs inspector through the assistance of X-2. At the same time that Holtsman learned about Schmalschlager through Suess and Mueller, he also recruited Suess as an agent through Mueller. See "SC Munich Present and Discontinued Contacts." (S)

[118]Lenington, Deputy Chief, SSU/X-2, Germany to SAINT, Washington, "Semi-Monthly Reports," 12 December 1945, LMX-005-1130, enclosing Timm to Commanding Officer, SSU/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 15 November 1945, LMX-005-1130, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 275, (no folder listed),

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Holtsman described what he expected to accomplish with Schmalschlager (whom he now dubbed MALT):

> It is felt that even an extensive 'interrogation' done in the usual catechistical way, would not cover all of his knowledge and experience on the Eastern Front. Since MALT is energetic and appears to be thorough and systematic, and since he has directed an important unit of the *Abwehr*, and moreover, since he is cooperative and willing to contact his friends who are experts on the subject– he should have the chance of checking his own information (which he will give us before any of his friends are contacted) and enlarging upon it having all members of his former staff in the same house. MALT, of course, is not doing this for the love of the Americans and democracy, but because he has a reasonable hope of having his 'active cooperation' listed on his record. It is also evident that he, having worked for years in this field, would not like to have the results of this work 'unappreciated and wasted.'[119] (U)

Schmalschlager provided Holtsman with extensive details about the Soviet intelligence services, the organization of German counterintelligence on the Eastern Front, and the location of other German intelligence personnel and records. In 1946, SSU stated that the MALT reports "were the first comprehensive study of the Russian

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NARA. See also AB-43 [Holtsman] to Commanding Officer, X-2 Germany, "Proposed Action for MALT Operation," 14 November 1945, (S), in Heinz Schmalschlager, ⊏ ⊐DO Records. (S)

[119]Lenington, Deputy Chief, SSU/X-2, Germany to SAINT, Washington, "Semi-Monthly Reports," 12 December 1945, LMX-005-1130, enclosing Timm to Commanding Officer, SSU/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 15 November 1945, LMX-005-1130, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 275, (no folder listed), NARA. (U)

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intelligence services to come to the attention of the American intelligence services."[120]

In early January 1946, Holtsman, however, learned to his chagrin that the Army's Counter

Intelligence Corps had arrested Schmalschlager as an "automatic arrestee" when he

visited his home in Nuremberg. In reporting the arrest, Holtsman downplayed it by

saying that it will not "seriously interfere with our investigation into the activities of

*Leitstelle III/Ost.*" Holtsman planned to draw upon other officers under Schmalschager's

command as well as additional German wartime records that he hoped to obtain.[121] (S)

Army G-2 quickly recognized Schmalschlager's importance and transferred him

to its special interrogation center at Oberursel, where it had gathered other German

intelligence officers with Eastern Front experience.[122] SSU, in turn, provided the Army

with copies of the MALT report, which formed the basis of the Army's interrogations of

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[120]For a description of MALT's work for X-2, see ⌐　　　　⌐ to Acting Chief, FBM, "Schmalschlager. Heinz. Code Name: MALT," 4 December 1946, LBX-002-201, (S), in DO Records, ⌐　　　⌐ Box 1, Folder 6, CIA ARC. (S)

[121]Holtsman, SCI, Munich. to the Officer in Charge, "MALT Operations," 6 January 1946, (S), in Schmalschlager, ⌐　　　⌐ , DO Records. Holtsman also tried to deflect any criticism about SSU's use of Schmalschlager by reminding his superiors that CIC had been informed of his employment in November 1945. (S)

[122]For examples of Allied reporting on *Abwehr* activities in the East, see Headquarters, Third United States Army Interrogation Center (Provisional), Interrogation Report No. 40, "Frontaufklaerungskommandos (FAK)" 9 September 1945, in Record Group 338, Records of United States Army Commands, Entry [], Box [], Folder [], NARA; Supreme Headquarters, Allied Expeditionary Force (SHAEF), Counter Intelligence War Room, Situation Report No. 143, "FAK 301," 11 December 1945, in Record Group 165, Entry 179, Box 705, NARA; SHAEF, Counter Intelligence War Room, Situation Report No. 195, "Leitstelle III Ost (Walli III)," 18 December 1945, in Record Group 319, Records of the Army Staff, Dossier XE 013988, NARA; and Headquarters, USFET, Military Intelligence Service Center, CI Consolidated Interrogation Report (CI-CIR) No. 16, "German Methods for Combatting the Soviet Intelligence Service," 3 June 1946, (U), in Kevin C. Ruffner, *Forging an Intelligence Partnership: CIA and the Origins of the BND, 1945-49,* 2 vols. (Washington, DC: Central Intelligence Agency, 1999), Vol. I, pp. 75-91, (now declassified). (U)

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Schmalschlager and other members of the *Abwehr* and *Fremde Heer Ost*.[123] The Army's

work at Oberursel in 1946 marked the beginning of what evolved into the Gehlen

Organization, although the Army's arrest of Schmalschalger ended SSU's brief effort to

set up its own network using German intelligence officers.[124] (S)

The Central Intelligence Agency had only limited contact with Schmalschlager in

the years after his arrest. ⊏ ⊐ a new member of the Munich Operations

Base, visited with Schmalschlager on several occasions in 1948 and 1949, just after his

release by the Army. Schmalschlager, who had returned to Nuremberg to rebuild his

business, expressed an interest in remaining on the Agency's books as an "informal,

unpaid adviser." The Agency, in turn, proposed to Schmaschlager that he meet with his

former officers to prepare reports on various German activities against the Soviets.

Beyond a vague idea of placing Schmalschlager in a new West German police force,

⊏ ⊐reported that "for the time being, MOB will continue to use AVOCET

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[123]For information provided by Schmalschlager to the Army, see SC, AMZON to SC, Washington, "Transmittal of MISC Special Report," 11 February 1947, MGH-005-211, (S), enclosing 7707 Military Intelligence Service Center, CI Special Report No. 32, "Operations and Experiences of Frontaufklaerung (FA) III Ost during the Eastern Campaigns," 27 January 1947, CI-SR/32. (S)

[124]SAINT, AMZON to SAINT, Washington, "Russian Experts of German Intelligence Service," 8 January 1946, (S), in Ruffner, *Forging an Intelligence Partnership*, Vol. I, pp. 67-71. See also SAINT, AMZON to SAINT, "Review of Activity since 10 December 45 to 10 September 46," 17 September 1946, L-101-910, enclosing AB-43 [Holtsman], Munich to AB-51 [Hecksher], AMZON, "Review of Activity since 10 December 1945 to 10 September 1946,"10 September 1946, (S), in DO Records, ⊏ ⊐ Box 1, Folder 14, CIA ARC. (S)

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[Schmalschlager's new codename] as an occasional source and living reference on

*Abwehr* wartime experiences."[125] (S)

Despite his reluctance to work for CIA, the Agency remained interested in

Schmalschlager's activities. Through a wartime Ukrainian contact of Schmalschlager's,

the Agency monitored him throughout the 1950s. Other contacts reported that

Schmalschlager had turned down offers to join various West German governmental

agencies and that he had been an unsuccessful candidate for a post with the Bavarian

*Landesamt fur Verfassungschutz* (LfV). Schmalschlager joined the Gehlen

Organization's counterespionage section in 1953. His role in the Gehlen Organization

and later the BND, however, appears to have been limited; he did not move to the

headquarters near Munich. After 1961, the Agency lost interest in Schmalschlaeger and

his file ends abruptly. Schmalschlaeger lived in Nuremberg until his death in 1972.[126]

(S)

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[125]Chief of Station, Karlsruhe to Chief, FBM, "AVOCET." 25 April 1949, MGM-A-1111, (S), in Schmalschlager, ⊏          ⊐, DO Records. ⊏    ⊐ had visited Schmalschalger at the European Command Intelligence Center (ECIC) in Oberursel in July 1948 to discuss his future plans as an intelligence operative. The Agency wanted to know about Schmalschlager's connections with the Gehlen Organization that had started at Oberursel. As it turned out, Schmalschlager intensely disliked Hermann Baun, one of the top members of the nascent West German intelligence service. At the same time, Headquarters was apprehensive of becoming involved with former *Abwehr* personnel because of their close collusion with the Gehlen Organization, still under the control of the US Army. See Chief, Munich Operations Base, to Acting Chief of Station, Karlsruhe, "An Interview with AVOCET at ECIC," 12 July 1948, MGM-A-612, (S); and Chief, FBM, to Chief of Station, Karlsruhe, "AVOCET," 11 August 1948, MGK-W-580, (S), both in Schmalschlager ⊏          ⊐ DO Records. (S)

[126]For further information on Schmalschlager's activities (known initially as AVOCET and later as CANDIDA) in the 1950s, see numerous entries in Schmalschlager, ⊏ ·          ⊐

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**FAMINE (U)**

Several months before Bill Holtsman learned about Heinz Schmalschlager, X-2 in Munich recruited a member of the *Abwehr* as a source of information on the German military intelligence service. Like Schmalschlager, this officer fell under the Army's roundup of all mandatory or "automatic arrestees." On 5 July 1945, Capt. Timm in Munich sent a routine cable to Lt. Col. Berding at X-2 headquarters announcing Sgt. Holtsman's arrest of *Oberleutnant* Murad Ferid. Berding, in turn, relayed the Third Army SCI Detachment cable to the War Room in London for additional traces. This marked the beginning of X-2's short-lived, but intensive, use of this rather unusual German officer.[127] (S)

The War Room, indeed, was interested in Ferid and ordered Timm to make him available for further interrogation. Until his arrest, Allied intelligence only knew that Ferid, with his *Abwehr* codename of Dr. Foerster, was an important German intelligence officer who had reportedly served in Greece. Beyond numerous references to his work in building agent networks in the Balkans, the Allies had little direct knowledge of his actual operations.[128] (S)

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DO Records. (S)

[127]Cable, Timm to Berding, relayed to London, 5 July 1945, (S), in Bey Murad Ferid, ⊏ ⊐DO Records. (S)

[128]For a summary of Ferid's wartime activities, as summarized by Allied intelligence (primarily British), see annotated OSS Form 1652a and additional card entries in Ferid, ⊏ ⊐ DO Records. (S)

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Born in 1908 in Salonika in what was then the Ottoman Empire, Ferid was the son of a Turkish army officer and a Polish mother. After his father's death, Ferid moved with his mother to Munich. His grandfather, in fact, had been the honorary consul of the United States in Munich for many years, and Ferid had relatives in America. After being wounded in action in Russia, Ferid joined the *Abwehr* and because he spoke seven languages, he was posted to Athens. In 1942, he married a German woman, and they had a daughter two years later. Ferid remained with the *Abwehr* as a referent on Turkish and Middle Eastern matters when the RSHA *Amt VI* took over the military intelligence service in 1944. At the end of the war, Ferid, along with other members of the *Militarisches Amt*, evacuated Berlin and moved to the Bavarian Alps. With the final collapse of the Third Reich, Ferid deserted his unit in Bavaria and simply rejoined his family at his house in Miesbach, outside of Munich, in late April. Holtsman learned about him in early July. (S)

Holtsman used Ferid as a "bird dog" to search out other members of his wartime organization. On 12 July, he drove Ferid to Reit im Winkl, a village in the Alps on the Austrian-German border. Getting out of the car before reaching the town, Ferid walked into Reit im Winkl pretending to be a German soldier who had been released by the French in Austria and was now making his way home. Ferid told townspeople that he had no US discharge papers and thus had to watch out for the Americans until he could

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obtain his official release.[129]  Information gathered from other German veterans in the village allowed him to locate several intelligence officers. (U)

The SCI Detachment expressed its pleasure with Ferid and gave him a lunch of K Rations. "Ferid's cooperation" in this matter was exemplary. Holtsman wrote: "He acted as though it was his own personal responsibility to locate these people. He is intelligent and trustworthy."[130] (U)

The CI War Room in London, which had been informed of Ferid's mission in Reit im Winkl, pressed the SCI Detachment to obtain information about Ferid's activities in Greece.[131] Holtsman's two interrogations elicited extensive lists of names of individuals with whom he had served in Germany, Greece, and elsewhere. Ferid provided X-2 with a unique perspective on German operations in the Balkans, a theater of the war in which British intelligence had dominated.[132] (S)

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[129]Lt. Col. Berding, Chief, X-2/Germany, to Chief, Counter Intelligence Branch, G-2, USFET, "Dissolution Mil Amt D," 26 July 1945, LWX-53, enclosing SCI Twelfth Army Group, Munich, to Commanding Officer, X-2/Germany, "Mil Amt D, Its Removal from Reit-im-Winkel and Final Dissolution," 13 July 1945, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 287, [no folder listed], NARA. A copy of this document also appears in Ferid, ⊏
⊐ DO Records. A summarized form of this report also appears in Cable, SCI Detachment, Third Army to X-2/Germany, "Donald & Holtsman Report," 13 July 1945, 985, (S), in Ferid, ⊏           ⊐, DO Records. (S)

[130]Ibid. (S)

[131]Cable, X-2/Germany to SCI Detachment, Third Army, 18 July 1945, 467, (S), in Ferid, ⊏
⊐ DO Records. X-2 in London also wanted SCI in Munich to get Ferid to identify a German agent known as SOCRATES. X-2 in Athens had arrested Doris Papara and wanted to know if she was Ferid's agent. X-2 in Greece also expressed interest in ascertaining collaboration between the Bank of Athens and the Nazi occupiers. See Cable, X-2, London to X-2/Germany, 31 July 1945, London 4317, (S), in Ferid, ⊏           ⊐ DO Records. (S)

[132]Lt. Col. Berding, Chief, X-2/Germany, to Chief, Counter Intelligence Branch, G-2, USFET, "Interrogation of Oblt. M. Ferid," 30 July 1945, X-1691, (S), enclosing SCI Twelfth Army Group

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Because of his demonstrated reliability, Holtsman submitted Ferid's name as a prospective "penetration/informer agent" on 23 July. In Holtsman's opinion, Ferid's recruitment as an American agent would "maintain contact with a person whom we feel we can trust, who knows the German intelligence, whose position as a lawyer would keep him informed as to what is going on in Bavaria, who would remain our constant reference file to be consulted on old German *Abwehr* personnel." To place him in a position of usefulness, Holtsman made arrangements with the Military Government in Miesbach to appoint him as a county prosecutor.[133] (S)

But Ferid had already been arrested by the Army's Counter Intelligence Corps on 21 July. Army headquarters in Frankfurt ordered his arrest without notifying X-2. Holstman reported that Ferid's arrest "causes us great embarrassment in our relation with the Miesbach CIC and with the Miesbach MG, who already have been approached re. placement of Ferid in an attorney's position under MG jurisdiction." Holtsman now had to explain why the Army had changed its mind about the German officer. "It should be

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to Commanding Officer, X-2/Germany, "Supplement to the Interrogation of Oblt. M. Ferid," 28 July 1945, X-1691, (S); see also SCI Twelfth Army Group to Commanding Officer, X-2/Germany, "Oberleutnant Dr. Murad Ferid," 11 July 1945, X-1396, (S), both in Ferid, ⊏ ⊐ DO Records. (S)

[133]SCI Twelfth Army Group to Commanding Officer, X-2/Germany, "Vetting Form of Dr. Murad Ferid," 28 July 1945, X-1692, enclosing SCI Twelfth Army Group to Commanding Officer, X-2/Germany, "Vetting Form of Dr. Murad Ferid," 23 July 1945, X-1692, including XYZ-1 (Short Form), (S), in Ferid, ⊏ ⊐ DO Records. Ferid continued to provide Holtsman with additional information. For example, see 1st L. Edward R. Weismiller, Chief, Operations, X-2/Germany, to X-2, Washington, "Activities of Dr. Wagner @ Dr. Wendell – Plans for Abdul Ghani," 31 July 1945, X-1621, (S), enclosing SCI Twelfth Army Group to Commanding Officer, X-2/Germany, "Activity of Sonderfuhrer Dr. Wagner alias Dr. Wendell; His Plans for Abdul Ghani," 23 July 1945, X-1621, (S), in Ferid, ⊏ ⊐ DO Records. (S)

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noted here" Holtsman reminded X-2 headquarters, "that Ferid's cooperation with us has been outstanding: he cheerfully did all that we asked of him. The treatment which he received at USFET will have a direct bearing on his trust in this office."[134] (S)

Lt. Edward R. Weismiller, X-2's chief of operations in Germany, told the SCI Munich Detachment that Ferid's arrest had come about when Lt. Col. Lord Rothschild, the British liaison officer, read about the German officer and asked for his apprehension. "The authorities at CIB [Counter Intelligence Branch at USFET headquarters] directly responsible for this action were extremely apologetic, and have acknowledged their error in not checking into the matter more thoroughly before requesting Ferid's arrest." Weismiller felt certain that the Army would take measures to avoid such "premature arrests in the future."[135] (S)

Despite Ferid's arrest, Capt. Timm and Sgt. Holtsman still planned to use him as a source for OSS. In a project outline dated 13 August 1945, X-2 noted that Ferid is a "cosmopolite and not a Nazi." He had cooperated with the Americans "unstintingly." His placement as a criminal prosecutor would enable X-2 to keep an eye on nascent underground movements in southern Bavaria.[136] The Army finally discharged Ferid on

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[134]Ibid. (S)

[135]Lt. Edward R. Weismiller, Chief, Operations, X-2/Germany, to SCI Detachment, Third Army, "Arrest and Transferral of Murad Ferid to EAGLE I.C. Ref. Your Cable 056 of 26 July," 30 July 1945, X-1703, (S), in Ferid, ⊏ ⊐ DO Records. See also Extract, Maj. John B. Oakes to Maj. Saxe, Counter Intelligence Branch, G-2, USFET, 1 August 1945, (S), in Ferid, ⊏ ⊐ , DO Records. (S)

[136]X-2/Germany, "Penetration Project for the Third Army Territory," 13 August 1945, X-2186, (S), in Ferid ⊏ ⊐ , DO Records. (S)

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27 August.[137] He had been a model prisoner and provided the Army with substantial

information that supplemented the earlier reports submitted by Holtsman.[138] Even before

his release by the Army, X-2 had approved of Ferid's use as an agent by Timm and

Holtsman. (S)

Now known as FAMINE, Ferid returned to his home in Miesbach and worked on

minor taskings that Holtsman gave him.[139] In September, X-2 reported that Ferid was

under consideration to become an assistant to Josef Mueller in a new Bavarian

Government.[140] Timm considered Ferid a "high class" agent and wanted to use him to

infiltrate the *Bayrische Freiheits Bewegung*, a separatist movement that sought Bavaria's

independence from Germany. Likewise, Ferid also provided leads to German-speaking

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[137]Cable, AB-21 [identity unknown] to AB-12 [Timm], 14 August 1945, (S); Cable, AB-21 [identity unknown] to AB-12 [Timm], 22 August 1945, (S); Cable, AB-00 [identity unknown] to ᴀB-12 [Timm], 24 August 1945, (S); and Maj. Robert T. Longstreth, CI Section, USFET MIS Center to Whom It May Concern, 27 August 1945, [no classification listed], all in Ferid, ⊏ ⊐, DO Records. (S)

[138]See Headquarters, USFET, Interrogation Center, Preliminary Interrogation Report (PIR) No. 42, 3 August 1945, (C). Follow-up reports, based on questions obtained from intelligence consumers, are found in Headquarters, USFET, Military Intelligence Service Center (MISC), CI Intermediate Interrogation Report (CI-IIR) No. 26, 18 October 1945, (C); and Headquarters, USFET, MISC, CI Intermediate Interrogation Report (CI-IIR) No. 44, 18 January 1946, (C); and Headquarters, USFET, MISC, CI Final Interrogation Report (CI-FIR) No. 81, 30 January 1946, (C), all in Ferid, ⊏ ⊐, DO Records. (C)

[139]Cable, AB-21 [identity unknown] to AB-12 [Timm], 20 August 1945, (S), in Ferid, ⊏ ⊐ OO Records. (S)

[140]Capt. Timm to Commanding Officer, X-2/Germany, and G-2, Counter Intelligence Branch, Third Army, "Semi-Monthly Operations Report," 15 September 1945, G-TSX-3310, (S), in DO Records, ⊏ ⊐ Box 3, Folder 21, CIA ARC. (S)

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refugees from Romania settling in Bavaria, which also provided insights into the state of affairs in Romania.[141] (S)

Ferid's utility as a source diminished when American worries of an underground Nazi movement receded. By early 1946, Ferid had been reduced to minimal taskings, and Holtsman soon listed him as dropped.[142] Holtsman, nonetheless, approved the use of Ferid as a letterbox for a project run by the Austrian Mission. CIG wanted to use a former concentration camp inmate, Anton Rychlowski, to return to Poland to establish contact with Polish resistance and obtain information on Soviet activities there.[143] The use of Ferid in a sensitive operation raised questions at the Austrian Mission and at Headquarters in Washington. Ferid was considered too visible and too well known as an *Abwehr* officer to be used in "what is supposed to be high-grade United States counter-intelligence activities." Headquarters, in fact, had had no updates on Ferid's activities

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[141]Lt. Lenington, Deputy Chief, SSU/X-2, Germany to SAINT, Washington, "Semi-Monthly Reports," 12 December 1945, LMX-005-1130, enclosing Timm to Commanding Officer, SSU/X-2 Germany, "Semi-Monthly Operations Report SCI Munich," 31 October 1945 and 15 November 1945, LMX-005-1130, both reports in WASH-REG-INT-163, RG 226, Entry 108A, Box 275, (no folder listed), NARA. (U)

[142]SAINT, AMZON to SAINT, Washington, "Review of Activity since 10 December 1945 to 10 September 1946," 17 September 1946, (S), enclosing AB-43, Munich [Holtsman] to AB-51, AMZON [Hecksher], "Review of Activity since 10 December 1945 to 10 September 1946," 10 September 1946, L-010-910, (S), in DO Records, ⊏　　⊐ Box 1, Folder 14, CIA ARC. (S)

[143]DD-102 [identity unknown] to Chief of Mission, "VERONAL Project," 31 October 1946, SBX-55, (S), in Ferid, ⊏　　⊐ , DO Records. (S)

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since the end of 1945.[144]  By the end of March 1947, Security Control terminated the project and with it the use of Ferid.[145] (S)

The Agency later learned that Ferid had joined the Gehlen Organization but could not determine his exact role.[146]  In the fall of 1951, ⊏         ⊐ visited Munich and met with Ferid, now a district attorney and instructor at the University of Munich's law school.  Ferid told ⊏     ⊐ that he had a contact within the Gehlen Organization who worked on dispatching German agents into Czechoslovakia.  This contact, Ferid indicated, felt that the Gehlen Organization sent poorly trained agents behind the Iron Curtain.  Ferid said that the man's conscience bothered him and that "he would like to work for an agency that is more concerned with the life of the agents it employs."

⊏     ⊐told the German Station that Ferid might be a "possible resident agent for CE information in Munich."[147]  The German Station at Karlsruhe dismissed the idea of using Ferid or his contact.  Any American effort "to penetrate ZIPPER [the Gehlen

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[144]Acting Chief, FBM and DH-136 [identity unknown], "VERONAL Project – SC Aspect," 16 January 1947, X-9180, (S), in Ferid, ⊏        ⊐ DO Records. (S)

[145] ⊏        ⊐ to John H. Richardson, "Ferid, Murad, Dr.," 25 March 1947, SBM-60, (S), in Ferid, ⊏        ⊐, DO Records.  A copy of this same document appears in DO Records, Job 76-00780R, Box 402, [no folder listed], CIA ARC.  See also SC, Austria to SC, Munich, "VERONAL Project – Dr. M. Ferid," 31 March 1947, LSX-617, (S), in Ferid, ⊏        ⊐ DO Records.  A copy of this same document appears in DO Records, ⊏        ⊐ Box 402, [no folder listed], CIA ARC. (S)

[146]Chief of Station, Karlsruhe to Chief, FDM, "Dr. Murad Ferid," 15 March 1951, MGL-A-5676, (S), in Ferid, ⊏        ⊐, DO Records.

[147]Chief of Station, Karlsruhe to Chief, Pullach Operations Base, "Dr. Murad Ferid and Andreas Zitzelsperger," 10 October 1951, MGB-A-10297, (S), DO Records. (S)

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Organization] is more dangerous than its potential value can justify," wrote ⊏

⊐ at Pullach.[148] (S)

The Agency's last knowledge of Ferid indicated that he was still in contact with

the Gehlen Organization in the Munich area. Agency records do not provide any further

information as to Ferid's whereabouts after June 1955.[149] (S)


**SLOTH (U)**


In March 1946, SSU headquarters in Washington requested that the German

Mission locate and interrogate Georg Gerebkov, a 37-year old, Russian-born German

who had worked in the "Directorate of Affairs of Russian Emigrants in France" for the

"*Russiche Abteilung*" during the Nazi occupation.[150]  As a part of the overall shift from

targeting German wartime organizations to the new Soviet threat, US intelligence wanted

to learn from Gerebkov about his work in registering all Russians in France for the

Gestapo and about his recruitment activities for German army and labor organizations.

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[148]Acting Chief, Pullach Operations Base, to Chief of Station, Karlsruhe, "Operational," MGL-A-8965, (S), in Ferid, ⊏ ⊐ DO Records. (S)

[149]See UJVENTURE Worksheet in Ferid, ⊏ ⊐DO Records.  The worksheet, compiled by CIA analysts over the period of years after the Agency took over the Gehlen Organization indicates that Ferid was a member of the Gehlen Organization prior to March 1948. The final entry on the worksheet is April 1955. (S)

[150]Gerebkov's own account of his collaboration with the Nazis and that of other Russians in France is found in SAINT, AMZON to SAINT, "Russian Emigration and Its Cooperation with the Germans against the Soviets," 21 June 1946, LWX-463, (S), enclosing SCI Detachment, Munich to Commanding Officer, SSU/X-2 Germany, "Russian Emigration and Its Cooperation

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SSU believed that Gerebkov's records "would be of interest to us as well as the voluminous information he must have at his fingertips on the activities and organizations of the Russians in France."[151] (S)

Gerebkov (whose name had numerous variants) was the grandson of an Czarist general. An actor and dancer in the 1930s, he later served as the director of the Russian Office for Confidential Affairs in Paris where he met Lt. Gen. Andrey Vlasov in February 1943. Vlasov, one of Stalin's leading officers and the hero of the battle of Moscow in December 1941, fell into German hands six months later. Having lost faith in the Soviet system, Vlasov agreed to head the Russian Liberation Movement (ROA) to cooperate with the Germans against the communists. While Vlasov's work on behalf of the Germans was often frustrated by opposition at the highest levels of the Third Reich, thousands of former Soviet prisoners of war took up arms and served against the Allies during the latter part of the war.[152] (U)

Gerebkov organized a large rally for Vlasov in Paris in July 1943 and later handled Vlasov's political affairs with the Germans and other nations. He unsuccessfully attempted to broker a separate truce between the Vlasovites and the Western Allies at the

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with the Germans against the Soviets," 12 April 1946, (S), in DO Records, ⊏ ⊐, Box 1, Folder 9, CIA ARC. (S)

[151]SAINT to SAINT, AMZON, "George (Yourii) Gerebkoff," 19 March 1946, X-4157, (S), in Georg Gerebkov, ⊏ ⊐ DO Records. (S)

[152]Catherine Andreyev, *Vlasov and the Russian Liberation Movement* (Cambridge: Cambridge University Press, 1987). See also Jurgen Thorwald, *The Illusion: Soviet Soldiers in Hitler's Armies*, trans. by Richard and Clara Winston (New York: Harcourt Brace Jovanovich, 1975). (U)

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end of the war.[153]  When the end came, Grebekov escaped repatriation to the Soviet

Union—unlike most Russians who supported the Nazis.[154]  He instead found refuge as

an employee of the United Nations Relief and Rehabilitation Administration (UNRRA) in

the American zone.  As early as February 1946, two of Bill Holtsman's agents in Munich

reported that they had seen Gerebkov in the city and had tried to make contact with the

Russian.[155] (S)

Two months later, Bill Holtsman interrogated Gerebkov about his wartime

activities.  Following this meeting, Holtsman listed several differences between what

Washington knew about the Russian and what he claimed to be the truth.  Gerebkov

denied that he had joined the Nazi party after his arrival in Germany in the 1930s.  He

also said that he was never a member of the SS although "his work among the Russian

emigrants was of necessity directed by RSHA *Amt VI*."  Gerebov also claimed that he did

not spread propaganda against the Allies and that "professed anti-Semitism never caused

him to denounce or persecute the Jews."  Rather, Gerebkov's attitude against the Jews

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[153]Sven Steenberg, a German soldier, who served on Vlasov's staff is the source of this information about Gerebkov.  See Sven Steenberg, *Vlasov*, trans. Abe Farbstein (New York: Alfred A. Knopf, 1970), pp. 110-112; 181-182; 185-186; and 213. (U)

[154]In fulfillment of the terms of the Yalta Agreement, the Americans and British repatriated over a million Soviet soldiers who had been prisoners of war, forced laborers, as well as members of the Vlasov Army in 1945.  By August of that year, the US Army had returned over 90 percent of the Soviet citizens in the American zone in Germany.  The remainder, estimated at nearly 40,000, refused to return to their homeland.  American soldiers forced many of these Russians into communist hands, including many Vlasov followers.  An unpleasant task, the repatriation of thousands of Russians to the Soviet Union by the Western Allies during 1945-46 remains controversial to this day.  Earl F. Ziemke, *The US Army in the Occupation of Germany 1944-1946*, pp. 284-291 and 413-421. (U)

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"was based on the principle that it was through the Jews that communism was brought to Russia; it was then, merely another expression of Gerebkov's anti-communism." Gerebkov, likewise, professed that he was not anti-Western and denied that he genuinely supported the Nazis.[156] (S)

French authorities, in the meantime, sought to try Gerebkov for his wartime activities. In fact, a French court sentenced him in absentia to 20 years at hard labor in June 1948. Instead of surrendering Gerebkov to the French for his collaborationist activities, however, Security Control in Munich used him to provide leads to other White Russian individuals and groups in southern Germany. Through Gerebkov (known initially as SLOTH), ⊏         ⊐ recruited three subagents who also provided information to the Americans.[157] In addition, Gerebkov was tapped as a source of information about the Russian anticommunism movement in western Europe.[158] (S)

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[155] SCI Munich, "Gerebkoff," 22 February 1946, (S), in George Spitz, ⊏         ⊐ DO Records. (S)

[156] SAINT, AMZON to SAINT, "Gerbkov, Georg," 24 April 1946, LWX-TS-96, (S) in Gerebkov, ⊏         ⊐, DO Records. (S)

[157] The three subagents were Victor A. Larionov (GULL); George Konstantinovich von Meyer (CLIP), and Sergei Froehlich (PRUNE). Larionov lived in the French zone in Germany and provided information about Russian activities there. He remained a subject of CIA's counterintelligence interest into the late 1960s. For details, see Victor A. Larionov, ⊏
⊐ DO Records. Froehlich, a Latvian of German ancestry, served as a liaison officer with the Vlasov Army. Information about Froehlich's role with Vlasov is found in Steenberg, *Vlasov*, pp. 93, 123, 125, 142, and 185. Dropped as an agent by ⊏     ⊐ in early 1948, Froehlich continued to be active in various intelligence circles in Cold War Germany. For a summary of Froehlich's record, see Chief, EE to Chief of Station, Frankfurt and Chiefs of Base, Bonn and Munich, "Sergei BERNHARDowitsch Froehlich aka Sergei Borrissowitsch Orlov," 24 January 1963, EGNW-2936, (S), in Sergei BERNHARDowitsch Froehlich, ⊏         ⊐ DO Records. (S)

[158] Holtsman's reporting about Russian personalities in Munich, based on Gerebkov's information, is found in WASH-X-2-PTS-134 and 135, RG 226, OSS Records, Entry 171A, Box

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⊏         ⊐ use of former Vlasov personnel as sources prompted mixed reactions in Germany and in Washington. Wartime activities and disdainful political affiliations were receding into the past, considered to be less relevant after 1946.[159] Instead, Washington criticized the use of the Vlasovites because "most of the contacts which we are cultivating in Munich are not worth the time and effort spent on them." The identification and targeting of Soviet intelligence officials would be far more productive than "concentrating as much as we have on doubtful and low level White Russian sources of information." Headquarters feared that "we are getting away more and more from arriving at primary aim."[160] (S)

In Gerebkov's case, the CIA dropped him as an agent in 1949 after a review of his production in Munich found the Russian not worth the Agency's time and effort.

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67, Folders 821 and 822, and WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Boxes 285, 287 and 288, (no folders listed). Examples of declassified reporting at the National Archives from Gerebkov, Larionov, and Von Meyer include SCI/Munich, Report No. 1, "NKVD Activity in the Vic. Of Bodensee," 26 May 1946, LWX-TS-193, and Munich, AB-43 [Holtsman], "Liquidation of the Russian Emigration in Yugoslavia," 10 August 1946, MSC-278, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Boxes 288 and 285 (respectively), (no folders listed), RG 226, OSS Records, NARA. For Gerebkov's reporting on the wartime activities of the anticommunist Russian groups, see SAINT, AMZON to SAINT, Washington, "Russian Emigration and Its Cooperation with the Germans against the Soviets," 21 June 1946, LWX-463, enclosing B.A. Holtsman to Commanding Officer, SSU/X-2 Germany, "Russian Emigration and Its Cooperation with the Germans against the Soviets," 12 April 1946, (S), in DO Records, Job 91-00976R, Box 1, Folder 9, CIA ARC; and SC, AMZON to FBM for SC, Washington, "Russian Communism Activity in France – SLOTH," 8 April 1947, MGH-H-70, (S), in DO Records, ⊏         ⊐ Box 8, Folder 158, CIA ARC. (S)

[159]For example, FBM in Washington conducted a name trace for the ⊏       ⊐ in January 1947. In its negative reply, Headquarters queried⊏ ⊐why it had wanted to know if the individual was a Nazi. "Straight political affiliations," Washington declared, "or background of persons should not be our concern." SC, FBM to SC,⊏ ⊐"Max Herger," 27 January 1947, X-9214, (S), in DO Records, ⊏           ⊐ Box 6, Folder 128, CIA ARC. (S)

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Headquarters made this decision despite the protests of American case officers, who noted that his conviction by the French "gives us practically complete control over CANAKIN's life," as Gerebkov was now designated by CIA.[161] He soon vanished from sight, only to reemerge briefly in 1961 when a CIA officer met him at a cocktail party in Madrid and suspected that he was a BND agent. (S)

## RADISH (U)

By the spring of 1946, X-2 in Munich had clearly shifted from looking for former German intelligence officers who knew about wartime operations to a wider variety of individuals believed to possess information on the Soviet Union. At the same time that SSU searched for Georg Gerebkov in Munich, a former member of OSS, Jean M. Fisher, now a UNRRA security officer near the city, informed Bill Holtsman about Leonid Isaakiewitch Tschoudnowsky, a Russian-born émigré now working with the UNRRA in Pasing. (S)

Born in 1888 in Ekaterinoslav, Russia, Tschoudnowsky had served in the Russian Imperial Army and had earned several decorations. During the Russian Civil War, he fought with Gen. Anton Denikin against the Bolsheviks and rose to the rank of captain.

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[160]SAINT to SAINT, AMZON, "Dissemination of RIR's," 27 August 1946, XA-340, in WASH-REG-INT-112, RG 226, OSS Records, Entry 108B, Box 286, (no folder listed), NARA. (U)
[161]Chief of Station, Karlsruhe to Chief, FBM, "Developmental Project CANAKIN," 24 February 1949, MGM-A-975, (S); Gerebkov was dropped per orders found in Chief, FBM to

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The Red defeat of Denikin's forces and those of Gen. Peter Wrangel in southern Russia prompted the evacuation of the survivors to Constantinople. Like many White Russians, Tschoudnowsky was caste upon foreign shores; in his case, he settled in Yugoslavia.[162] (S)

Tschoudnowsky quickly got on his feet in Yugoslavia becoming a prefect with the Belgrade police. With the German invasion, the Nazis reportedly forced Tschoudnowsky out of the government because of his Jewish background (Fisher described him as a "Christian Jew"). According to one note, the Germans had placed Tschoudnowsky in a concentration camp but released him when they learned of his anticommunist past. When Soviet troops liberated Yugoslavia, Tschoudnowsky fled the country with his wife and ended up in Bavaria. In August 1945, he joined the UNRRA, holding various job titles as assistant security officer, legal officer, and employment manager. Fisher, in bringing Tschoudnowsky to Holtsman's attention, noted that the Russian émigré was "a perfect type of informant; he is a 'father-confessor' to many of the UNRRA and DP people in Munich; he has police experience, good memory, is a willing worker." Fisher, who had served with OSS Secret Intelligence during the war, raised a point of concern to which he

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Chief of Station, Karlsruhe, "CANAKIN Project," 17 August 1949, MGK-W-2695, (S), both in Gerebkov, ⌐ ⌐ , DO Records. (S)

[162]For biographical details, see various index cards and background material in Leonid Isaakowitch Tschoudnowsky, ⌐ ⌐ DO Records. (S)

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had no answer: "Did he **ever in any** [original emphasis] way collaborate with the

Germans?"[163] (S)

As early as April 1946, Tschoudnowsky, reporting through Fisher, was the source

for dozens of "spot reports" on members of the White Russian émigré community in

Munich as well as on Soviet intelligence operations in southern Germany. In June, X-2

formally requested that Tschoudnowsky be vetted as an agent.[164] In July, Holtsman gave

Tschoudnowsky a pass requesting both the Military Police and the German police to

permit him to drive a vehicle on Saturdays and Sundays on official business.[165] (S)

Tschoudnowsky's reporting focused on individuals that he encountered during the

course of his work for the United Nations. In August 1946, for example, Tschoudnowsky

told Holtsman what information he had obtained from Dr. Georg Kossenko, another

UNRRA employee in the Munich area. Kossenko, described by Tschoudnowsky as a

"honest, positive, anticommunist character," relayed his meeting with a Russian émigré,

known by the alias of Philip Sollinger, who had been arrested by the NKVD in July 1945

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[163]SCI/Munich, "Leonid Isaakiewitch Tschoudnowsky," 11 May 1946, MGH-H-26, (S), in Tschoudnowsky, ⊏　　　　⊐ , DO Records. (S)

[164]SAINT, AMZON to SAINT, Washington, "Vetting of Leonid Isaakiewitch Tschoudnowsky," 15 June 1946, (S); and Cable, AMZON to SSU, 15 June 1946, AMZON 459, IN 38206, (S), both in Tschoudnowsky, ⊏　　　　⊐ DO Records. (S)

[165]Pass, signed by Holtsman, dated 12 July 1946, in DO Records, ⊏　　　⊐ , Box 1, Folder 11, CIA ARC. (S)

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and who claimed to have met several American "agents" in Soviet jails before the Soviets dispatched him to West Germany to spy on the British and the Americans.[166] (S)

By August 1946, Holtsman felt that Tschoudnowsky simply took up too much of his time because his information tended to be of local interest and more suited to the Counter Intelligence Corps. Tschoudnowsky, who served as a cutout to several other agents employed by Security Control, needed to spend more time on collecting information from his subsources.[167] Rather than terminate his services, Holtsman transferred Tschoudnowsky to George Belic, who had just arrived in Munich to work with X-2. When Belic met with Tschoudnowsky in mid-August, the new case officer emphasized that he sought information on foreign intelligence services that could be exploited for double-agent operations. Belic planned to use Tschoudnowsky as a chief cutout to another agent and, while complimenting him for his previous work with Holtsman, explained that his new taskings would be of a "different nature."[168] (S)

Belic soon found himself with a problem. On 19 August 1946, just after Belic met with Tschoudnowsky, Capt. Novakovic, the Yugoslav Repatriation Officer in Munich, demanded that the local CIC office in Bavaria arrest the Russian émigré. The

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[166] AB-43 [Holtsman], "Philip Sollinger and His Experience with the NKVD; *Abwehr* Officer Klaus, and Franciszek Marynowski," 12 August 1946, LWX-897, (S), in Tchoudnowsky [ ], DO Records. (S)

[167] For example, Tschoudnowsky handled Klavoli Voss (codename ANT), Alexander Chikolov (codename CLAM), Miron Pankevich also known as Michail Pankovski (codename FIDO), Josef Kuznetsov (codename TROY), and a Mrs. Birkholz. For more details on these agents, see "SC Munich Present and Discontinued Contacts." (S)

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Yugoslavs had apparently learned about Tschoudnowsky's presence in Munich and sought his arrest on behalf of the Yugolsav War Crimes Commission. Only through Belic's personal intercession with the local CIC chief did the Americans not detain Tschoudnowsky. From that point on, SSU knew that its agent was vulnerable to communist machinations.[169] (S)

By November 1946, however, the Central Intelligence Group began to express doubts about Tschoudnowsky's veracity. The Philip Sollinger case, as reported to Tschoudnowsky by Kossenko in August, did not match up after the Counter Intelligence Corps looked into the matter. Indeed, Kossenko now denied that he even knew Sollinger or any of the facts of the story. "We are not surprised at the unsatisfactory outcome of this investigation," Henry Hecksher in Heidelberg wrote Bill Holtsman in Munich. "As a matter of fact," Hecksher wrote, "we would have been surprised if Kossenko had told the truth, because it now appears that he himself may be engaged in activities of a conspiratorial nature conducted in the interests of some unidentified Soviet agency. We are also beginning to wonder how RADISH himself fits into the picture."[170] Hecksher

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[168] AB-102 [Belic], Munich, "Personal Observations," 17 August 1946, MSC-301, (S), in Tschoudnowsky, ⊏ ⊐ DO Records. This same document, cited as XARZ-18284, is found in WASH-X-2-PTS-134, DO Records, ⊏ ⊐, Box 2, Folder 25, CIA ARC.

[169] AB-102 [Belic] to AB-51 [Hecksher], "RADISH, Attempted Arrest of," 21 August 1946, XARZ-18284, (S), in WASH-X-2-PTS-134, DO Records, ⊏ ⊐. Box 2, Folder 25, CIA ARC. In early 1947, for example, ⊏ . ⊐ wrote to the chief of the Displaced Persons Control Section in Munich to maintain his status as a displaced person. See ⊏ ⊐r to Chief, DP Control Section, Munich, "Leonid Tschoudnowsky," 17 March 1947, LWX-913, [no classification listed], in DO Records, ⊏ ⊐, Box 1, Folder 11, CIA ARC. (S)

[170] AB-51 [Hecksher] to ⊏ ⊐ "Philip Sollinger," 4 November 1946, MGH-003-1104, (S), in Tschoudnowsky, ⊏ ⊐O Records. (S)

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told [ ] to present Tschoudnowsky with an ultimatum that he come clean on the

Sollinger affair or that the Americans may "have to resort to a confrontation between him

and Kossenko." Tschoudnowsky's performance, Hecksher noted, had been lacking and

his information had been "largely unsubstantiated and in many instances conjectural."

The German Mission's headquarters declared that "RADISH will have to be sharply

disciplined by you if we want to continue using him at all."[171] (S)

Tschoudnowsky quickly receded from view after late 1946. Two years later,

[ ], on his reassignment to Munich from Washington, wrote about the

possibility of reusing Tschoudnowsky, who had been given the new codename of

CAMPHOR.[172] [ ] in fact, bumped into Tschoudnowsky at a hotel in Munich in early

1949. He learned that the Russian emigre had been working as an agent for CIC and that,

while not physically well, he continued to serve as the chief of security police in the

Munich area for the International Relief Organization (IRO). Although [ ] did not plan

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[171]Ibid. On 15 August, Holtsman received a note requesting him to ascertain if Tschoudnowsky worked for Soviets in France. See AB-17 [unknown identity] to AB-43 [Holtsman], "Leonid Tschnoudnowsky," 15 August 1946, LWX-913, (S), in DO Records, [ ], Box 1, Folder 11, CIA ARC. A week later, Belic sent the German Mission a copy of Tschoudnowsky's *Fragebogen* with answers to his denazification questionnaire. See AB-102 [Belic] to AB-51 [Hecksher], "Tschoudnowsky, Leonid, Vetting Information on," 22 August 1946, [no classification listed], in DO Records, . [ ], Box 1, Folder 11, CIA ARC. The *Fragebogen* and the two photos are not in this folder nor are they present in his 201 file. (S)

[172]"Former MOB Contacts," 8 November 1948, MGK-W-938, [no classification listed], in Tschoudnowsky [ ] DO Records. (S)

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to use Tschoudnowsky, the American case officer felt that the Russian was still a good contact for information on DP personalities and activities.[173] (S)

All contact between the CIA and Tschoudnowsky ended when the Russian applied to immigrate to the United States in 1951. Headquarters in Washington, after learning about Tschoudnowsky's application to the US Displaced Persons Commission, simply noted that it had no derogatory information in its files and asked the German Station to take any necessary steps regarding its old agent.[174] (S)

**Opening Act of the Cold War (U)**

Between 1945 and 1947, Munich was a place of mystery, confusion, and intrigue, a war played in the shadows. An entire generation of Cold War operations had their genesis in Munich's ruined streets. The operations launched by X-2's ⊏

⊐. and ⊏                    ⊐between 1945 and 1947 set the stage for the rapid expansion of the CIA's Munich Operations Base after 1948. Their contacts tended to be former German Intelligence Service personnel or Eastern Europeans who had supported the Nazi regime in one form or another. The Office of Strategic Services first sought those individuals in the weeks after the war to counteract the threat of a resurgent Nazi

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[173]"Former MOB Contacts," 1 February 1949, MGM-A-943, (S), in Tschoudnowsky, ⊏
⊐, DO Records. (S)

[174]Acting Chief, FDM to Chief of Station, Karlsruhe, "CAMPHOR's Application for Entry to the US," 23 May 1951, MGK-W-9036, [no classification listed], in Tschoudnowsky, ⊏
⊐, DO Records. (S)

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movement. These same individuals soon proved to be useful to the Straetgic Services

Unit, the Central Intelligence Group, and the Central Intelligence Agency for their

knowledge on the new threat, the Soviet Union. In its quest for information on the

USSR, the United States became indelibly linked to the Third Reich. (S)