

VIA: AIR
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SECURITY INFORMATION

DISPATCH NO. MGMA-

10293

SECRET
CLASSIFICATION

TO : Chief, SR
Chief, EE

FROM : Chief of Mission, Frankfurt

SUBJECT: GENERAL— REDSOX/AEQUOR

SPECIFIC— Monthly Progress Report, June 1-30, 1952

DATE: 2 July 1952

Transmitted herewith is AEQUOR monthly progress report
for month of June 1952.

[]

Approved:

RCU

POG/ayh

Distribution:

- 2 - SR w/2 att. (direct)
- 1 - EE w/1 att. (direct)
- 2 - COM [] w/2 att.
- 2 - MOB w/1 att.

1 Enclosure herewith:
Progress Report.

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 302B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

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CS Classification: 74-126-44/1 sub 4
JOB # 60-800735
Box: 7-2

Return to [unclear]

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CLASSIFICATION

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74-126-004/1

74-633/3-3

SECRET

ATIA 100 MGMA

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SUBJECT: Monthly Progress Report, June 1-30, 1952

1. PROJECT: AEQUOR
2. AUTHORIZED DURATION: Indefinite
3. ORGANIZATIONAL DATA: The undersigned relieved [as
AEQUOR Group Contact Case Officer on June 1, 1952. At this time]
the following personnel are associated with project AEQUOR as
indicated:

American Personnel: Group Contact Case Officer: []
Training Case Officer: []
Training Case Officer: []
Resident Case Officer: []
 (on loan from ~~AEQUOR~~)
Commo Instructor: []

Non-American Personnel:

Chief Representative, Cambista 1: Cambista 2 - non-contract, monthly subsidy 15,000 Belgian Francs.
Local Representative, Cambista 1 and cut-out: Cambista 5 - non-contract, monthly subsidy DM 500 plus rent of DM 150/month
Agents in Training: Camposanto 4
 Camposanto 6
 Camposanto 8
 Camposanto 9

(All are non-contract, and are given monthly cash subsidies of DM 400/man plus DM 7 living allowance per day/man ostensibly by Cambista 1 from funds provided by the U.S. Government for the support of Cambista 1 activities.)

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 CS Classification: 74-126-44/1-~~ch~~4
 JOB # ~~62-800/35~~
 Box: ~~11-401d~~ 2

Ex-agent, being disposed to England: Camposanto 5 - contract; DM 25/day living allowance while remaining Germany; £ 18 for resettlement in England; no further payments contemplated.

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ATT CH TO MGMA

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Ex-agent, being disposed to WH:

Camposanto 2 - non-contract; no present payments; future payments as determined by WH base.

Agent in target area:

Camposanto 1 - non-contract; no compensation requested during mission period.

Housekeeping couple:

Cambista 6) non-contract;
Cambista 7)
DM 300/month each plus DM 7 living allowance per day for each. Their son gets DM 5/day living allowance.

3 P/A Candidates for 1952-53 session P/A school:

Non-contract; \$50 (local currency equivalent)/month/man living allowance from date of acceptance (6 June 1952) until date they report for training. (Funds provided under ZRELOPE authorization.)

Other normal expenses of the project are as follows:

Subsidy to weekly newspaper "The Fatherland": DM 1200 every other issue
DM 1100 every other issue
(Total: DM 2300/every 2 issues)

Taken over by QKACTIVE June 25, 1952. No further payments contemplated by project AEQUOR.

Subsidy for spotting activities of Cambista 2: 50,000 Belgian Francs approximately every 3 months.

Cambista 2 travel and living expenses during trips to Munich:

Approx. DM 300/month.

Travel and other misc. expenses of candidates coming to Germany for assessment:

DM 1,000/month.

Misc. expenses:

Approx. DM 50/month.

(n.b. The above listing does not include the expenses incidental to the operation of the agent-training course, except for the subsidy and salary payments to indigenous personnel as noted.)

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4. SUMMARY OF ACTIVITY:A. Policy Meetings with Cambistas 2 and 4

Between May 30 and June 3, the undersigned and [] conferred several times with Cambista 2 and once with Cambista 4, both of whom were in Munich. Cambista 2 and the undersigned also visited Camposantos 4 and 6, and conferred with [] The most important results of these conferences were as follows:

1. Cambista 2 was informed that the "headquarters review of BR operations" brought about by the May flaps (culminating in the cancellation of the AEQUOR mission) had now been completed. The decision was that we were dissatisfied with many aspects of the present BR-US collaboration effort including, but by no means limited to, the events leading up to the cancellation of the mission in May. However, in order to establish as fair a basis as possible for deciding the nature of our future relationship, we proposed a three month "testing period" (June - August) for the purpose of eliminating the present sources of difficulty. At the end of the three month period, a final decision would be made concerning the future direction and extent of BR-US collaboration.

2. During the three month period, we would continue all our present activities at full scale; i.e. support of "The Fatherland"; spotting and assessing for agent, P/A, and P/M candidates for which we would provide 50,000 Belgian Francs during the 3 month period; and, of course, training of the four agents presently under our control.

3. The principal causes of our dissatisfaction are:

a. The "difficult" and often unreasonable attitude and demands presented by the agents under our control with respect to the case officers, the training schedule, and the overall operational plan. (We recognize that much of this disaffection was caused by Camposanto 2, but we desired nevertheless to use this opportunity as a method of insuring the tightest possible control in the future by having them sign an agreement to work under AIS terms.)

b. The poor results of Cambista 2's spotting efforts as exemplified by the high number of rejects, and the difficulty of securing sufficient qualified persons for immediate agent use.

c. The completely inadequate financial accounting by Cambista 2 for the money given him to conduct spotting operations.

We expected Cambista 2 to correct these deficiencies during the three month period by the following efforts, respectively:

a. Complete support by Cambista 2 of the letter and spirit of the new "Training Protocol" agreed to by himself during May (See Progress Report covering May, 1952).

b. An intensified spotting effort, with particular emphasis on quality, which will produce sufficient candidates of sufficient calibre that we can have six agents fully assessed and ready to enter training by 15 September.

c. Full and adequate accounting for all operational funds in accordance with a form which we prepared for his guidance.

4. Cambista 4 was also informed of the above matters in more general terms. It was emphasized to him that we were not dissatisfied with Cambista 2, but that it was most important for the future of BR-US collaboration that these sources of difficulty be eliminated. We attempted to give him the idea that it was vital for him both to jack up Cambista 2's work, and to give Cambista 2 all possible support in its performance.

5. Cambista 2 appeared somewhat pessimistic about the spotting prospects, and seemed to entertain grave doubts concerning his ability to provide an adequate number of satisfactory candidates for training this fall to form a balanced spring '53 team. In this connection, he very strongly urged that Camposanto 8 be held over to complete his commo training and form the nucleus of the spring team; in this way we would be sure of having at least a qualified radio man with the team. We completely rejected this idea, both because the training officers were unwilling to weaken the present team to such an extent, and because we felt that such a nucleus would be quite unnecessary: if they started W/T training in the summer, even the dullest of the new candidates would be fully qualified by spring. And furthermore, if Cambista 2's fears about the success of his spotting effort proved justified, a spring team would be virtually impossible in any case, and the sooner we knew it, the better. Privately, we were also unwilling to remove the pressure from Cambista 2's spotting effort by allowing him to feel that the nucleus of a new team was already in hand.

6. Cambista 2 expressed great concern over the activities of ANTONOVICH (@ ZARECHNIY) in England, and stated that the publicity over the "formation of a Byelo-Russian military unit" by ZARECHNIY in England was causing the following difficulties:

a. Cambista 1, and with it Cambistas 4 and 2, was being severely criticised for not having achieved a similar result; for moving so slowly; and (by those informed about Cambista 4's connections with and faith in the U.S.) for not having won earlier-promised U.S. support for a Cambista 1 military unit. This criticism was enormously increasing the difficulties of recruiting young Byelo-Russians for service with the AIS, and even for service with Cambista 1.

b. Although the OSTROWSKI-connected ZARECHNIY movement is alleged by Cambista 1 to be completely discredited among Byelo-Russian intellectuals for historical and political reasons, an

increasing number of the younger men (who have great patriotism, but little political discernment) were being attracted by this opportunity to enter an active organization of the anti-communist struggle. This was losing to Cambista 1 (and to us) some of the most promising candidates for all phases of our activity.

c. Cambista 2 stated that the movement was definitely important enough to cause a serious split in the previously well-unified Byelo-Russian emigration, with a consequent weakening of the position of Cambista 1 as sole-spokesman for this group.

Cambista 2 further stated that ZARECHNIY had established both a "military" and a "political" school; that the former (located in Scotland) presently had 4 students, and the latter 5; that the British were apparently supporting the movement; that the movement appeared to have a fairly large paid staff of organizational workers, and was completely free to operate as it pleased and hire whom it wished (COMMENT: it is assumed that Cambista 2 meant free from British interference--possibly a small slam at our considerably more strict control); and that Cambista 1 had it penetrated (sic) and would shortly furnish us with a more complete report.

7. In the same context, Cambista 2 expressed his desire to develop an effective counter-thrust to the ZARECHNIY threat, and once again voiced his desire for a Byelo-Russian military unit. He hoped, however, that even if a full military unit as desired by Cambista 1 were not possible at the present time, that some other similar idea could be developed as an interim measure to serve both as a "holding unit" for young hotbloods who might otherwise defect to the ZARECHNIY camp, and to demonstrate that Cambista 1 was both active and effective in the struggle for eventual liberation of the homeland.

8. Summary: The message was presented to the Cambistas, diplomatically but firmly, that we expected better results than in the past if our future collaboration was to continue on the present scale, or to expand. The spotting program for agent candidates should particularly reflect the future improvement. A failure on the part of Cambista 1 to improve the deficiencies would require us to review our entire collaboration effort.

9. Results: Cambista 2 agreed to our proposal, but made it clear both that he was pessimistic about the spotting prospects; and that he does not like the tie-in between our political support of the group and our operational demands.

It is as yet too early to ascertain if this "quasi-ultimatum" will have the desired effect of increasing the Cambista 1 recruitment effort, and generally tightening up and improving that part of their organization working with us.

B. P/A Candidates for school year, 1952-53:

Cambista 2 was offered 3 scholarships for members of Cambista 1 for the forthcoming P/A school year, and was given general background material on the school. We particularly suggested that Cambista 2 choose for this program the 3 students

who had previously been highly assessed for P/A work (See MGMA-09863). He agreed to this, and informed us on June 6 that all three had accepted. It was arranged that each of the three should receive the equivalent of \$50.00 per month from the time of their acceptance until the date of their departure for the school, as a subsistence allowance enabling them to hold themselves available for immediate commencement of the program at any time.

C. Agent Candidates:

On June 19, while in Munich in connection with a QKACTIVE conference, Cambista 2 informed us that he had a candidate from France for assessment. It was agreed that the candidate should appear in Munich on July 7.

Cambista 2 also stated that there were two other possible candidates in Germany, although he had grave doubts about the security and motivation of both. The case officer told him to send them in nonetheless, with the idea that one or both might be suitable as a singleton agent to test land-routes across Poland or some similar task, even though unacceptable for the AEQUOR team. They will be assessed early in July.

D. Satirical Magazine:

Cambista 2 has been eager for some time to establish a Byelo-Russian satirical magazine. During June, he asked if we would be willing to support one trial issue of such a publication, with continued support contingent on our reaction to the first issue. This was agreed, and Cambista 2 assigned Cambista 5 to prepare the issue. After Cambista 5 had completed his work, and had already submitted his drawings and materiel to the case officer for preliminary approval before printing, Cambista 2 changed his mind, requested the materiel back, and said that he preferred to print the first issue at Cambista 1 expense. It would still be offered to us for our approval and support after printing; but even if we decided not to support it, Cambista 1 was prepared to continue publication in any case. The first issue was received by the case officer on June 30, and will be forwarded to headquarters.

E. Disposal of Camposanto 5:

Camposanto 5 finally obtained his revalidated British Travel Document complete with all requisite visas on June 18. He was instructed to establish and maintain a correspondence with Cambista 5 through which we could reestablish contact if we desired. He was given money for the trip, and eighteen pounds to cover his living expenses for three weeks while looking for a job. He departed the same date for England apparently fully satisfied with the treatment that he had received from the AIS.

F. Disposal of Camposanto 2:

Early in June, Camposanto 2 was placed in ECIC for secure holding pending final disposal. While being held there, it was decided by headquarters to utilize WH disposal facilities; accordingly, the necessary "Request for re-assignment to WH" was prepared, and Camposanto 2 was caused to sign it. ZRELOPE airlift facilities have been laid on for Camposanto 2, and he is expected to leave Germany on or about July 7. Escort will be provided by headquarters.

G. Assignment for Cambista 5:

In the latter part of the month, the case officer assigned Cambista 5 to the task of preparing an up-to-date and integrated report on the present situation in the Byelo-Russian emigration, attempting to collate and organize previously available information on the subject as well as to insure its currency. In connection with this task, Cambista 5 left for England and France on June 28 for about three weeks. He will also utilize his stay in England to renew his travel document, which he would have had to do in any case.

H. Commercial Radio Training for Prospective Agents:

Cambista 2 is looking into the possibilities of utilizing commercial radio schools in Belgium, France, England, or Germany for basic commo training of prospective agents. If the candidate were able to take 4-6 months of commercial training enabling him to learn the elements of radio including code and mechanics, such a course would enormously cut down the amount of time he would need to devote to commo instruction after entering training, and would correspondingly increase the time he could devote to trade-craft, survival, and all other aspects of training not obtainable elsewhere. At the same time, such a course in a commercial school could serve as an effective holding mechanism between the time of positive assessment and the time that we were ready to begin actual training.

I. Assumption of Financial Support of "The Fatherland" by QKACTIVE:

On June 26, the undersigned was notified that QKACTIVE had assumed financial support of the Byelo-Russian newspaper, "The Fatherland", as of June 25, and had already made the initial payment for the next four issues.

The results of this action are difficult to predict, and may or may not be particularly troublesome. There is no question that it has removed from our hands a political lever of great importance at a time that we were most anxious to be able to use every possible pressure in producing a more satisfactory operational response from Cambista 1. On the other hand, there is no certainty that any leverage will be necessary to produce the desired results; if Cambista 1's (and Cambista 2's) interest in the success of our penetration operations is actually great enough, they can be expected to produce the best they are capable of without the necessity of threats. In any case, this action--effectively creating the separation between our political activities and our operational activities with the Cambistas, which has long been the desire of Cambista 2--should clearly settle the never-answered question of Cambista 1's true attitude toward the task of providing sufficient intelligent, highly-motivated young members of their organization to successfully establish contact with the homeland.

Another mitigating factor to the possible adverse effect of this action will be the development of the ideas presented in para. 5, C and D below, which could develop as highly desirable political strengthening mechanisms for Cambista 1, and could therefore, per se, become strong bargaining levers in our hands, eventually far stronger than control of "The Fatherland".

It should be noted that the undersigned is in no way opposed to the idea of QKACTIVE control of "The Fatherland", having long believed, in fact, that effective control of the paper can only be exercised by QKACTIVE; however, it is felt that the timing of the move could have been better coordinated, and that our operational and psychological position vis-a-vis Cambista 1 would have been far stronger if control of the paper had remained fixed until the end of the three month "probationary" period-- i.e., until the end of August.

5. ACTION PENDING (Field):

A. Interviews and assessments of candidates produced by Cambista 2 for the purpose of obtaining a minimum of three candidates to begin commo training by Sept. 15, 1952. These men will form the nucleus of one or more teams for dispatch in Spring, 1953.

B. Preparation of summary reports on all previously assessed and rejected Cambista-sponsored candidates indicating the reason for their rejection. These reports will be given to Cambista 2 in order to provide a guide for the improvement of the quality of his spotting.

C. Completion of the disposal of Camposanto 2.

D. Final development, both unilaterally and in conjunction with Cambista 2, of a program for the establishment and support of Cambista 1 personnel in each of the various centers of the Byelo-Russian emigration throughout Western Europe. The task of these persons will be to develop effective methods of overt political and psychological anti-communist action; and to strengthen the present agent spotting system.

E. Exploration with Cambista 2 of the possibilities of establishing some type of unit, other than a purely military unit, that would serve some or all of the following purposes:

1. A holding mechanism for promising candidates until they could be used.
2. A training area for certain non-sensitive aspects of clandestine activity.
3. A training area for all types of overt Cambista 1 activity.
4. A long-term assessment area where the performance of candidates could be watched, and recruitment for agent training accomplished if and when desirable and secure.
5. An establishment that would enhance the prestige and position of Cambista 1 among the Byelo-Russian emigres.

The possibility of establishing a cadre school in the pattern of the AEROSOL project will be especially explored. It is particularly important that, whatever type of unit be established, it be susceptible to complete control and operation by Cambista 1, with U.S. assistance limited to covert financial support.

6. ACTION PENDING (Headquarters):

A. Approval of Project AEQUOR. The initial request for such approval was made more than one year ago.

B. Forwarding to the field of a Project Outline and basic plan of AEQUOR. Action is requested on this matter as soon as possible in order that the field may determine what type of activity is authorized under this project, and what type requires further authority.

7. INDICATIONS OF EFFECTIVENESS:

In view of the fact that the project AEQUOR is no longer responsible for the publication of "The Fatherland", the only parts of the project on which it is possible to submit an effectiveness report are agent training, and relationships with Cambista 1 with particular emphasis on the accomplishment of United States objectives.

Agent training appears to be going extremely smoothly. Both groups (Camposantos 4 and 6, and Camposantos 8 and 9) have now been joined, and are working diligently and well together. The new "Training Protocol" agreed to by Cambista 2 and by the agent-trainees in May is being strictly adhered to, and is given much credit for the improved situation by the training case officers. A full report will be submitted by the training case officers.

It is still too early to assess the effectiveness of the new approach (see para 4, A above) on Cambista 1 or on Cambista 2. The undersigned's present attitude is one of guarded optimism. The next month should indicate clearly how the future will develop, although as indicated above (para 4, I) it is impossible to predict the impact of the transfer of support of the Cambista 1 newspaper.

8. RECOMMENDATIONS AND COMMENTS:

Although the evidence is as yet inconclusive as to the exact numerical strength of the Byelo-Russian emigration in Europe (and of the number of young men available for immediate or long-term use), all indications point to an increasing difficulty in meeting our quotas from this source alone. Accordingly it is felt that every effort should be made by Headquarters to prepare to tap that part of the emigration resident in the New World, primarily in the U.S. and Canada. Cambista 4 has indicated that he would welcome and support any attempts to recruit among this group, and in fact leaves no doubt that he is convinced that the Western Hemisphere offers the only hope for any future large scale recruitment. Cambista 2 agrees with this opinion.

If Cambista 2 is unsuccessful in his recruitment efforts this summer, it will be necessary that we tap the Western emigration in order to have at least one team prepared to go in by Spring. In this event, it is quite possible that a limited number of spotted, assessed, and recruited candidates will be required from the U.S. and Canada by the end of September. That being so, it appears none too soon to begin to prepare for the proper utilization of what, in any event, will eventually become a necessary area of recruitment.