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NEY, Karoly

PIRA 4169, 24 Feb 49

MHBK member reorganizing the Arrow Cross in Italy and Austria

MGFA 1375, 18 February 1949

Dr. Karoly NEY was born 9 Nov 06 at Baczzxentivan, Hungary. He is 171 m tall, weighs 63 kg, has brown hair and green eyes. He was arrested and held at the war crimes cage, Dachau, in 1945, as a possible war criminal and/or witness to the executing of 4 or 6 American pilots at Sur, Hungary, in 1944. While at the camp he gave the following information concerning his background: Prior to 1936 he was director in an industry and farmerplant. In 1937 he joined the Hungarian Army and became an instructor. CIC investigation reveals that Subject's first political importance started in the spring of 1939 when he became an ardent supporter of the extreme right wing pro-German bloc in the Hungarian Parliament. When Hungary entered WWII, NEY is believed to have been promoted to first Lt in the Hungarian Cavalry. Allegedly he served a tour of duty on the eastern front, returning probably because of partial disability, in 1943. He then assisted in the organization of the KABEZ or "Comradeship of the Eastern Front Fighters" and was eventually appointed chairman of the movement. The name of the organization was changed at a later date to that of Veres Kard or "Bloody Sword". In the summer of 1944, NEY allegedly entered the service of SS Ovargruppenfuehrer Winkelmann and the latter's political advisor, Dr. Wilhelm Notl (or HOETL), and accepted an appointment in the SS. At that time NEY established contact with Otto SKORZENY with the intention of creation a group of experienced former army personnel who could be utilized as a "suicide" organization for work behind the Soviet lines. Supported by SKORZENY and financially by ex-Premier Bela BREDY (sentenced to death as a war criminal by the Hung gov't in 1945), subject conducted extensive recruiting tours throughout Hungary, obtaining technicals of all types from among the ranks of wounded or discharged officers who had served on the eastern front. The Hungarian high command did not approve of NEY's tactics, and never supported him due to his close cooperatives with the Nazis.

In September 1944, NEY officially established his organization which was known as the Halafes legro or Death's Head Legion, with the assistance of SKORZENY. Subject allegedly obtained military equipment, arms, ammunition and supplies through SKORZENY. ~~training~~ A training center known as the "Farlesanfuehrer Schule" was established in the Bakony Mountains area, where German SS officers and non-coms served as instructors. After a fallout with SKORZENY, NEY offered a few hundred of his men to General SEELANDER, commander of the 8th German SS Cavalry Division. SEELANDER allegedly promoted Subject to the rank of Sturmabannfuehrer in the SS. A part of his group was later reported to have been dropped behind Soviet lines.

NEY is reported to have reappeared for the first time since the war on 10 May 1948 in the Munich area. He stated that he was engaged in reforming his "Death's Head Legion" and recruiting additional technicals of all types from the Hungarian ex-army personnel scattered throughout the occupied zones. He also stated that financial support for his movement had been forthcoming from the Vatican and from Generalissimo Franco of Spain. NEY is reported to have visited the Eggenfelden area in June 1948 continuing the search for former members of his unit. During this visit he is reported to have been queried regarding the political trends of his group and reported that CIC in Wocklabruck, Austria, was fully aware of his activities and was supporting him completely. A check is being made with CIC Austria to confirm or refute this statement.

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A check with former members of the Hungarian Gendarmerie who were approached by NEY during his recruiting drive revealed that he claimed to have received 275,000 ANS from US intelligence authorities for his preliminary work. The Gendarmerie stated that they believed NEY and a few of his associates were planning to pry as much financial assistance from US authorities as possible and then flee to France. At the present time, reports indicate that NEY's activities center around the area bounded by Salzburg, Vocklabruck, Lambach and Gmunden, Austria. He has established a new training center for the reorganization of his group in this area and it is believed to be at Gmunden. Although subject spends the greater part of his time in Austria, he visits Germany regularly and is reported to maintain contact with General Ferenc FARKAS, leader of the Anti-Bolshevik Hungarian Liberty Movement.

MGKA 21379, 4 Aug 50

Alleged reasons for FARKAS' visits to Austria in May and June 1948 were to visit Dr. Karoly NEY, former Sturmbannfuhrer of the Hungarian IS.

MAV 628, Summer 1948

Karoly NEY, a former KOPJAS leader and NADAS were expelled from ZAKO's organization because they were suspected of working for the American IS in Austria.

MGKW 2809, 25 August 1949

Reference reports indicate that Karl NEY is presently collaborating with Italian military intelligence. As you will note it states further that NEY entered Italy with apparently genuine Allied military government documents in the name of Karl KIRCHBERGER. From another source it has been learned that NEY apparently was in contact with CIC, Linz, Austria, during 1943/48 and had the backing of some members of that unit for his intelligence activities.

MAV 1613, Nov-Dec 49

Karoly NEY HEADS A SMALL GROUP OF Arrow Cross fanatics who have been trying to form a coalition with TELEKI's group, a small group of liberals led by APPOGYI, KISBARNAKI-FARKAS's Hungarian Liberation Movement and General HENNEY's group of former members of Hungarian Arrow Cross.

MAV-W-1831, 20 Dec 49, p 2

DECFENCY operation

MVA 3061, 21 Jun 49

HIDER operation

MAV 1970

GRASPER report

PULL 1937, IN 31982, 30 Mar 51, CIC investigation Subject because of possibility that running guns, etc, into CSR for unidentified agency.

MGLA 1586, 23 Mar 50, USAGE contacts
Service in Austria. Casual contacts: STYK.

Chief of Hungarian Information
through FOLKUSHAZY,