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OFFICE MEMORANDUM

To: Assistant Director for Research and Reports

Date: 29 February 1952

From: [REDACTED] 25X1A9a

Subject: Progress Report on ORR Field Team

1. Since my last report of 1 February, activities of the ORR "team" have been steadily expanding. More and more possibilities are opening up for ORR to exert its influence on the collection of economic intelligence in this theater. Moreover these opportunities have developed without any great attempt on my part to expand the area of operations. On the contrary, I have tried to confine my activities within a range that I felt could be handled without too great a dispersion of effort. The following is a resume of activities during February.

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2. Work at [REDACTED] has, as usual, occupied the bulk of my time. As in the past, most of my effort has been devoted to working with interrogators--making up questions for them, reviewing their reports, and sending them back to the source with more questions. In addition, I personally interrogated [REDACTED] in an effort to clarify some contradictions in his earlier reports and to determine whether or not he had additional information to offer; and also [REDACTED] whom I questioned on the requirements submitted by ORR, particularly those dealing with shipyards. ORR's questions on radio communications had already been intensively covered by a Navy interrogator and the report forwarded to [REDACTED] OCI.

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3. [REDACTED] processed a [REDACTED] this month in whom I was much interested. He had been a precision instrument mechanic in the USSR, and I gave a few suggestions for his interrogation on types and quality of Soviet instruments. In addition I prepared a brief on general economic conditions which was submitted to the source and which he answered successfully and in considerable detail. [REDACTED] showed a high degree of cooperation by keeping a borrowed interrogator on this source for much longer than had been originally planned, in order that he might answer the economic brief.

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4. I have made several trips to the [REDACTED] at [REDACTED] [REDACTED] is getting ready to process around 100 Ethnic Germans who were returned from Rumania in December 1951. These are, in general, low-level sources, most of them having been engaged in housework or agriculture. [REDACTED] will cover rather intensively information on military subjects, railroads, and industrial installations.

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In order to insure a fuller exploitation of these sources, [REDACTED]

25X1A9a [REDACTED] and I have prepared two sets of briefs to be used on them, one on agriculture and another on general economic conditions. Since these subjects do not come within the mission of [REDACTED] we 25X1A6a have been told to submit them through ID, EUCOM. Since General McClure, the head of that organization, promised Mike that the Army would support the ORR mission in any way that it could, we will give him an opportunity to render such support. Other work 25X1A6a with [REDACTED] includes consultation regarding the resettlement of the Hungarian railroad specialist (see my memo of 19 February) and briefing [REDACTED] analysts on the gaps in intelligence on railway transport in the various Satellite countries, as set forth in the NIE-33 country studies.

5. I am also working on two cases of inducement:

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a. [REDACTED] discussed in my memo of 4 February. In accordance with your cable reply, I have written a memo requesting more information on this potential defector.

25X1X6 b. [REDACTED] who is a member of the

25X1X4 [REDACTED] He is 25X1C reputed to be an industrial expert familiar with machinery requirements. I have discussed the possibilities of his defection with the inducement people, and they have agreed to go to work on him. Cooperation in this regard has been facilitated by the recent 25X1A6a appointment of the Chief, [REDACTED] to head the inducement program in this theater. 25X1X6

6. Another project under consideration is the employment of [REDACTED] 25X1X6 [REDACTED] defector who is awaiting resettlement, on unclassified research work for ORR. This will be the subject of a separate memorandum.

7. On 23 February I attended the International Agricultural Machinery Exhibition in Brussels. Although this exhibition was supposed to include manufacturers of agricultural machinery from all over Western Europe, it was primarily a Western German show. I got the impression that nearly all of the machine factories in the Bundesrepublik were producing tractors! The only exhibits from behind the Iron Curtain were Zetor 25 and 25-K tractors, manufactured at Zbrojovka Brno in Czechoslovakia. Trade literature acquired at the fair will be forwarded separately to D/I.

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8. I have been discussing with people at [REDACTED] the possibility of purchasing from [REDACTED] certain Soviet-manufactured consumers goods such as shoes, suits, silk stockings, and the like. Since I am somewhat in the dark as to ORR's current [REDACTED] 25X1A requirements, I would appreciate your sending me a copy of the latest requirements.

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9. [REDACTED] breezed into [REDACTED] February 24th and pitched right in to the work at hand. Her arrival coincided with that of one of her own requirements on Czech labor laws. She promptly answered it by personally interrogating [REDACTED] and writing up the results in an [REDACTED] report. She has also helped me erase some of my own backlog of work. Next week she will brief [REDACTED] interrogators on ORR requirements in the field of manpower and labor. She is also attending to one of her pet requirements of old, the economic material in the Russian language at the University of

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A [REDACTED] analyst, whom we consulted about this matter, has given us some additional information on the Russian language collection of the [REDACTED] which we plan to visit next week. In addition to her material assistance, Elda has made some useful suggestions which I intend to follow up.

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10. Only a few minutes ago I received the letters from Messrs.

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Millikan and [REDACTED] It was gratifying to hear of developments in ORR and of the latest plans for the [REDACTED] field team. I very much appreciate your taking time to keep me up-to-date on these things, particularly when I realize how busy you all are with the numerous basic studies and "flaps".

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