

On the Front Lines of the Cold War: Documents on the Intelligence War in Berlin, 1946 to 1961

Preface

In the summer of 1945 the Allied powers—the United States, Great Britain, France, and the Soviet Union—began what was to be a temporary, joint occupation of the city of Berlin. Despite an optimistic beginning, by 1948 Cold War pressures had created two separate cities, East Berlin and West Berlin. In 1948 the Soviet Union blockaded Berlin, cutting off deliveries of coal, food, and supplies. The Soviets declared the Western powers no longer had any rights in the administration of the city. The Western allies responded with the Berlin airlift, in which Allied air crews flew 4,000 tons of supplies a day into the city. In May 1949 the blockade came to an end as the Soviets permitted the Western allies to resupply Berlin by land. Berlin, however, was to remain a divided city with two governments until the end of the Cold War.

The divided city became a distinctive feature of the harsh political landscape in post-World War II Europe. For the next forty-four years, Berlin played an enduring symbolic, and at times very real, Cold War role. The city, especially during the crucial early years, stood literally on the front lines of the Cold War. It was the recurrent focus of East-West confrontation. The division of Berlin also made it a focal point for high-level intelligence operations, espionage, exchanges of spies, and general international confrontation.

In November 1958 a second Berlin crisis flared when Premier Nikita Khrushchev announced that the Soviet Union intended to turn over its responsibilities in Berlin to the East German government. Although Khrushchev did not carry out this threat, tensions remained high for several years. With East Germans fleeing to the West in record numbers in August 1961, the government of East Germany sealed the border by building the Berlin Wall. On 27 October 1961 U.S. and Soviet tanks faced off at Checkpoint Charlie in the center of Berlin. In retrospect, the construction of the wall marked the end of the sharpest confrontations in the city.

Berlin continued, however, as a potential flash point in the Cold War until the collapse of the Soviet Union and the reunification of Germany in 1991. During all of this time, an intelligence war raged in the city. Especially in the early period, 1945-1961, both sides mounted major intelligence operations and sought intelligence advantages in Berlin.

The end of the Cold War has produced a window of opportunity for studying the intelligence dimensions of Berlin's role during this crisis period. The release of limited but significant documentary materials from both sides of the Iron Curtain now makes a scholarly discussion of intelligence activities in Berlin possible. The documents compiled in this volume by CIA historian Donald Steury add clarification to this intense conflict. Dr. Steury selected his material carefully to illustrate as fully as possible US intelligence activities in the city. The documents

cover various aspects of the intelligence war, from operational field intelligence memoranda to National Intelligence Estimates produced in Washington. Taken together, they represent a detailed picture of a side of the Cold War long withheld from the general public. Dr. Steury also offers an interpretative introduction and editorial notes on the documents to guide the reader and to place the materials in their proper historical context.

Although much material remains classified, this release brings to light a substantial part of the intelligence story in Berlin during the early Cold War. The CIA's Center for the Study of Intelligence offers this collection as a first step to a fuller understanding of this complex and dangerous time.

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Introduction

For nearly 50 years the German city of Berlin was the living symbol of the Cold War. The setting for innumerable films and novels about spies and Cold War espionage, Berlin was, in truth, at the heart of the intelligence war between the United States and the Soviet bloc. For the United States and its allies, Berlin was a base for strategic intelligence

collection that provided unequalled access to Soviet-controlled territory. For the Soviet Union and the captive nations of the Warsaw Pact, the presence of Western intelligence services in occupied Berlin was a constant security threat, but also an opportunity to observe their opponents in action, and possibly to penetrate their operations. Perhaps nowhere else did the Soviet and Western intelligence services confront each other so directly, or so continuously. It thus seems appropriate to refer to this situation as an “Intelligence War”; not because the conflict between the opposing services regularly erupted into organized violence, but because it was a sustained, direct confrontation that otherwise had many of the characteristics of a war.

“When I go to sleep at night, I try not to think about Berlin.”

—Dean Rusk, ca. 1961

The genesis of this unique situation lay in the agreements reached by the victorious allies at the end of World War II. Plans calling for the joint occupation both of Germany and of Berlin, its capital, had been agreed to by the Allied powers in November 1944. Thus, even though it was the Red Army that engulfed Berlin in the Spring of 1945, the Western Allies were able to claim a stake in the city. To this the Soviets acceded, but only after the Allied Supreme Commander, Gen. Dwight D. Eisenhower, agreed to withdraw American troops from Czechoslovakia. Berlin nonetheless remained surrounded by Soviet-controlled territory, with the Allies dependent upon their reluctant ally for access to the city.

These arrangements were formalized on 5 June 1945, in the course of a meeting between Allied representatives held in Berlin itself. “Greater Berlin” was divided into three occupation “sectors,” duplicating on a much smaller scale the division of prewar Germany into three occupation zones. British and American forces assumed control over the western half of the city, while the Soviet Union occupied the eastern half. At Anglo-American insistence, a fourth occupation sector was created in the northwestern part of the city, to be under French jurisdiction. Each of the occupying powers appointed a Commandant for their individual sector. Administrative control in the city as a whole was vested in an “Inter-Allied Governing Authority,” made up of the four Commandants, each of whom served in rotation as the Chief Commandant. For some reason, this was known as the Berlin *Kommandatura*, a Russian word sometimes anglicized to Commandatura. Berlin was simultaneously to become the seat of the Allied Control Council, responsible for the military government of occupied Germany.¹

In 1948 the Soviets walked out of first the Allied Control Council and then the Berlin *Kommandatura*, thereby unilaterally nullifying the arrangements made for the administration of Berlin. The arrangements nonetheless persisted as the basis for the Allied occupation of the Western half of the city until the end of the Cold War, even though both halves of Berlin had become self-governing in 1948 and West Berlin had become a Federal German *Land* in 1950. East Berlin was declared the capital of the Communist-controlled German Democratic Republic (*Deutsche Demokratische Republik*) in 1949.

Surprisingly, given Berlin's position deep inside the Soviet occupation zone, until 1972 there was no formal agreement guaranteeing the Western Allies continuous ground access to the city. This became profoundly important beginning in 1948, when the Soviets severed the road and rail routes leading from the American and British occupation zones into Berlin. Fortunately, concerns about air safety in November 1945 had led to a four-power agreement establishing air corridors linking Berlin to Hamburg, Hanover, and Frankfurt. Although the Western Allies subsequently demonstrated that they could supply Berlin by air, the lack of guaranteed ground access remained a weak point in the occupation of West Berlin.

The US intelligence presence in Berlin began in July 1945 with the Western military occupation and lasted for the duration of the Cold War. First to arrive were intelligence officers of the Office of Strategic Services (OSS), who awoke on 1 October 1945 to find themselves employed by the new Strategic Services Unit (SSU), itself assimilated piecemeal by the Central Intelligence Group (CIG) in 1946. CIG was replaced in 1947 by the newly created Central Intelligence Agency (CIA). Although just about every element of the Agency had some kind of stake in Berlin, the clandestine services were those principally interested in the city. For the early CIA, these were the Office of Special Operations (OSO), responsible for the collection of secret intelligence, and the Office of Policy Coordination (OPC), the Agency's covert action arm.² In August 1952 OSO and OPC merged to become the Directorate of Plans (DDP).³ The analytical arm of the CIG and early CIA was the Office of Reports and Estimates (ORE), which produced short-term, newspaper-like, current reporting and longer range, more predictive, intelligence "Estimates."⁴ In 1950, newly appointed Director of Central Intelligence Walter Bedell Smith broke ORE into three offices: current reporting was now produced by the Office of Current Intelligence (OCI), with longer range, estimative analysis the responsibility of the Office of National Estimates (ONE). A new Office of Research and Reports (ORR) initially concentrated on the Soviet economy—a gradually expanding mandate that eventually included strategic intelligence on the Soviet military.

For the early Cold War period at least, "Berlin Operations Base" may be said to have been one of the most active and productive postings for CIA intelligence officers in Europe. Its first Chief of Base was Allen W. Dulles. Richard Helms succeeded Dulles in October 1945. Following in the shoes of these two future Directors of Central Intelligence were some of the most successful intelligence officers in the Agency—most of whom must remain anonymous even today. CIA Berlin was never an independent entity, however, but always was subordinate to the Senior Agency Representative in Germany.⁵ Moreover, the CIA mission in Berlin was never more than a very small part of the much larger Allied presence.

Across the city, in their compound in the Karlshorst district of Berlin, the Soviet intelligence services—in their various guises—moved in about the same time as their Western counterparts. Their mission always was dramatically different from that of the CIA and the Western intelligence services, however. Whereas for the Western Allies, Berlin was and would remain an important strategic intelligence base, the city provided no equivalent advantages for the Soviet services. The main foreign intelligence target for the Soviets was the US military presence in Western Europe, a target the Soviets shared with their East German counterpart in the Normanenstraße, the *Hauptverwaltung Aufklärung* (HVA) of the *Ministerium für Staatssicherheit* (MfS, or Stasi). Nevertheless, both sides used Berlin as an arena in which they could challenge the intelligence services of the opposing side. Moreover, the high level of intelligence activity in Berlin meant that counterintelligence problems always assumed a high priority, sometimes even overshadowing the more important "positive" mission of intelligence collection.⁶ It was partly because of Berlin's value as an intelligence base for America and its allies that the East

German government eventually sealed off the western half of the city in 1961—a move that severely inhibited Allied intelligence operations there without incurring a similar disadvantage for the Eastern Bloc services.

What follows is a sampling of CIA intelligence documents dealing with Cold War Berlin from the beginning of the Allied occupation in the summer of 1945 until the construction of the Berlin Wall in 1961. This might be regarded as the classical period of the intelligence war in Berlin, when the relatively unrestricted access permitted between the eastern and western halves of the city facilitated the intelligence operations of both sides. It was during this period that Berlin earned its reputation as a “den of espionage,” a reputation that at least partly lived up to the romantic image created over the years by novelists and screenwriters.

In general, the documents included here may be divided into three broad categories:

- Internal memoranda concerning the conduct of operations or the establishment and maintenance of an American intelligence presence in Berlin.
- Intelligence reporting from the field on specific topics. These run the gamut from raw intelligence reports from the field to more finished products ultimately intended for dissemination to intelligence analysts and other recipients. In general, this kind of reporting would not be seen by policymakers until it had been subjected to some level of analysis and editing in Washington.
- Finished intelligence produced in Washington, DC, and intended for distribution to a widespread audience in the intelligence and policymaking communities. Included in this category are current intelligence reports, which keep policymakers and intelligence officers up to date on events as they happen, and National Intelligence Estimates⁷ concerning Berlin.

National Intelligence Estimates, or NIEs⁷ are at the pinnacle of the American intelligence process and represent the agreed position of the agencies responsible for producing intelligence on a given topic. They are designed to provide policymakers with regular, detailed analyses of diverse aspects of the world situation, including the policy objectives and likely actions of other nations and their military capabilities and potential. Although predictive in format, they frequently devote much space to weighing the merits of often conflicting pieces of evidence. Special National Intelligence Estimates (SNIEs) are shorter, more ad hoc analyses written when a more rapid response is needed. Both NIEs and SNIEs are coordinated throughout the Intelligence Community and released only on approval by a standing intelligence advisory board committee, chaired by the Director of Central Intelligence (DCI) and made up of his deputy, the DDCI, and the heads of the departmental intelligence organizations in the military and the Department of State.⁸

Also included in the category of finished intelligence are Intelligence Memoranda issued on the authority of the Director of Central Intelligence (DCI) in his capacity as head of the CIA and the President’s chief intelligence adviser. Unlike NIEs and SNIEs, these were not coordinated with the rest of the Intelligence Community, and thus frequently took stronger positions than would an NIE on the same topic.

A problem in selecting the documents for this volume derived from the sheer volume of the

material. Precisely because it was so important as a base for collecting intelligence, Berlin figured one way or another in most of the intelligence operations mounted in Europe during the first two decades of the Cold War, but often only tangentially. For example, both the Pyotr Popov and Oleg Penkovskiy cases—among the most successful of CIA’s operations against the Soviet Union—touched upon the Berlin question, but both were focused elsewhere and neither could be said to be tightly interwoven into the fabric of Berlin’s Cold War history.⁹ To keep the size of this volume manageable, only those documents focused on Berlin were selected.

Sadly, although the documentary record is voluminous, it is also in many respects incomplete for much of the period covered by this volume, so that a full accounting of many important events or periods in Berlin’s Cold War history simply is not possible from CIA records alone.¹⁰ Continuing security considerations have made it impossible to include many other important records. Some of those that have been reproduced have been redacted to conceal individual identities, or to protect still-sensitive sources and methods. Otherwise, the documents have been reproduced in their original state, without alteration or abridgment. This means that some of them are difficult to read, even though we have used the most legible copy available. The reader is further cautioned that some of the documents retain marginalia or handwritten comments that may have been added by researchers long after the fact. The historicity or accuracy of these additions cannot be guaranteed.

Footnotes

¹ For the relevant documents, see US Department of State, *Documents on Germany, 1944-1985* (Washington, DC: 1971).

² Michael Warner, ed., *The CIA Under Harry Truman* (Washington, D.C., 1994), pp. xvi, xx-xxi.

³ William M. Leary, ed., *The Central Intelligence Agency: History and Documents* (Tuscaloosa, AL: University of Alabama Press, 1984), p. 50. In 1973 the DDP was renamed the Directorate for Operations (Leary, p. 97).

⁴ Leary, p. 26. For a discussion of what an Estimate is, see pp. viii-ix, below.

⁵ See Document I-7.

⁶ In the parlance of the 1940s, “positive” intelligence referred to collection of information on the other side’s intentions and capabilities. “Negative” or (less often) “passive” intelligence referred to counter-intelligence activities.

⁷ Strictly speaking, National Intelligence Estimates (NIEs) did not appear until 1951. However, we include in this category estimative reporting written by the Office of Reports and Estimates between 1947 and 1951.

⁸ The name of this body has changed over the years. In 1946-47, it was the Intelligence Advisory Board (IAB); from 1947 to 1958 it was the Intelligence Advisory Committee (IAC). It was called the United States Intelligence Board (USIB) until 1976. Since that time it has been known

as the National Foreign Intelligence Board (NFIB).

9 Popov operated briefly in Berlin, but was most active in Vienna. Penkovskiy was active primarily inside the Soviet General Staff in Moscow and provided only a limited amount of intelligence material on Berlin, but it was very important and arrived at critical moments in the Berlin Crisis of 1958–61 (reproduced as Docs. VII-5 and VII-11, below). Fortunately, splendid studies already exist on these important subjects. On Popov, see William Hood, *Mole: The True Story of the First Russian Intelligence Officer Recruited by the CIA* (New York and London: W.W. Norton, 1982). See also the cogent article by John L. Hart, “Pyotr Semyonovich Popov: The Tribulations of Faith,” *Intelligence and National Security* (1997). On Penkovskiy, see Jerold L. Schecter and Peter S. Deriabin, *The Spy Who Saved the World* (New York: Charles Scribner’s Sons, 1992). See also Oleg Penkovskiy, *The Penkovskiy Papers* (Garden City NY: Doubleday and Co., 1965).

10 A comprehensive collection of intelligence records dealing with Berlin nevertheless would demand at least a dozen volumes of this size.

I: The Opening of the Intelligence War

The American and British forces that occupied their sector of Berlin on 4 July 1945 found a city that had been virtually destroyed. Germans everywhere were paying the price for the six years of aggressive war unleashed by their government, but none more so than the citizens of Berlin. The streets were filled with rubble: the destruction wrought by Allied bombers over the winter of 1943-44 had been furthered by the relentless advance of the Soviet Army in March and April 1945.¹ Berliners themselves were still reeling from the orgy of pillage, rapine, and murder that had followed the Soviet occupation. Soviet soldiers careened through streets in lend-lease jeeps in search of violence, booty, and liquor. Other Soviet detachments, sent off in pursuit of "reparations," stripped whole industrial districts and sections of the countryside. Kidnappings and sudden, often inexplicable, arrests were regular occurrences. As a result, Berliners often hailed as saviors the first American soldiers entering Berlin to take over the Western half of the city, yet the delineation of occupation zones and the regularization of Allied control mechanisms that occurred over the summer at first could only dampen the prevailing atmosphere of chaos, deprivation, and rampant violence.² The inevitable friction between the Berlin population and the occupying powers further eroded whatever initial enthusiasm Berliners may have had for the Americans. Not until the Berlin Airlift did some Berliners begin to see the Western occupying forces in a different light.

Late in 1945 the Soviets reined in their marauding troops, but they continued to exhibit a mixture of arrogance and brutality that made them detested as conquerors and lived on to undermine the credibility of the collaborationist East German regime.³ In Berlin, as perhaps nowhere else in Germany, the initial violence of the Soviet occupation permanently shaped popular attitudes toward the occupation forces. Over the next fifty years, Berliners might chafe at the presence of the Western Allies, but the contrast to the arrival of the Soviet forces in 1945 was never forgotten.

The contrast between the attitudes of the occupying powers marked the beginning of Berlin's role as a metaphor for the Cold War division of Europe as a whole. West Berlin itself became a haven for the stream of refugees that poured across the intracity sector boundaries until the Wall went up in 1961. All this only enhanced Berlin's value as a symbol of the United States' determination to maintain a presence on the Continent of Europe. Not incidentally, Berlin's status as an outpost deep inside Soviet-occupied territory and a gateway to and from East Germany made it immensely valuable as an intelligence base. As the lines were drawn in the postwar confrontation that ushered in the Cold War, these symbolic, political, and strategic considerations emerged as factors of permanent importance to US policy toward Berlin, Germany, and Europe.

Among the first Americans to enter Berlin was a detachment of soldiers and civilians assigned to the Office of Strategic Services (OSS), America's newest intelligence agency. Their presence was transitory: most would soon be demobilized and were looking forward to seeing their homes and families again, while the OSS itself would soon be gone. As a wartime agency, its *raison d'être* evaporated with the capitulation of Japan on 14 August 1945. On 1 October the agency itself was dissolved and most of its component parts absorbed by the War Department as the Strategic Services Unit (SSU).⁴

The creation of a postwar civilian intelligence presence in Berlin thus fell mainly to the

representatives of the newly constituted SSU. Some had wartime intelligence experience, but many did not. None of them had the kind of background that would prepare them for what they were to face over the next few years in Berlin: as civilian intelligence officers they would quickly discover that the SSU was not a popular organization with other government agencies. The very idea of an intelligence service was an anathema to most Americans, who equated it with the sinister dealings they identified with a police state. Furthermore, the Department of State and the military intelligence services who had resisted the OSS now resented what they regarded as an intrusion into their own spheres of operation. Since it was the military who ran Berlin—with the advice of the State Department—the SSU personnel assigned there found that they had to learn their new trade while they were establishing a niche in the military power structure.

It was far from clear what function the SSU would have in peacetime. Intelligence collection priorities were uncertain in the fluid situation that prevailed in the period immediately after the German surrender. Opinion was divided in the OSS (and later the SSU) between those, like Allen Dulles (Chief of the OSS Mission in Bern during the war), who were concerned about postwar problems dealing with the Soviet Union and others, exemplified by William Casey in Paris, who were more interested in working against the latent centers of financial and industrial power that still existed in even a defeated Germany.⁵ This level of uncertainty is reflected in the fact that, although Berlin would soon be of pivotal importance for the collection of intelligence against the Soviet Union, there was not even a Russian-speaking intelligence officer present there until 1947.⁶ Moreover, many American military officers felt that they could deal equitably with their Soviet counterparts in Germany and viewed the presence of an independent, American intelligence organization as symptomatic of the kind of political interference they saw being imposed upon the Soviet military from Moscow.⁷ Equally important, the US Military Governor in Germany, Gen. Lucius D. Clay, was determined to maintain good relations with his Soviet counterpart, Marshal Georgiy K. Zhukov, and discouraged any activities that he thought might be detrimental to good relations with the Soviet Union.⁸

Ironically, SSU Berlin's problem of finding a place for itself in the military power structure soon eased considerably because of the actions of the Soviet Union. Zhukov was recalled early in 1946 and replaced by the hardline Marshal Vassiliy D. Sokolovskiy. The Soviets subsequently did everything possible to isolate the Allied garrison in Berlin and cut off any access to potential sources of information within the Eastern bloc.⁹ American commanders and diplomats in Berlin soon found it necessary to rely on intelligence sources for even the most basic information on Soviet intentions or conditions inside East Germany. Although Clay apparently would have preferred to keep it at arm's length, he found himself increasingly dependent upon his SSU detachment for information. SSU Berlin frequently had to scramble to keep up with what was a rapidly changing situation, but in the process, established the administrative structures and lines of communication that would be in place for the next 50 years.

I-1: Damage to Berlin, 16 December 1943 (No MORI No.) [PDF Only 657KB*]

The transcript of a telephone call from OSS London to Washington, this document has been included to give some indication of the level of damage sustained by Berlin over the course of World War II.

Over the winter of 1943-44, the Royal Air Force's Bomber Command staged an all-out nighttime offensive against Berlin. For much of this period, Bomber Command's night attacks were supplemented by daylight raids carried out by the US 8th Air Force. This recounts the damage

inflicted by the end of 1943, at the height of the offensive. Berlin continued to be bombed until it was occupied by Soviet troops at the end of the war. The intense street-fighting between the advancing Soviet forces and the German defenders only inflicted more damage. Eventually the rubble from all this damage was collected in a huge pile in the Grunewald Park, to become the Teufelsberg.

I-2: Report on Berlin Operations Base, 8 April 1948 (MORI No. 144185). [PDF Only 10.89 MB*]

This excerpt from a much larger document chronicles the history of the SSU Detachment in Berlin from January 1946 until the end of 1947, a period in which many of the mechanisms for the collection and dissemination of intelligence were implemented.

The War Department's Strategic Services Unit (SSU) comprised the foreign intelligence and counterintelligence branches of the defunct OSS. In the spring of 1946, the War Department ceded the SSU to the newly created Central Intelligence Group (CIG), which incorporated its overseas operations into the Office of Special Operations that October.

The National Defense Act of 1947 transformed the CIG into the Central Intelligence Agency. OSO was the CIA office responsible for the clandestine collection of intelligence from human sources before 1953. A covert action organization as such did not exist in CIA until the establishment of the Office for Policy Coordination (OPC) on 1 September 1948 (although OSO undertook some covert actions in early 1948).

I-3: Intelligence Disseminations of War Department Detachment, APO 403; 24 October 1946 (MORI No. 145819). [PDF Only 108KB*]

I-4: Targets of German Mission, 10 January 1947 (MORI No. 144270). [PDF Only 148KB*]

I-5: Points for [DCI Vandenberg's] Discussion with General Clay, 16 January 1947 (MORI No. 144271). [PDF Only 141KB*]

I-6: Utilization of the Mass of Soviet Refugees, 19 April 1948 (MORI No. 144243). [PDF Only 348KB*]

I-7: Instructions [for Gen. Lucien K. Truscott], 9 March 1951 (MORI No. 144287). [PDF Only 197KB*]

I-8: Minutes of a Staff Conference in Munich, 26 October 1951 (MORI No. 144289). [PDF Only 321KB*]

Although the role to be played by SSU Berlin (and its successors) was essentially defined by the end of 1947, problems of definition and coordination persisted. These documents lay out some of the parameters defining the CIA's role in Germany. They reflect some of the bureaucratic difficulties the Agency had in establishing itself, as well as the problems experienced in formulating a postwar intelligence policy, given the prevailing tensions and uncertainties.

I-9: SMERSH Department of the Soviet Central Kommandatura, Berlin—Luisenstraße, 19 December 1946 (MORI: No. 46629). [PDF Only 117KB*]

I-10: Reorganization of the RIS [Russian Intelligence Services] in Germany, 11 September 1947 (MORI: No. 144169). [PDF Only 369KB*]

I-11: Memorandum [concerning Gen. Leonid A. Malinin] for the Director, Central Intelligence, ca.

At the end of World War II, the Soviet intelligence and security services began one of their recurrent periods of reorganization and change. This persisted until 1954, when what we know as the KGB finally emerged.

In April 1943, the Soviet intelligence service, the NKGB (People's Commissariat for State Security) had been made independent of the NKVD (Peoples Commissariat for Internal Affairs). In March 1946, both were raised to the status of ministries to become, respectively, the MVD (Ministry for Internal Affairs) and the MGB (Ministry for State Security). However, in October 1947 the foreign intelligence directorate of the MGB was combined with Soviet military intelligence (GRU) to form the independent Committee of Information (KI). This persisted until the summer of 1948, when the GRU was recreated as a separate agency under the control of the military. In November 1951, KI was reabsorbed by the MGB. On Stalin's death in March 1953, the MGB became part of the MVD, under the control of Lavrenty Beria. In March 1954 the MGB was removed from the control of the MVD and placed under the direct control of the Council Ministers and downgraded to a Committee, becoming the KGB.¹⁰

The dramatically named SMERSH (a contraction of the phrase, "*Smert Shpionam!*"—Death to Spies!) was an independent organization formed by Stalin out of counterintelligence elements of the NKVD in April 1943 and placed under his direct control. Theoretically responsible for counterintelligence operations, SMERSH in fact was Stalin's tool for eliminating "subversion" and collaboration in territories recaptured from the Nazis. After the war, it was primarily engaged in interrogating and executing returning Soviet prisoners of war.¹¹

American intelligence officers confronting the shifting labyrinth of Soviet security services for the first time at the end of World War II had difficulty in keeping track of all this. The Soviet Union was still a mystery to most Americans, and Soviet specialists were virtually nonexistent. The following documents describe early US efforts to understand the organization of the Soviet intelligence services. Interestingly, Document I-11 describes a dinner meeting with Maj. Gen. Leonid A. Malinin, identified as "Deputy to Marshal Sokolovskiy." Actually, Malinin was the KI *Rezident* (local head of operations) in Berlin and as such responsible for the collection of all foreign intelligence for the Soviets, a fact unknown in the West until after the Cold War was over.¹²

Footnotes

¹ The effects of one air raid are reported in Document I-1.

² Parrish, Thomas, *Berlin in the Balance, 1945-1949: The Blockade, the Airlift, the First Major Crisis of the Cold War*. (Reading, MA: Addison-Wesley, 1998), p. 52.

³ An analysis of the Soviet occupation may be found in Norman M. Naimark, *The Russians in Germany: A History of the Soviet Zone of Occupation, 1945-1949* (Cambridge and London: Harvard University Press, 1995).

⁴ SSU comprised the Secret Intelligence (SI) Branch—responsible for intelligence collection and the Counterintelligence Branch (X-2). The Research and Analysis Branch of the OSS (R&A) was

transferred to the State Department's short-lived Interim Research and Intelligence Service.

5 Stuart E. Eizenstat, et al., *US Efforts to Recover and Restore Gold and Other Assets Stolen or Hidden by Germany During World War II* (Washington, DC: Department of State, 1997), pp. 39, 41.

6 David E. Murphy, Sergei Kondrashev, and George Bailey, *Battleground Berlin*, (New Haven, CT: Yale University Press, 1997), p. 20.

7 Jean Edward Smith, *Lucius D. Clay: An American Life* (New York: Holt, 1990), pp. 261-62; Robert Murphy, *Diplomat Among Warriors* (New York: Pyramid, 1964), p. 290.

8 Document I-2, *Report on Berlin Operations Base, 8 April 1948*.

9 David E. Murphy, et al., p. 11.

10 Details of the organizational metamorphoses of the KGB may be found in Christopher Andrew and Oleg Gordievskiy, *KGB: The Inside Story* (New York: Harper Collins, 1990), *passim*.

11 Andrew and Gordievskiy, pp. 342-343.

12 Murphy, et al., pp. 411-414.

II: The March Crisis and the Berlin Airlift

1947 was a year of confrontation. In July the Soviets rejected the aid offered through the Marshall Plan and forced other Eastern Bloc countries to do the same in an effort to counter the growing American influence in Europe. In September, the Communist International was apparently reborn as the COMINFORM. At the end of the year the growing stalemate in the roundrobin Conferences of Foreign Ministers (CFM) climaxed with a complete breakdown in London.

These ominous developments prompted equally dire warnings from within the US intelligence establishment. On 22 December a CIA Intelligence Memorandum warned President Truman that the Soviets would try, through obstructionism and harassment, to force the Western Allies out of Berlin.¹ On 26 and 30 December CIA's analysis was seconded by similar missives from the State Department in Washington, followed by a cable from the Ambassador to Moscow, Lt. Gen. Walter Bedell Smith.²

In Berlin itself, the political atmosphere grew more frigid with the replacement of the Soviet Military Governor, Marshal Georgiy Zhukov, by the hardline Marshal Vassily Sokolovskiy in March 1946. The US Military Governor in Germany, Gen. Lucius D. Clay, had hoped to work cooperatively with his Soviet counterparts, but in October he began to worry about the exposed position of the US garrison in Berlin as the Soviets stepped up security for military exercises inside the eastern zone.³ Rumors began to circulate that dependents would soon be sent home. The Allied garrison in Berlin became increasingly jittery over the winter.⁴ In January 1948 the Soviets began to interfere with trains to Berlin from the western zones, and on the 20th of January Marshal Sokolovskiy abruptly rejected Clay's proposals for currency reform within occupied Germany. The situation worsened over February when the Czech Communist Party overthrew the coalition government in Prague, even as the Allies were discussing plans for a new Western German state. Shuttling back and forth to London, Clay felt increasingly uneasy, and finally, on 5 March, Clay cabled his concerns to the Joint Chiefs of Staff in Washington:

For many months, based on logical analysis, I have felt and held that war was unlikely for at least ten years. Within the last few weeks, I have felt a subtle change in Soviet attitude which I cannot define but which now gives me a feeling that it may come with dramatic suddenness. I cannot support this change in my own thinking with any data or outward evidence in relationships other than to describe it as a feeling of a new tenseness in every Soviet individual with whom we have official relations. I am unable to submit any official report in the absence of supporting data but my feeling is real. You may advise the Chief of Staff of this for whatever it may be worth if you feel it advisable.⁵

Although Clay later denied that he had intended his carefully worded telegram to be a war-warning,⁶ it was interpreted as such by the Pentagon. At the behest of JCS Chairman Omar N. Bradley, the Intelligence Advisory Committee ordered an ad hoc committee chaired by CIA's Office of Reports and Estimates to draft an Intelligence Memorandum for the President judging the likelihood that the confrontation in Central Europe would escalate into war.⁷ The committee quickly became mired in bureaucratic rivalries. Army and Air Force representatives feared that passage of the defense budget then being debated in Congress might hang on what was said

about Soviet intentions in Europe. Seemingly at particular risk was the Army's proposal for universal military training. The Office of Naval Intelligence, by contrast, remained conservative in its estimates and resisted saying anything that suggested war might break out in 1948. Consensus was, to say the least, elusive. Although—after an initial period of alarm—no one on the committee was willing to say that war was likely, the military representatives refused to say that it was unlikely.

Finally, on 16 March DCI Roscoe Hillenkoetter demanded straight answers from the committee to three questions, to be given to the President that morning:

1. Will the Soviets deliberately provoke war in the next 30 days?
2. In the next 60 days?
3. In 1948?

After some further hedging, the committee answered the first two questions in the negative and deferred the answer to the third, to be dealt with by ORE in an Estimate. A rider was attached to the memorandum dealing with the Army's concerns for the defense budget still before Congress.⁸ DCI Hillenkoetter took advantage of the opportunity to append yet another memorandum reminding President Truman that CIA had analyzed Soviet intentions in these same terms on 22 December.⁹ The promised follow-on Estimate, ORE 22-48, *The Possibility of Direct Soviet Action During 1948*, was published on 2 April.¹⁰ In it—and in two similar estimates that followed over 1948-49—ORE discounted the possibility that the Soviet Union would deliberately initiate a war in the immediate future. However, ORE did underline the likelihood that the Soviet Union would apply increased political pressure to the US position in Europe, and warned that, in an atmosphere of increasing tension, the chances that war might break out by accident would increase.¹¹

In Germany, Washington's alarm over Clay's 5 March telegram came as something of a surprise. On 12 March a quick poll of intelligence officers attached to the various commands in Germany produced a near-consensus that the Soviets were not ready for war¹²—only Clay's G-2, Maj. Gen. Robert L. Walsh disagreed. While this was going on, the Soviets moved some 20,000 troops into frontal areas from within the Eastern bloc, along with an additional 12,000 MVD (internal security) troops from the Soviet Union. On 19 March a planned Communist takeover in Helsinki failed when the Finnish Minister of the Interior, Yrjo Leino, himself a Communist, alerted the Finnish army.¹³ The next day Sokolovskiy and the entire Soviet delegation walked out of the Allied Control Council in Berlin. This was followed by two weeks of exercises involving Soviet ground forces and police units inside East Germany. At the same time, the Soviets staged a series of carefully orchestrated incidents near the intra-German border, including the kidnapping and interrogation of German civilians, apparently with the intent of convincing Allied observers that the Soviets were preparing to take some undefined military action.¹⁴

In the time that had passed between the first Soviet provocations and the staged military incidents at the end of March, the Western Allies had the opportunity to consider possible Soviet actions in detail. As might be expected, the onset of large-scale Soviet military exercises triggered an alert in the Western zones, but by the time the Soviets began staging incidents along the intra-German border the debate over the Soviets' intentions for the near future was over. When, on 30 March, Sokolovskiy's deputy formally notified his Western counterparts that, effective midnight, 31 March, all Allied traffic through the Soviet zone would be forced to submit to inspection, both General Clay and his superiors in Washington knew that they faced a political challenge to the US presence in Berlin—not the threat of war.¹⁵

From the intelligence standpoint, the chief effect of the March crisis was to provide a precedent by which future Soviet actions could be judged. In effect, Stalin had telegraphed his punches, so that, by the onset of the Berlin blockade that June, Western analysts had a better understanding of just how far he was willing to go. Under these circumstances, the outcome of the June crisis was pretty much a foregone conclusion—assuming that Western resolve remained intact.

Stalin hoped, of course, that by challenging the Allied position in Berlin, he would be attacking the Western coalition at its weakest point. Anticipating a postwar crisis in capitalist system, Stalin believed that Berlin was the point where, if he pushed hard enough, he would cause the Western alliance to come apart at the seams.¹⁶

In pursuit of this goal, Soviet harassment of Allied military trains to Berlin continued over April and May, all but halting passenger traffic, although food shipments continued. On 5 April a Soviet Yak-9 fighter harassing a British airliner inadvertently collided with it, killing all on board both aircraft. Simultaneously, the Soviet Berlin Commandant, Gen. Alexander Kotikov, launched a blatant campaign to hamstring the *Kommandatura*. The scale of Soviet provocations increased until 16 June, when Kotikov denounced the American Commandant, Col. Frank Howley, for leaving his deputy to represent him in a meeting of the *Kommandatura* and walked out himself, thus abrogating the last vestiges of the quadripartite administration of Berlin.¹⁷ Over 18-20 June the Soviets blocked the Western powers' plans for the introduction of a reformed currency into Berlin. On 19 June they finally halted all rail traffic into the city, and on 23 June they halted road and barge traffic and cut off the supply of electricity to West Berlin.¹⁸ The Soviet blockade of Berlin had begun. On 26 June the first Allied transports began to airlift supplies into Berlin.

The Berlin blockade illustrated just how poorly Stalin was being served by his intelligence services. Soviet planning for the blockade was superficial at best: the Soviets apparently never anticipated that the West might hold out,¹⁹ while no one in the Kremlin seems to have realized how much the eastern zone itself was economically dependent on the West.²⁰ Moreover, there is evidence that Soviet intelligence officers feared to bring bad news to Stalin and “cooked the books” in their reporting about the effectiveness of the blockade and Allied airlift.²¹ Had they not done so, the Soviet blockade might never have gone on as long as did, despite its manifest failure.

By contrast, the record shows that US reporting accurately gauged Soviet intentions both before and during the crisis. In Washington, ORE persisted in its belief that Stalin would not deliberately push the Berlin confrontation to war.²² Meanwhile, CIA intelligence officers provided insights into the strengths and weaknesses in Soviet planning²³ and were able to provide some of the first indications of cracks in Soviet resolve.²⁴ Policymakers in Washington were also kept apprised of the situation in Berlin through a stream of reporting on Soviet intentions and operations.²⁵

II-1: Memorandum for the Chairman, Joint Chiefs of Staff, General of the Army Omar Bradley, 31 July 1947 (MORI No. 144273). [PDF Only 215KB*]

Tensions were running high in the summer of 1947, as reflected in this extract from a routine status report prepared in Berlin. The writer of the report would not have used such candor in referring to his military compatriots, were the report intended for other than internal consumption. It is interesting that the branch chief in Washington, future DCI Richard Helms, felt the report to be important enough that it be shared with JCS Chief Bradley without altering

the language.

II-2: Memorandum for the President, 16 March 1948 (MORI No. 9259). [PDF Only 401KB*]

DCI Hillenkoeter's memorandum brought the curtain down on the March 1948 "war scare." Because General Clay's so-called "war warning" emanated from outside normal intelligence channels, Hillenkoetter apparently felt that CIA's credibility was at stake. He thus appended a CIA memorandum from the previous December evaluating the situation and forecasting Soviet moves. That CIA was still a very young agency is reflected in the use of recycled Central Intelligence Group (CIG) stationary.

II-3: ORE 22-48: Possibility of Direct Soviet Military Action During 1948, 2 April 1948. [PDF Only 631KB*]

II-4: ORE 22-48, Addendum: Possibility of Direct Soviet Military Action During 1948-49, 16 September 1948. [PDF Only 451KB*]

II-5: ORE 46-49: The Possibility of Direct Soviet Military Action During 1949, 3 May 1949. [PDF Only 729KB*]

One of the most valuable functions played by the Intelligence Community during the crisis of 1948-49 was to provide policymakers with perspective on the changing situation in Berlin and Germany. In these three Estimates, the Office of Reports and Estimates (ORE) used assessments of Soviet capabilities to discount the possibility of Soviet military action in 1948 and 1949. Reporting of this kind helped policymakers understand Soviet actions in Berlin in context with broader Soviet intentions. Throughout this period, however, ORE was handicapped by a consistent lack of reliable information on Soviet intentions and capabilities, a deficiency clearly reflected in these Estimates. Interesting, too, is the fact that all these Estimates warn of the likelihood that war might break out inadvertently, should tensions continue to run high—a reminder that the memories of Sarajevo and the outbreak of World War I lingered in the minds of high-level officials on both sides.

II-6: ORE 29-48: Possible Program of Future Soviet Moves in Germany, 28 April 1948. [PDF Only 585KB*]

In the aftermath of the March Crisis, ORE attempted to forecast possible Soviet moves in Germany. Although the Estimate raises the possibility of a blockade, the emphasis throughout is on the projected establishment of a Soviet-backed East German Communist regime.

II-7: Memorandum for the President, 9 June 1948 (MORI No. 9260). [PDF Only 357KB*]

Although the lines of confrontation certainly were being drawn, in June 1948 the situation in Germany remained fluid. This memorandum, prepared just before the Soviets severed land links between the eastern zone and the west, discusses likely Soviet reactions to the proposed merger of the three western zones of occupied Germany. It serves as a reminder of just how new—and unprecedented—the Cold War was in 1948. The governments here discussed as being established "provisionally" were to last nearly half a century.

II-8: ORE 41-48: Effect of Soviet Restrictions on the US Position in Berlin, 14 June 1948. [PDF Only 668KB*]

But a few days before the onset of the Berlin blockade (20 June), ORE considered the impact of Soviet efforts to restrict US military rail traffic to and from Berlin. Already Berlin's value as a

base for the collection of strategic intelligence inside Soviet-dominated Europe is being emphasized.

II-9: CIA Memorandum for the Secretary of Defense, Subject: Situation in Berlin, 28 June 1948 (MORI No. 144438). [PDF Only 198KB*]

II-10: CIA Memorandum for the Secretary of Defense, Current Subject: Situation in Berlin, 30 June 1948 (MORI No. 145210). [PDF Only 152KB*]

II-11: Memorandum for the President: Russian Directive Indicating Soviets Intend to Incorporate Berlin into the Soviet Zone, 30 June 1948 (MORI No. 97992). [PDF Only 57KB*]

II-12: Intelligence Report: Russian Unilateral Dismissal and Appointment of Berlin Police Officials, 15 July 1948 (MORI No. 145211). [PDF Only 72KB*]

The four intelligence reports above demonstrate Soviet confidence that the blockade would bring an end to the quadripartite regime in Berlin. The reports of Soviet planning to assume full control of Berlin (Documents II-9, II-11, II-12) reveal a thoroughness in operational matters that contrasts sharply with the more strategic failure to consider the effect the blockade would have on the East German economy. Document II-10 shows how the Soviets depended on German food supplies, even as they were taking actions that would throttle the East German economy. The documents also suggest that the Soviets never expected West Berlin to hold out for nearly a year.

II-13: CIA 7-48: Review of the World Situation, 14 July 1948 (MORI: 8840). [PDF Only 1.6MB*]

The dramatic success of the Berlin airlift has tended to obscure just how perilous a situation Berlin was in the summer of 1948. As this CIA report shows, there were real doubts about the Allies' ability to maintain themselves in Berlin. Moreover, with both the Western and Eastern alliances in flux, more than the Allied position in central Europe was at stake. As the confrontation dragged on, each side's freedom of action gradually diminished.

II-14: Memorandum for the President on the Situation in Berlin, 10 December 1948 (MORI No. 145213). [PDF Only 257KB*]

II-15: Intelligence Report: Soviet Measures to Further Tighten the Sector Blockade in Berlin, 30 December 1948 (MORI No. 145214). [PDF Only 176KB*]

II-16: Soviet Plans to Control the Western Sectors of Berlin, 6 January 1949 (MORI No. 145215). [PDF Only 126KB*]

The Allied capability to supply West Berlin with needed food and fuel was strained to the utmost in the frigid North European winter. Apparently believing that they could bring the confrontation to a decisive conclusion, the Soviets prepared to isolate West Berlin from the eastern half of the city and to abrogate what remained of the quadripartite governing arrangements. Once again, a Soviet intelligence failure is revealed in their ignorance of the economic interdependence of the city as a whole. Soviet efforts to halt economic intercourse between East and West Berlin failed, while the winter brought only a redoubling of Western supply efforts.

II-17: IR: SED preparations for Illegal Work in West Berlin, 7 March 1949 (MORI No. 145217). [PDF Only 142KB*]

II-18: IR: Progress of the SED Membership Purge, 7 March 1949 (MORI No. 145218). [PDF Only

By the spring of 1949 a change in mood was evident in the East German Communist leadership, if not in Moscow. Having apparently reconciled themselves to the failure of the blockade to drive the Western powers out of Berlin, the SED prepared itself for long-term subversive activity in the western half of the city and began a purge of its leadership cadres.

II-19: CIA 5-49: Review of the World Situation, 17 May 1949 (MORI No. 8872). [PDF Only 1.18MB*]

With the blockade at an end, Western optimism is shown in the hope that the Soviets would be willing to negotiate a solution to the “German question.” In fact, a solution already had been found: in the division of Germany into two separate states. Probably neither side recognized at this point just how enduring this solution was to be.

Footnotes

1 This memorandum is appended to Document II-2.

2 FRUS 1947, Vol. II, pp. 905-908.

3 William R. Harris, “The March Crisis of 1948, Act I,” *Studies in Intelligence* (1966), p. 3.

4 See Document II-1.

5 Harris, p. 7.

6 Lucius D. Clay, *Decision in Germany* (Garden City, NY: Doubleday and Company, 1950), p. 354.

7 Harris, p. 10.

8 *Ibid.*, pp. 20-21.

9 See Document II-2.

10 See Document II-3.

11 See Documents II-4 and II-5.

12 David E. Murphy, Sergei Kondrashev, and George Bailey, *Battleground Berlin*, (New Haven, CT: Yale University Press, 1997), p. 54.

13 Harris, p. 10.

14 *Ibid.*, p. 13.

15 *Ibid.*, p. 25.

16 Zubok and Pleshakov, *Inside the Kremlin's Cold War: From Stalin to Khrushchev* (Cambridge, MA: Harvard University Press, 1996), pp. 48-49.

17 Frank Howley, *Berlin Command* (New York: G.P. Putnam's Sons, 1950), pp. 181-82.

18 The Soviet effort to cut off West Berlin's electrical supply was only partially effective. Because the electrical net for the city of Berlin had been designed for a unified city (and not, of course, for one broken into two hostile halves) the Soviets found it impossible to completely cut off West Berlin's electrical supply without also severing their own. William Stivers, "The Incomplete Blockade: Soviet Zone Supply of West Berlin, 1948-49," *Diplomatic History* (1997), p. 586.

19 Murphy, et al., p. 57.

20 The Allied airlift was able to meet Berlin's basic requirements for food and fuel, but the continued functioning of the city's economy depended on interchange with the eastern zone. This continued illegally under the blockade. Stivers, "The Incomplete Blockade..." *passim*.

21 Murphy, pp. 62-63, 64-65.

22 See Documents II-3—II-6. See also Woodrow J. Kuhns, ed. *Assessing the Soviet Threat: The Early Cold War Years* (Washington, DC: Center for the Study of Intelligence, 1997), Docs. 67, 85, 145.

23 See Document II-8.

24 See Documents II-17 and II-18.

25 See Documents II-9—II-16.

III: June 1953

Stalin's death in March 1953 raised expectations everywhere that the new Soviet leadership would relax its grip on Eastern Europe. As the first actions of the new leadership proved these hopes to be false, popular revolts broke out in East Germany, Poland, and Hungary. All were swiftly and brutally put down, either by the indigenous Communist regime or by Soviet bloc troops brought in for the purpose.

The Berlin uprising of 16-17 June 1953 was the first of these protests. It began with an orderly march in protest of newly increased work quotas involving an estimated 5,000 workers at noon on the sixteenth. This ended about three hours later, but protests resumed early the next day with some 17,000 people in the streets, a figure that may eventually have risen to anywhere from 30,000 to 50,000 to several hundred thousand by noon. Traffic came to a halt and the demonstration turned violent; thousands of people swarmed through the Potsdammer Platz to the Lustgarten Platz, tearing down Communist flags and overturning kiosks. But East German and Soviet troops with tanks and armored cars had quietly moved into East Berlin the previous night. Early on the afternoon of the seventeenth they drove into the crowds, firing automatic weapons and small arms. At 2:20 PM the East German government declared a state of emergency; the revolt was quickly crushed. Like after-shocks following a major earthquake, strikes, demonstrations and isolated "incidents" continued to occur throughout the DDR over the next few weeks, but with the crackdown on the seventeenth the Communist regime demonstrated that, even if it had little popular support, it was nevertheless firmly in control.

The Berlin uprising was a spontaneous action that took American intelligence officers by surprise. Although the United States had waged an active propaganda campaign that encouraged dissatisfaction with the Communist regime, it had not worked directly to foster open rebellion and had no mechanism in place to exploit the situation when it arose. US authorities in Berlin thus had no alternative but to adopt an attitude of strict neutrality.¹ Many East Germans nonetheless expected the United States to intervene. These expectations persisted, unintentionally fueled by a US-sponsored food-distribution program that began on 1 July and lasted until the East Berlin government put an end to it in August.²

The Berlin uprising effectively ended the limited political plurality hitherto tolerated by the East German regime. More than 6,000 people were arrested. A statewide purge eliminated dissidents both in the official party, the SED (*Sozialistische Einheits Partei Deutschland*), and in the state-tolerated "opposition" parties. Ironically, the principal effect of the uprising was to further consolidate the existing power structure in the DDR: East Germany's President Walter Ulbricht used the revolt as an excuse to eliminate rival factions within the SED, while measures were taken to ensure that the security apparatus would not be caught napping again.³

III-1: NIE 81: Probable Soviet Courses of Action with Respect to Germany Through Mid-1954, 22 May 1953. [PDF Only 837KB*]

III-2: SE 47: Probable Effect of Recent Developments in Eastern Germany on Soviet Policy with Respect to Germany, 24 July 1953. [PDF Only 439KB*]

These two Estimates weigh the importance of the DDR to the Soviet bloc before and after the Berlin uprising and predict Soviet actions to stabilize control of the East German state. Of note is the special concern accorded the Federal Republic of Germany in Soviet planning.

III-3: Comment on the East Berlin Uprising, 17 June 1953 (MORI No. 144301). [PDF Only 287KB*]

This the first full report of the uprising to be disseminated in Washington.

III-4: Closing of Berlin Borders, 18 June 1953 (MORI No. 144211). [PDF Only 66KB*]

The powder-keg atmosphere that remained on 18 June is reflected in this terse report of security measures taken along the inter-Berlin border.

Footnotes

1 On the US response to the Berlin uprising in general, see Christian Ostermann, “The United States, the East German Uprising of 1953 and the Limits of Rollback,” *Cold War International History Project Working Paper, No. 11* (Washington, DC: Woodrow Wilson International Center for Scholars, 1994).

2 *Ibid.*, pp. 25-31.

3 Mary Fulbrook, *Anatomy of a Dictatorship: Inside the GDR, 1949-1989* (Oxford: Oxford University Press, 1995), pp. 185-187.

IV: Alltagsgeschichte: Day to Day in the Intelligence War

The high level of intelligence activity in Cold War Berlin meant that each side was subjected to constant scrutiny by the other. This not only applied to the kind of so-called “positive” intelligence that might be collected in Berlin—the details of the Western military garrisons, for example, or orders of battle for Soviet military units stationed in East Germany—but also information collected for counterintelligence purposes. Precisely because Berlin was so important as a base for Western intelligence, effective Allied counterintelligence was a vital prerequisite to the collection of the strategic intelligence that was its *raison d’être*. The following documents represent a much larger body of material collected on the Soviet and East German intelligence and security services in Berlin. They presumably would be matched by an equivalent or larger corpus of intelligence reporting collected by the Soviet bloc services on the Western intelligence presence in Berlin.

IV-1: Current Intelligence Weekly Summary (CIWS): The Soviet Establishment in Karlshorst Compound in East Berlin, 7 May 1959 (MORI No. 145728). [PDF Only 359KB*]

This document describes the principal KGB facility in Berlin at the height of the Cold War. The size of the Soviet establishment and the degree to which it was designed to be self-contained contrasts sharply to the Allied presence in West Berlin, where American officers lived in much closer daily contact with the local population.

IV-2: KGB in East Germany, April 1970 (MORI No. 144336). [PDF Only 639KB*]

Although dating from 1970, this report provides details of life in the KGB *Rezidentura* that probably would be more-or-less equally valid throughout the Cold War. Seemingly trivial details of the kind included in this report often were invaluable for operational purposes.

IV-3: Soviet Intelligence and Security: Lt. Gen. Pitovranov, 23 July 1958 (MORI No. 145209). [PDF Only 485KB*]

Appointed KGB Berlin *Rezident* in the summer of 1953, Lt. Gen. Yevgeny Petrovich Pitovranov was brought in to “fix things” following the death of Stalin and the uprising of June 1953. He served in Berlin until 1958, when he was replaced by Gen. Aleksandr Mikhailovich Korotkov, a Berlin veteran.¹ This brief bio on Pitovranov gives an indication of the goldfish-bowl-like environment in which many intelligence officers in Berlin lived, despite the aura of secrecy shrouding their profession.

IV-4: Activities of Gen. Ivan A. Serov in Poland, 8 November 1958 (MORI No. 144168). [PDF Only 281KB*]

SMERSH Chief in Soviet-occupied Germany, General Serov arrived with advancing Red Army in the summer of 1945 and left late in 1947, apparently the victim of political machinations in Moscow.² In 1940–41, during the first Soviet occupation of the Baltic states, Serov had been responsible for the deportation of some 134,000 “class enemies” to slave labor camps.³ A confidant of Nikita Khrushchev, in 1953 Serov engineered the overthrow of Stalin’s Internal Security Chief, Lavrenty Beria. In 1954, Serov was made the first chairman of the newly created

KGB.⁴

IV-5: IR: Organization of the Soviet Intelligence Organs, 24 February 1955 (MORI No. 144214).

[PDF Only 1.07MB*]

This report provides an overview of the changes in Soviet intelligence that occurred near the end of Stalin's life and during the brief period that Lavrenty Beria was in complete control of Soviet intelligence. Note that, although the "Date of Info." given is December 1952-January 1954, the report was not issued until February 1955, by which time the MGB had been replaced by the KGB.⁵

In December 1952, Stalin created a Chief Directorate of Intelligence (*Glavnoye Razovodyvatolnoye Upravleniye—the same name as Soviet military intelligence*) over the MGB's First Directorate (Foreign Intelligence) and the Second Directorate (Counter Intelligence) in an effort to insure closer coordination between the two directorates. The change was recommended by Ye. P. Pitovranov, who had been Chief of the MGB's counter-intelligence directorate until his arrest in October 1951. He was released by Stalin in November 1952 and made Chief of the First Directorate (Foreign Intelligence). This arrangement lasted only until Stalin's death and Beria's reorganization of the Soviet intelligence establishment in March 1953. Pitovranov was sent to Berlin as head of the Karlshorst *apparat* soon after the June 1953 uprising.⁶

IV-6: HVA Meeting Chaired by [Markus] Wolf, 2 February 1953 (MORI No. 145205).

[PDF Only 1.83MB*]

IV-7: HVA Meeting [Sondersitzung] Chaired by [Markus] Wolf, 7 March 1953 (MORI No. 145348).

[PDF Only 805KB*]

Western intelligence officers in Germany had to be concerned not only with the Soviet KGB but also with East Germany's highly effective intelligence and security agency, the *Ministerium für Staatssicherheit*, also known as the MfS or Stasi. The branch of the Stasi responsible for the collection of foreign intelligence was the *Hauptverwaltung Aufklärung* (HVA, usually translated as the Main Administration for Foreign Intelligence), known until 1956 by a cover name, *Institut für Wirtschafts-Wissenschaftliche Forschung* (IWF, or Institute for Economic Research). For most of the Cold War the IWF/HVA was headed by the enigmatic Markus "Mischa" Wolf. Widely regarded as Moscow's man, Wolf was appointed to head the DDR's foreign intelligence service in late 1952—on the strength of his Soviet connections, according to the Stasi rumor mill.⁷

Document IV-6 is a transcript of a meeting of IWF Department (*Abteilung*) heads on 2 February 1953. In this, the first meeting he chaired as head of the IWF, Wolf ordered a formal distancing from the Central Committee of the East German Communist Party (SED, or *Sozialistische-Einheitspartei Deutschland*).

Document IV-7 describes a special meeting held on 7 March 1953, the day after Stalin's death was announced. Here the principal concern was that the West might somehow exploit the demise of the Soviet leader to mount an assault on the Soviet bloc. The agent reporting on this meeting describes an atmosphere of deep depression in IWF headquarters: "The women personnel appeared in black clothing and behaved as if their own mother had died. The men were similarly affected, but were less demonstrative."

IV-8: Pictures of Mischa Wolf, 9 April 1959 (MORI No. 145204).

[PDF Only 292KB*]

IV-9: IR: Markus Johannes Wolf, 11 October 1973 (MORI No. 144083).

[PDF Only 541KB*]

Markus Wolf, who became the head of the DDR's foreign intelligence service late in 1952, cloaked himself in anonymity. However, as this first document shows, by 1959 he had been singled out and identified in photographs taken during the 1946 Nürnberg trials. In fact, Western intelligence probably knew as much or more about Markus Wolf than it did about many Eastern Bloc senior intelligence officers, as the second document included here, a brief biography, would suggest. The report is, nonetheless, inaccurate in some of its details. According to Wolf's memoirs, he began work for the IWF when he was recalled to Berlin in August 1951, not in 1952.⁸ Wolf does not mention "Department XV" in his memoirs, but recounts that the IWF was absorbed by the *Ministerium für Staatssicherheit* in 1953. In 1956 the IWF cover was dropped and the German foreign intelligence service became the *Hauptverwaltung Aufklärung* (HVA).⁹

Wolf was a highly effective intelligence chief and the HVA prospered under his leadership.

IV-10: IR: The Supply and Distribution of Foodstuffs, 3 December 1952 (MORI No. 145223). [PDF Only 432KB*]

IV-11: IR: 1. SED Proposal of Restrictions on Escape from East Germany/ 2. Plants Guards, 5 December 1952 (MORI No. 145224). [PDF Only 68KB*]

IV-12: IR: Establishment of Farm Cooperatives, 10 December 1952 (MORI No. 145225). [PDF Only 138KB*]

IV-13: IR: SED Directives on Refugees... 4 March 1953 (MORI No. 145227). [PDF Only 63KB*]

In the winter of 1952-53, even as Stalin was publicly holding up the prospect of German reunification, the East German regime proceeded with a program of ruthless Sovietization, as these intelligence reports show. At the same time, the DDR moved to tighten controls at the border in a vain effort to halt the flood of refugees. Reporting like this highlights the degree to which the East German regime depended upon diverse organs of control, deeply ramified into German society.¹⁰ It also gives some idea of the difficulties faced by Western intelligence officers in penetrating a highly regimented, tightly controlled police state.

IV-14: Memorandum to the DDI; Subject: Soviet Interference with Berlin Rail Access, 24 November 1956 (MORI No. 6496). [PDF Only 101KB*]

Although the Soviets never again repeated their efforts to isolate Berlin from the outside world, they continued to interfere occasionally with Allied ground transportation. Each incident (such as the one described here) had potentially serious implications for the Allied garrison in Berlin, but Moscow did not allow such small-scale confrontations to escalate into a major crisis.

Footnotes

¹ David E. Murphy, Sergei Kondrashev, and George Bailey, *Battleground Berlin*, (New Haven, CT: Yale University Press, 1997), pp. 285-86.

² Murphy, et al., pp. 31-32.

3 Georg von Rauch, *The Baltic States: The Years of Independence, 1917-1940* (New York: St. Martin's Press, 1995), p. 228.

4 Murphy, et al., pp. 154, 277, 289.

5 See above, p. 119.

6 These paragraphs are based on information contained in a letter to the editor from David E. Murphy, 29 June 1999.

7 Murphy, et al., p. 138.

8 Markus Wolf with Anne McElvoy, *Man Without A Face* (New York: Random House, 1997), p. 44

9 Wolf, p. 46.

10 On this, in detail, see Mary Fulbrook, *Anatomy of a Dictatorship: Inside the GDR, 1949-1989*. (Oxford: Oxford University Press, 1995).

V: The Berlin Tunnel

No single operation more typifies Berlin's importance as a strategic intelligence base than the construction of the Berlin Tunnel. Probably one of the most ambitious operations undertaken by the CIA in the 1950s, it succeeded despite the fact that the KGB knew about the operation even before construction of the tunnel had begun!

The genesis of the tunnel operation lay in Berlin's location in Europe and its prewar status as the capital of a militarily and economically dominant Germany. The largest city on the Continent, Berlin lay at the center of a vast network of transportation and communications lines that extended from Western France to deep into Soviet Russia and Eastern Europe. This was still true in the 1950s; Soviet telephone and telegraph communications between Moscow, Warsaw, and Bucharest were routed through Berlin, for example.¹ This became a factor of crucial importance beginning in 1951, when the Soviets began to shift from wireless communications to encrypted land lines for almost all military traffic.² Land lines existed in two forms: overhead lines strung from telephone poles and underground cables. Both carried encrypted messages as well as nonsecure voice communications.

CIA officers examining this situation in 1952 concluded that underground cables offered the more valuable target, since they were buried and hence not subject to constant visual surveillance. If a tap could be placed covertly, it would be likely to remain in place for some time. Thus was born the idea of tunneling into the Soviet sector of Berlin to tap into Soviet military communications. The concept was tested in the spring of 1953, when an agent in the East Berlin telephone exchange patched an East Berlin telephone line into West Berlin late one night to sample what might be obtained. Even after midnight the communications traffic was sufficiently valuable that CIA Headquarters decided to go ahead with the operation.³

During 1953, CIA continued to gather data and test the idea of tapping communications in East Berlin. By August 1953, detailed plans for the tunnel were completed and a proposal was drawn up for approval by DCI Allen Dulles. After much discussion, this was obtained on 20 January 1954.⁴

Having learned the location of the underground cables used by the Soviets from an agent inside the East Berlin post office, the Altglienicke district was selected as the best site for a cable tap.⁵ Work began in February 1954, using the construction of an Air Force radar site and warehouse as a cover.⁶ The tunnel itself was completed a year later, at the end of February 1955, and the taps were in place and operating shortly thereafter.⁷

Unfortunately, the whole operation was blown even before the DCI approved the project. On 22 October 1953, US intelligence officers briefed a British Secret Intelligence Service (SIS) audience that included KGB mole George Blake. Blake reported the existence of the tunnel project during his next meeting with his case officer, Sergei Kondrashev, in London the following December. However, a full report was not sent to Moscow until 12 February 1954.⁸

Although the KGB was aware of the potential importance of the tap, its first priority was to protect Blake.⁹ Knowledge of the tunnel's existence was very closely held within the KGB—neither the GRU (Soviet military intelligence) nor the East German Stasi was informed. Rather

than immediately shutting down the tunnel, the Soviets thus implemented a general tightening up of security procedures. A small team was formed to secretly locate the tap, which they did by late 1955. Early in 1956 the Soviets developed a plan whereby the tap would be “accidentally” discovered without putting Blake at risk. On the night of 21-22 April 1956, a special signal corps team began to dig.¹⁰ By 0200 they had discovered the tap chamber. At 1230 the following day they opened a trapdoor leading from the tap chamber down a vertical shaft to the tunnel. By 1420 they had penetrated the tunnel in the full glare of a well-organized publicity coup.¹¹

The digging operation had been seen from an observation post atop the warehouse in West Berlin and the tunnel evacuated long before the Soviets entered the tap chamber. A microphone was left in place to record what was going on.¹² The Soviet publicity coup backfired: rather than condemning the operation, the non-Soviet press hailed it as audacious and well-planned. Of course, at the time, no one knew the extent of Soviet foreknowledge.

Since KGB archives remain closed, we cannot be certain that the Soviets did not exploit their prior knowledge of the cable tap for their own purposes—to plant false information, for example. However, according to former DCI Richard Helms, the possibility that the Soviets used the tunnel for “disinformazia” (disinformation) was closely examined after Blake’s exposure and arrest in 1961. Finally, it was concluded that the intelligence that had been collected was genuine.¹³

The sheer volume of the “take” from the tunnel operation would tend to support that conclusion. In all, about 40,000 hours of telephone conversations were recorded, along with 6,000,000 hours of teletype traffic.¹⁴ Most of the useful information dealt with Soviet orders of battle and force dispositions—information that was invaluable in the days before reconnaissance satellites and other, more sophisticated means of collection became operational. Not until more than two years after the tunnel was exposed and shut down was the task of processing this immense volume of data completed.¹⁵

V-1: Field Project Outline, 16 September 1953 (MORI No. 144126). [PDF Only 496KB*]

This memorandum outlines the basic concept for the Berlin Tunnel project. It was prepared in August and September 1953.

V-2: Memorandum for COM Frankfurt from COB Berlin; Progress Report—28 August through 17 October 1954, 18 October 1954 (MORI No. 144129). [PDF Only 912KB*]

A memorandum documenting some of the problems encountered while excavation of the tunnel was in its early stages.

V-3: Memorandum for the Record, 29 November 1954 (MORI No. 144130). [PDF Only 535KB*]

This memorandum describes some of the security measures in place while the tunnel was in operation.

V-4: Clandestine Services History Program (CSHP) History: Soviet Discovery of the Berlin Tunnel, 15 August 1956 (MORI No. 144132). [PDF Only 804KB*]

The circumstances of the tunnel’s discovery is described in this declassified history. As noted at the beginning of this document, it was prepared before the role played by KGB mole George Blake was uncovered. The description of the tunnel’s actual discovery is accurate, however.

V-5: CSHP History: Soviet Discovery of the Berlin Tunnel, (Tape Transcript) Undated (MORI No. 145737). [PDF Only 1.27MB*]

The entry of the Soviet and East German security forces into the tunnel was monitored by specially concealed microphones. This is a transcript of the recording. Much of it is garbled. The English voices are those of US intelligence officers listening to the activity in the tunnel—their comments were accidentally recorded at the same time.

V-6: CSHP History of the Berlin Tunnel, G. Berlin Tunnel, Undated (MORI No. 144450). [PDF Only 219KB*]

V-7: CSHP History of the Berlin Tunnel, V. Production, [from the Berlin Tunnel Operation], Undated (MORI No. 144445). [PDF Only 132KB*]

V-8: CSHP History of the Berlin Tunnel: Appendix B. Recapitulation of the Intelligence Derived, Undated (MORI No. 145735). [PDF Only 489KB*]

These documents describe the importance of the Berlin Tunnel as a source of intelligence information. The volume and the quality of the information derived suggests that the tunnel was a valuable source despite having been compromised early in the planning process. Until the relevant Soviet records are made available to researchers a comprehensive evaluation of the project will not be possible, however.

Footnotes

- 1** G.J.A. O'Toole, *Encyclopædia of American Intelligence and Espionage: From the Revolutionary War to the Present* (New York: Facts on File, 1988), p. 66.
 - 2** David E. Murphy, Sergei Kondrashev, and George Bailey, *Battleground Berlin*, (New Haven, CT: Yale University Press, 1997), p. 208.
 - 3** *Ibid.*, pp. 208, 211-212.
 - 4** *Ibid.*, pp. 212-213, 219.
 - 5** *Ibid.*, p. 210.
 - 6** *Ibid.*, p. 219.
 - 7** *Ibid.*, p. 222.
 - 8** *Ibid.*, pp. 214-216.
 - 9** *Ibid.*, pp. 217-218.
 - 10** *Ibid.*, pp. 226-227.
 - 11** *Ibid.*, pp. 230-231.
 - 12** See Document V-5 for a transcript of the recording that was made.
 - 13** Thomas Huntington, "The Berlin Spy Tunnel Affair," *Invention and Technology* (1995), p. 52.
 - 14** See Document V-7, below.
 - 15** G.J.A. O'Toole, *Encyclopædia of American Intelligence and Espionage: From the Revolutionary War to the Present* (New York: Facts on File, 1988), p. 67.
-

VI: The Berlin Crisis

By the mid-1950s the Soviets' Berlin strategy had changed. Although the expulsion of the Western Allies from the city undoubtedly remained a goal, after the suppression of the Berlin uprising in 1953 the Soviets gradually moved to at least a general acceptance of the status quo in Central Europe. For the Soviet Premier, Nikita Khrushchev, in particular, the first priorities in Soviet German policy were the stabilization and legitimization of the Soviet-backed East German regime. Ironically, Khrushchev seems to have been primarily concerned that the rapid revitalization of West Germany would allow it to break free of American influence and pursue a conservative-led irredentist policy in Central and Eastern Europe. That the Bonn Republic might remain a pacific, democratic state seems to have been dismissed as an implausibility by the Kremlin. By the fall of 1958, the Soviet leadership had apparently convinced itself that Bonn was planning to displace Soviet influence in Eastern Europe by a strategy of far-reaching economic penetration. The possibility of West German military action was discounted but not precluded. ¹

Khrushchev thus acted to prop up the East German regime and dislodge Western forces from Berlin before the West German regime could grow too strong and independent. As a curtain raiser, the Soviets resumed regular interference with military trains to and from Berlin early in 1958. That November, Khrushchev issued a demand that the Western powers renounce their rights in Berlin in favor of the DDR. On the 27th of that month, he threatened to transfer unilaterally Soviet control of East Berlin and of the access routes to West Berlin to the DDR within the next six months, thereby putting an end to quadripartite control of the city and forcing the Western Allies to deal directly with the East German regime.

But the willingness of the US, Great Britain, and France to negotiate a solution to the Berlin problem seems to have convinced Khrushchev that it would be possible to persuade the West to abandon its support of what he perceived to be Bonn's aggressive designs toward Eastern Europe. In January 1959, Khrushchev sent clear signals that he would not go to war over Berlin, but would not be part of an agreement that included the Bonn government—which then had as its Chancellor the Christian Democrat Konrad Adenauer—as a signatory. Khrushchev's subsequent willingness to submit the whole German question to a meeting of Foreign Ministers suggests that, by the following March, displacement of the Western powers from Berlin had moved into second place in Soviet priorities behind a draft German peace treaty. But this new plan fizzled: none of the Western Allies would agree to abandon Bonn and Khrushchev himself decided to defer the question, first until his trip to the US to meet with President Eisenhower that Fall and then until the Four-Power summit scheduled for the following May. In the meantime, he counseled patience to the East Berlin regime, but continued to pressure the Western Allies into a final settlement by threatening to sign a separate Soviet East German peace treaty. ²

By the spring of 1960 it must have become apparent to Khrushchev that this strategy had not worked; that Western solidarity remained intact, and that a peace treaty and a solution of the Berlin question on terms agreeable to the Soviet Union was not in the offing. He thus used 1 May shoot-down of Francis Gary Powers' U-2 spy plane as a pretext to kill the Paris summit, thereby avoiding being "outgunned and humiliated" on the Berlin question. ³ In doing so he also bought time to await possibly favorable changes in the Western leadership constellation: West German Chancellor Adenauer was faced with elections that September; President Eisenhower

certainly was going to be replaced the following November. Replacement of one or both of these key figures might produce a political environment more favorable to a Soviet-backed peace treaty.⁴ Or so it was possible for Khrushchev to hope.

The principal intelligence problem in this Berlin crisis was to understand Khrushchev's shifting motives and to gauge how far he would go—and in which direction. However, as was frequently the case in analysis of political events, the US Intelligence Community often had little more to go on than was reported in the open press. Under such circumstances, the CIA's role was primarily to serve as a clearinghouse for information brought in from every conceivable source. The value of the intelligence provided to policymakers thus generally derived more from the experience and expertise of the intelligence officers producing the reports than from their access to any special sources of information. In this situation, intelligence derived from clandestine sources frequently filled in important gaps, or contributed an added dimension that otherwise would not be present.

As can be seen from the following documents, policymakers were provided with a broad spectrum of intelligence reporting. The most comprehensive, long-range analysis generally appeared in the periodic NIEs or Special National Intelligence Estimates (SNIEs). But, as these could seldom be written quickly enough to keep up with developments, it was necessary to backstop and update this analysis with daily and weekly reports. These in turn provided much of the information used by the Board of National Estimates to draft the NIEs. Policymakers and senior officials also were kept apprised of events through daily briefings and—less frequently—other kinds of communications that do necessarily appear in the historical record.

As the crisis developed over 1959, the status of the Soviet military presence in East Berlin was seen to be a key indicator of Soviet intentions. The KGB base in Karlshorst thus was closely monitored. Throughout the spring of 1959, there was much movement of Soviet personnel, but by the end of June it became obvious that, although the Soviets had delegated control of the sector crossings and access routes to the DDR, there would be no significant diminution in the Soviet presence in East Berlin.⁵ This fact helped Western analysts gauge Khrushchev's threats of a separate peace and decide how best to respond. Actually, it is still far from clear whether Khrushchev had ever intended a Soviet pullout from East Berlin—but then had been dissuaded by Western persistence—or whether it had all been a sham all along.

VI-1: CIWS: USSR Threatens Western Position in Berlin, 13 November 1958 (MORI No. 45621). [PDF Only 270KB*]

A near-contemporaneous analysis of Khrushchev's actions, largely from open sources, this report supplements the publicly available information with additional material from diverse sources— such as an appraisal of East Germany's ability to provide trained air traffic controllers.

VI-2: CIWS: Internal Situation in East Germany, 11 December 1958 (MORI No. 45626). [PDF Only 776KB*]

Much like a newspaper, CIA often supplemented its daily reporting with longer, more in-depth analyses, such as this piece on the internal situation in the DDR that provides background on the situation in Berlin. Such reports generally reached a wider audience than if they were written in an NIE.

VI-3: SNIE 100-13-58: Soviet Objectives in the Berlin Crisis, 23 December 1958. [PDF Only 983KB*]

In this, the first Estimate to appear on the 1958 Berlin crisis, the Board of National Estimates takes advantage of its relative “distancing” from events to summarize and analyze developments before projecting future Soviet actions.

VI-4: CIWS: The Berlin Situation, 15 January 1959 (MORI No. 144339). [PDF Only 361KB*]

This excerpt from the weekly summary reports on the Soviet Peace Proposal announced five days previously and places it in context with concurrent developments in Germany and elsewhere.

VI-5: Cable: Current Status Report Soviet Compound Karlshorst..., 16 January 1959 (MORI No. 144340). [PDF Only 263KB*]

VI-6: Cable: Current Status Report Soviet Intelligence Services East Germany, 21 January 1959 (MORI No. 144341). [PDF Only 138KB*]

VI-7: Cable: B[e]rl[i]n Sitrep, 11 February 1959 (MORI No. 144342). [PDF Only 261KB*]

These reports show the Soviets making preparations for a large-scale evacuation of military personnel from Berlin, but also provide evidence that the KGB intended to remain. These three documents represent raw intelligence reporting—a key source for both current intelligence reports and the longer range Estimates. Only in exceptional circumstances would a policymaker receive intelligence in this form.

VI-8: CIWS: Communist Tactics Against West Berlin, 5 February 1959 (MORI No. 28210). [PDF Only 494KB*]

With Khrushchev more-or-less quiescent on Berlin in February 1959, the Current Intelligence Weekly Summary took advantage of the opportunity to summarize Soviet tactics to date. Such reporting supported and anticipated NIEs and SNIEs then in production or scheduled to appear—almost as a kind of “interim Estimate” (see below, Document VI-11).

VI-9: CIWS: Flight of Refugees From East Germany, 12 February 1959 (MORI No. 45580). [PDF Only 183KB*]

The DDR’s biggest problem—and a major factor in the Berlin crisis—was the steady hemorrhage of defectors to the West. CIA tracked East Germany’s refugee problem and reported on it periodically.

VI-10: SNIE 100-2-59: Probable Soviet Courses of Action Regarding Berlin and Germany, 24 February 1959. [PDF Only 1.35MB*]

Written in response to a request from Secretary of State Christian Herter, this Estimate addresses a series of questions concerning probable Soviet actions concerning Berlin and likely responses to proposed US actions. Compare it with Document VI-9, above. Estimates are, of course, generally much longer than current intelligence reports, but also are far more predictive in format and general subject matter.

VI-11: CIWS: USSR Prepares To Vacate East Berlin, 5 March 1959 (MORI No. 45584). [PDF Only 209KB*]

With Khrushchev threatening to turn over to East Germany all Soviet rights in Berlin as well as control of the access routes to the western half of the city, the status of the Soviet garrison in Berlin was seen as a solid indicator of future Soviet actions. The Soviet presence in Karlshorst

thus was closely monitored. Note the shift in the tone of this document as compared with Document VI-5, above.

VI-12: CIA Memorandum: Soviet and Other Reactions to Various Courses of Action in the Berlin Crisis, 27 March 1959 (MORI No. 14231). [PDF Only 698KB*]

Written solely for the President and his senior advisers, this CIA memorandum addresses issues similar to the SNIE prepared one month before (see Document VI-11), but discusses the possible outcomes of some of the more extreme courses of action that might be taken by the United States. It also refers specifically to the possibility that the Berlin crisis might escalate into an intercontinental nuclear exchange.

VI-13: IR: Soviet Official's Comments on the Berlin Situation, 6 April 1959 (MORI No. 144343). [PDF Only 65KB*]

The uncertainty prevailing in the Berlin crisis is reflected in this report from April 1959, which raises both the possibility of war and of Soviet measures short of war. Although this report gives the impression that the Soviets were about to pull their forces out of Berlin, CIA was unable to confirm this from other sources.⁶ In fact, the Soviets did not withdraw from Karlshorst or East Berlin until the end of the Cold War.

VI-14: CIWS: The Problem of Western Access to Berlin, 30 April 1959 (MORI No. 45593). [PDF Only 314KB*]

As the East Germans assumed control of access corridors into and out of Berlin, the possibility of another blockade loomed. This report reviews Western access rights and the implications of a determined Soviet/East German attempt to block access to Berlin.

VI-15: CIWS: Foreign Ministers' Talks, 21 May 1959 (MORI No. 145741). [PDF Only 290KB*]

Here the Current Intelligence Weekly Summary documented Soviet efforts to drive a wedge between the three Western Allies in the Foreign Ministers' talks then under way. These efforts proved to be fruitless: the Western Alliance held fast on Berlin.

VI-16: SNIE 100-7-59: Soviet Tactics on Berlin, 11 June 1959. [PDF Only 480KB*]

A nuanced analysis of Khrushchev's motives and a prognosis of his future moves from the summer of 1959.

VI-17: Memorandum: U.S. Negotiating Position on Berlin, 1959-62, 13 July 1959 (MORI No. 11599). [PDF Only 223KB*]

With East and West well and truly deadlocked over Berlin, CIA sent forward a memorandum considering the impact that projected shifts in the balance of military power would have on the Berlin situation. The 1958 Berlin crisis introduced a new element into the confrontation in Central Europe: strategic nuclear weapons. Under Khrushchev's leadership, the Soviet military had extensively adopted nuclear weaponry and modernized and expanded its long-range naval and airstriking forces. The Soviet Union could now legitimately lay claim to world-power status. Although it would be some time before the Soviet nuclear capabilities even approached those of the United States, contemporary intelligence reporting shows how from 1958 onward US planners had constantly to reckon with the possibility that a crisis in Central Europe might escalate into an intercontinental nuclear exchange—however unlikely that eventuality might be at any given moment. There was, in addition, the menace of theater nuclear weapons (e.g.,

shorter range weapons for use in Europe), of which both sides had large and growing inventories. Nuclear weapons are not known to have ever been deployed in Berlin by either side, but the Soviet and Western intelligence personnel deployed there now faced each other under the deepening shadow of the nuclear arms race.

VI-18: CIWS: East German Pressure for Access Controls Appears Suspended, 27 August 1959 (MORI No. 45604). [PDF Only 198KB*]

Throughout the crisis, Khrushchev walked a narrow path between belligerency and outright confrontation. The difficulties in following his tacks and veers are seen in this current report, which shows him restraining the East German government on the eve of his trip to the United States to meet with President Eisenhower.

VI-19: SNIE 100-5-60: The Soviet Attitude and Tactics on the Berlin Problem, 22 March 1960. [PDF Only 824KB*]

VI-20: CIWS: Khrushchev's Strategy on Berlin, 18 August 1960 (MORI No. 144106). [PDF Only 465KB*]

Over 1959-60, the US intelligence community continued to submit Khrushchev's Berlin tactics to periodic review. These two documents provide interesting counterpoints to each other—being written shortly before and after the May 1960 summit.

Footnotes

- 1** Vladislav M. Zubok. "Khrushchev and the Berlin Crisis (1958-1962)" *Cold War International History Project* (Washington, DC: Woodrow Wilson International Center for Scholars, 1993), pp. 3-8.
 - 2** Hope M. Harrison, "The Berlin Crisis and the Khrushchev-Ulbricht Summits in Moscow, 9 and 18 June 1959," *Cold War International History Project Bulletin* 11 (Winter 1998), p. 205.
 - 3** Sherman Kent, the Chairman of the Board of National Estimates from 1952-67, was present at the May 1960 Paris Summit to provide intelligence support to the US delegation. In 1972 he wrote up his impressions of the event in an article for the CIA's professional journal, *Studies in Intelligence*. This has been reproduced in Donald P. Steury, ed., *Sherman Kent and the Board of National Estimates* (Washington, DC: Center for the Study of Intelligence, 1994), pp. 157-172.
 - 4** Zubok, pp. 12-13.
 - 5** David E. Murphy, Sergei Kondrashev, and George Bailey, *Battleground Berlin*, (New Haven, CT: Yale University Press, 1997), pp. 317-319.
 - 6** Murphy, et al., p. 317.
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VII: The Wall

The enduring problem of the DDR was its utter inability to engender the loyalty of more than a small minority of its citizens. This was, in part, a self-inflicted wound—the product of repression, mismanagement, and the ruthless Sovietization of the economy—in part a reaction to the clearly collaborative nature of the regime and its abject subordination to Moscow. Then, too, East Germans were confronted daily with the example of the Federal Republic, where a liberal democratic state presided over a burgeoning economy that ultimately combined social responsibility with an unprecedented level of prosperity. Within a few years of the founding of the German Democratic Republic, it was apparent to German Marxists that whatever hopes they might have had that it would become a worker's paradise were misplaced. The East German regime remained unable or unwilling to respond positively to the permanent, widespread disaffection of its citizenry. From at least the summer of 1953 onward, the Communist regime survived only through the institution of increasingly thorough instruments of internal repression.

From the perspective of East German President Ulbricht and the leadership of the SED (*Sozialistische Einheits Partei Deutschland*), the latent popular hostility to the Communist regime was most damaging in the steady hemorrhage of refugees from east to west. Between 1949 and 1961 more than 2.7 million East Germans “voted with their feet,” leaving East Germany for the Federal Republic, many of them escaping through West Berlin.¹

In 1958 Ulbricht appealed to the Soviet Union for help, but this was not a problem that Moscow could solve. The Kremlin had economic difficulties of its own and could not afford the kind of massive, continuing aid demanded by the East German leadership. Moreover, nothing would persuade the millions of disaffected East Germans to remain, so long as it was not only more promising, but easier to simply abandon the poverty and repression of the DDR and decamp for the West. In the end, Ulbricht finally put an end to the mass exodus by sealing off the borders. This happened over the night of 12-13 August 1961, when East German troops halted traffic and strung barbed wire along the border separating East from West Berlin. Over the next few months this barrier was expanded and improved to become the Berlin Wall, soon to be the universal symbol of the Cold War and of the Soviet tyranny imposed on Eastern Europe. But from first to last it was an East German project, built and maintained by the DDR.²

In West Berlin, the closing of the sector borders was not completely unexpected—although the thoroughness, secrecy, and speed with which the East Germans erected their barrier caught everyone off-balance.³ Washington's first priority was to calm the situation in West Berlin, where the populace was daily confronting the East German guards in massed demonstrations at the now-closed sector borders. There was, of course, little short of war that the US could do to force the East Berlin government to open its border, but, in response to an urgent request by West Berlin Mayor Willi Brandt, President John F. Kennedy ordered that the West Berlin garrison be augmented. Kennedy also dispatched Vice President Lyndon B. Johnson and former military governor Lucius D. Clay to the scene.⁴ With the West Berlin government thus reassured, the tension slowly eased.

The construction of the Berlin Wall came at the end of a season of rising international tension. The new Kennedy administration had been humiliated by the Bay of Pigs fiasco that April. In June, Khrushchev tried to bully the Western powers into abandoning Berlin during his Vienna

summit with President Kennedy, and on 3 August—days before the Wall went up—he once again threatened to sign a separate peace treaty with the DDR.⁵

Intelligence concerning the sources of Khrushchev's conduct did not make the situation look any less dire. Midsummer reporting from Col. Oleg Penkovskiy, the CIA's agent inside the Soviet General Staff, explained Khrushchev's belligerence as the product of Politburo dissatisfaction over his handling of the Berlin situation in general.⁶ Threatened with outright deposition, Khrushchev was engaging in brinkmanship to reassert his credibility as a dynamic leader. Penkovskiy followed up his initial report on 20 September, when he met with his CIA contacts in Paris, to warn them of plans to use massively augmented Warsaw Pact military exercises as a cover for military action against the Federal Republic. The signing of a separate peace treaty with the DDR was to be announced at the 22nd Congress of the Soviet Communist Party in October.⁷ This last report was examined warily in yet another SNIE considering Soviet tactics regarding Berlin.⁸ Western policymakers looked to the coming of Autumn with considerable misgivings.

But Ulbricht's construction of the Berlin Wall already had provided the decisive action needed to defuse the situation. Khrushchev did not, in the end, come forward with his proposed peace treaty, but went off on another tangent, using the Party Congress as a forum to denounce the USSR's erstwhile ally, the People's Republic of China! Neither did the anticipated Soviet military exercises occur in East Germany. Instead, tension peaked over 27-29 October with a confrontation between Soviet and US tanks at Checkpoint Charlie. Europe briefly seemed on the brink of war, but after a few days first the Soviet and then the American tanks slowly withdrew. As the noise of their diesel motors faded, so did Berlin's role as the focal point of the Cold War.

Looking back, the tank confrontation at Checkpoint Charlie seems little more than an anticlimax—at least insofar as the intelligence war was concerned. The construction of the Berlin Wall put an end to the classical period of intelligence activity in Cold War Berlin. With one stroke, Ulbricht's action neutralized the effect of the Western intelligence presence while simultaneously solving the refugee problem and stabilizing the Communist regime. Intelligence activities did not cease with the construction of the Berlin Wall, but with ready access to the East cut off, the value of the city as a base of operations was considerably diminished.

The Wall thus achieved much of what the Soviets and East Germans had been trying to do since the creation of the quadripartite regime in 1945. Khrushchev accordingly claimed a triumph, but, ironically, the Wall was built just as photoreconnaissance satellites and other sophisticated technical means of collection were undercutting Berlin's importance as a strategic intelligence base deep inside Soviet territory. After August 1961 the intelligence activities in the city gradually faded from the limelight, but it is difficult to say whether this happened because the East Germans had eliminated its usefulness as an intelligence base or whether Berlin was simply superseded by more sophisticated and reliable means of collecting strategic intelligence on the Soviet Bloc.

Those most affected by the construction of the Wall were of course the inhabitants of Berlin. The wall not only stopped the flow of refugees, it cut the economic links between East and West Berlin, depriving thousands of East Germans of their livelihoods. On the other hand, the newly stabilized supply of labor gave the East German economy a needed boost: literally for the first time since World War II, producers in East Germany could be reasonably certain that skilled employees would be in their jobs from one week to the next. By the mid-1960s, East Germany was enjoying a period of relative prosperity.⁹

West Berliners continued to prosper throughout it all, albeit with the aid of considerable support from the Bonn government.¹⁰ Aided by the narrow windows that gradually opened up to the West, East Berliners lived their lives as best they could in the German Communist state. But the Wall remained. Some East Germans at first tried to escape clandestinely, but as the barrier was steadily reinforced with gun towers, dogs, and minefields, escape became riskier and the chances of success faded. Even so, 600 to 700 people continued to make the attempt each year.¹¹

VII-1: Memorandum for the DDI: Subject: The Berlin Situation, 1 November 1957 (MORI No. 44001). [PDF Only 226KB*]

This CIA memorandum raised the possibility that the Soviets might abrogate the Quadripartite Agreements and seal the “sector borders” between East and West Berlin as a means of applying pressure on the Western Allies.

VII-2: CIWS: East Germany May Move Against Berlin Sector “Border Crossers” 28 May 1959 (MORI No. 45598). [PDF Only 181KB*]

Before the Wall was built, the economies of East and West Berlin were interwoven, with many East Berliners dependent upon income from jobs in West Berlin’s more vibrant economy. The East German regime saw this as a drain on their own struggling economy. The possibility that East Germany (not the Soviet Union) might restrict movement between East and West Berlin thus became an issue in the course of the Berlin crisis.

VII-3: CIWS: Soviet Policy on Berlin and Germany, 11 May 1961 (MORI No. 28202). [PDF Only 432KB*]

This review of Soviet policy regarding Berlin stresses the political importance for Khrushchev of reaching an agreement on Berlin during 1961.

VII-4: SNIE 2-61: Soviet and Other Reactions to Various Courses of Action Regarding Berlin, 13 June 1961. [PDF Only 1.47MB*]

This edition for the first time considers the East Germans as actors alongside their Soviet allies.
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VII-5: Oleg Penkovskiy: Meeting No. 23, 28 July 1961 (MORI No. 12409).¹³ [PDF Only 256KB*]

Oleg Penkovskiy, the CIA’s agent inside Soviet military intelligence and on the General Staff, was privy to information at the highest levels of the Soviet military. In this oral report, delivered on 20 July 1961, he describes the internal tensions undermining Khrushchev’s position in the Politburo as they applied to the Berlin situation. Penkovskiy did not have the direct access to the Soviet decisionmaking process that this report implies. However, he was very knowledgeable concerning General Staff matters and often was informed about high-level political decisions by his patron, Marshal Sergei Sergeyevich Varentsov. The intelligence he provided to CIA was valued very highly.

Penkovskiy began spying for the West early in 1961. Over the next 18 months he made several trips to the West, each time meeting clandestinely with his handlers. The following excerpt is from the transcript of one of those meetings. Penkovskiy is identified as “S.”¹⁴

VII-6: CIWS: Berlin, 17 August 1961 (MORI No. 28205). [PDF Only 491KB*]

Five days after the Wall went up, this report summarizes developments over 12-17 August.

VII-7: SNIE 11-10-61: Soviet Tactics in the Berlin Crisis, 24 August 1961. [PDF Only 854KB*]

A survey of Soviet policy in light of the changed situation in Berlin and the DDR.

VII-8: CIWS: Berlin, 24 August 1961 (MORI No. 28206). [PDF Only 492KB*]

A more detailed look at developments in Berlin and East Germany.

VII-9: CIWS: Berlin, 7 September 1961 (MORI No. 28211). [PDF Only 570KB*]

In the month following the construction of the Berlin Wall, the East German regime initiated a general crackdown to further the “Sovietization” of East Germany and threatened to restrict Western access to Berlin by air.

VII-10: Memorandum for Washington on Berlin, 14 September 1961 (MORI No. 14414). [PDF Only 583KB*]

The construction of the Wall had profound implications for the conduct of intelligence operations in Berlin. These are detailed in a memorandum sent to Washington.

VII-11: Penkovskiy, Meeting No. 31, 22th September 1961, paras. 17-25 (MORI No. 12412). [PDF Only 815KB*]

Meeting with his CIA handlers on 20 September 1961, Penkovskiy passed important information regarding Khrushchev’s contingency plans for military action that Autumn. See Document VII-13, below. “Varentsov” is Marshal Sergei Sergeyevich Varentsov, Penkovskiy’s patron on the Soviet General Staff. In this transcript, Penkovskiy is again identified as “S.”

VII-12: Memorandum for the Record: Subject: Conversation with Mr. Helms Re [] Report on Large-Scale Soviet Military Preparations, 26 September 1961 (MORI: 12292). [PDF Only 87KB*]

VII-13: SNIE 11-10/1-61: Soviet Tactics in the Berlin Crisis, 5 October 1961. [PDF Only 857KB*]

Upon receipt of Penkovskiy’s information concerning Khrushchev’s plans for the coming fall, the Board of National Estimates prepared a Special National Intelligence Estimate (SNIE) devoted entirely to evaluating his information—a highly unusual procedure. Of particular interest is the nuanced approach to Penkovskiy’s report.

VII-14: Dispatch: Berlin Since 13 August, 6 November 1961 (MORI No. 14411). [PDF Only 620KB*]

A look at Berlin in the months immediately after the Wall went up.

VII-15: Memorandum for the DCI; Subject: Survivability of West Berlin [in the Event of a Soviet Blockade in Response to the Blockade of Cuba], 23 October 1962 (MORI No. 9409). [PDF Only 87KB*]

The Cuban Missile Crisis raised concerns that the Soviets might retaliate for the blockade of Cuba with a similar action directed against Berlin. Here, the Board of National Estimates reviews West Berlin’s ability to withstand another blockade.

Footnotes

- 1** David Childs, *The GDR: Moscow's German Ally* (Second Edition, London: Unwin Hyman, 1988), p. 64.
- 2** Although East German President Walter Ulbricht apparently consulted with Khrushchev during a 3-5 August conference in Moscow, the initiative was his. For a thorough analysis, see Hope M. Harrison, "Ulbricht and the Concrete 'Rose': New Archival Evidence on the Dynamics of Soviet-East German Relations and the Berlin Crisis, 1958-1961," *Cold War International History Project* (Washington, DC: Woodrow Wilson International Center for Scholars, 1993).
- 3** Even the KGB had only minimal warning. Oleg Gordievskiy, *Next Stop Execution* (London: Macmillan, 1995), pp. 93-96. See also Murphy et al., pp. 378-380. CIA agent Oleg Penkovskiy later reported that he had four days' notice of the Wall's construction, but could not get word to his Agency handlers in time. See Document. VII-11, Paragraph 21, below.
- 4** David E. Murphy, Sergei Kondrashev, and George Bailey, *Battleground Berlin*, (New Haven CT: Yale University Press, 1997), pp. 379-380.
- 5** John W. Young, *Longman Companion to Cold War and Détente, 1941-91* (London and New York: Longman, 1993), p. 44.
- 6** See Document, VII-5, below.
- 7** See Document, VII-11, below.
- 8** See Document, VII-13, below.
- 9** Childs, pp. 70-71.
- 10** Economic ties to West Germany were re-established in 1970-72, when a new East German President, Erich Honecker, signed a series of economic and political agreements with West German Chancellor Willi Brandt—in 1961 the Governing Mayor of West Berlin.
- 11** Childs, p. 64.
- 12** This SNIE updates SNIE 100-6-59, *Soviet and Other Reactions to Various Courses of Action in the Berlin Crisis*, (6 April 1959). Document. VI-12, above, is a version of this Estimate.
- 13** This document survives only in the fragmentary form reproduced here.
- 14** Penkovskiy also provided much documentary material. The standard history of the Penkovskiy operation is Jerold L. Schechter and Peter S. Deriabin, *The Spy Who Saved the World* (New York: Charles Scribner's Sons, 1992).