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DISPATCH NO. EGBA-50078

74-121-0027

VIA AIR

TO : Chief of Station, Germany

DATE: 2 June 1958

FROM : Chief of Base, Berlin

INFO: EE FOB
SR MOB

BONN

SUBJECT: General - Operational/REDWOOD/CAFAIRYLAND

Specific - AEVIRGIL Ballooning, etc.

REFERENCE: EGNA 14871, 25 April 1958

1. We have been following the Bonn Base's discussions with Federal authorities of ballooning activities by the emigre groups with considerable interest for some time, and agree fully with the reference that the time is fast approaching when KUBARK must be prepared to take a clear-cut stand, one way or the other, on the issue of REDWOOD ballooning. Our delay in commenting on the reference has not been due to lack of concern over the problem, but rather has been due to questions in our own minds as to how best to approach the problem. We have discussed this question at considerable length with both [] and [] and now wish to present the following as the coordinated judgement and recommendations of the Berlin Base.

2. The objections of the Federal authorities to REDWOOD ballooning are well known and need not be re-catalogued for the purposes of this dispatch. Suffice it to say that, in our opinion, the fine distinctions drawn between "inter-zonal" German ballooning and ballooning targeted at the Soviet Forces in Eastern Germany are more a product of wishful thinking and self-delusion than of sound logic and reasoning on the part of Federal authorities, either within the political or bureaucratic spheres. However, regardless of what we may think of the reasoning by which REDWOOD ballooning has become a problem separate and distinct from other similar activities on the German front, we recognize that the distinctions have been made, that there is a considerable body of opinion opposed to the

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activities of the emigre groups, and that, without fairly forceful counter-action on our part, there is an excellent opportunity for REDWOOD ballooning to be gradually eliminated from Germany.

3. The problem appears to divide itself into two separate and distinct parts: First, a determination on the part of KUBARK as to the efficacy, desirability and importance of REDWOOD ballooning, and secondly, how to present our position to the appropriate Federal authorities most effectively.

4. On the first point, we, on balance, believe that REDWOOD ballooning is of sufficient importance to KUBARK that a determined effort should be made to preserve it even though such action may tax our liaison severely. From the KUBARK point of view, the USSR remains a KUCAGE as well as KUTUBE target of the highest priority, the GSFG represents the largest concentration of Soviet citizens which can be reached consistently with KUBARK propaganda, and ballooning has proved over the years to be the most effective means of insuring the widest possible distribution of such propaganda. Measurement of the effectiveness of our efforts in the past runs directly into the problem (as yet unsolved in the German, emigre or any other field) of precisely how does one determine the relative effectiveness of a KUCAGE effort. We have reached the point where virtually every defector from the GSFG over the past three years has been aware of the existence of AEVIRGIL or AESAURUS or both, and to a greater or lesser degree, their knowledge of these organizations have had some effect on their individual decisions to defect. (The extent and measurement of this effect again becomes an imponderable which at best can only be crudely weighed in each individual case). The so-called negative indications of effectiveness are easier to come by, but are at the same time more controversial. These range all the way from Soviet efforts (frequently implemented through the agency of East German authorities, but nevertheless Soviet in inception and impetus) to deter the emigre groups from ballooning, to kidnappings, penetration efforts of varying degrees of sophistication, and to the persistent, complex and determined operations centered on the "Committee for the Return to the Homeland" designed to force the repatriation of Soviet citizens from all parts of the globe. While each instance of such Soviet action lends itself readily to prolonged and usually unilluminating debate, we strongly feel that in toto the Soviet reaction to the activities of the emigre groups constitutes a convincing defense of their activities.

5. Another factor which must be considered and which is of particular interest to BOB is the KUTUBE aspects of both AEVIRGIL and AESAURUS. Both projects in Berlin provide offices with "the shingle out" and supplement other BOB KUTUBE activities with a broad, albeit loose, coverage of the situation in the Soviet Zone with emphasis on Soviet OB coverage and the

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moods and attitudes of the Soviet troops. Current indications are that this coverage is of growing importance within the U. S. intelligence community; EGBW-10017 indicates that the ACSI, Department of the Army analytical elements have been quite favorably impressed with recent production along this line. It also suggests, and we have some local confirmation of the fact, that the productivity of the service intelligence organizations in terms of Order of Battle in the Soviet Zone has dropped appreciably (due, we believe, to a combination of tightened restrictions on travel in the Soviet Zone, notably the new "Passport Law", and of sub-standard operational practices on the part of the agencies involved). In any event, the intelligence product of the emigre group activities is apparently increasing substantially in importance. This intelligence product depends on the number of Soviet Zone contacts that can be brought into the group offices in West Berlin and subsequently exploited. The number of such visitors is, in turn, related to the ballooning effort of the groups. For example, in the first seven months of 1957, i.e., January through July with Berlin based ballooning at a rate of 10-12 million DIN A 7 units per month, the AECARRERA office averaged 58 visitors per month. In the nine months (August 1957 to April 1958) since the cessation of Berlin ballooning by AECACATOL, the number of visitors per month has dropped to an average of 35. Even more revealing is the situation with regard to new contacts, usually those of the greatest operational interest. In the first period, new visitors averaged 26 per month; in the latter period this dropped to an average of 11 per month, and this decrease was on a definitely descending scale (new visitors in April 1958 for example were two). AECACATOL is now again ballooning in volume from West Germany, but it is still too early for the effect of this to be seen in the statistics of visitors to the AECARRERA office. The above figures are not born out by the AESIR experience over the same period. AESIR has maintained an average throughout of approximately 110-120 visitors per month with an average of 11 new visitors per month. It should be noted, however, that, the AESIR balloon effort has always been much more modest than AECACATOL's and has been supplemented by relatively extensive hand distribution and mailing operations, which of course, were unaffected by the cessation of ballooning. Also, AESIR has been in business since 1951-52 and has achieved over the years a notoriety in the Soviet Zone which AECARRERA has not yet equalled. These factors, we believe, explain the apparent discrepancy between the experiences of the two projects during the period in question. They do not, however, alter our belief that cessation of ballooning by the emigre groups and the resultant loss of "zonal advertising" will eventually dry up the flow of new visitors (and operational opportunities) to the two operational offices maintained by the groups in Berlin.

6. Thus we feel that, from the KUBARK point of view, continuation of emigre group activities, and specifically their ballooning effort, is adequately justified, and we would in fact be remiss if we failed to take

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all practical steps for their retention. This brings us to the second problem, namely, how best to achieve our objective vis-a-vis the Federal authorities. Here we feel that a word of caution is necessary before accepting CALANATE's suggestion that we review and assess the operational activities of such groups to determine whether the results and indications of effectiveness are positive enough. The difficulty of this approach is outlined in 4 above and it has the added disadvantage of placing us in a defensive, or supplicant, position. CALANATE, like any other old hand in the Cold War, knows very well that "results and indications of effectiveness" are almost impossible to obtain concerning activities into a denied area. Even when they are obtainable and are presented convincingly, they will not overcome an ingrained, intransigent opinion to the contrary, e.g., CAMOUTHFUL's refusal to accept the arguments on ballooning contained in the well documented CASK reports. In short, we believe that any attempt to sell REDWOOD ballooning based on available indications of effectiveness will be doomed to failure since the convincees are already convinced to the contrary. For CALANATE, of course, this is the easiest way out.

7. In our opinion, only one other criteria will influence the critics of emigre group activity, particularly ballooning, aside from a command decision by UPTHURST or someone else. This is the need for propagandizing the troops of the enemy and for undermining morale. The Communists are making a determined effort against the Bundeswehr and against the NATO forces in Germany and elsewhere. Debating as to whether this activity is undertaken by the Soviet Communists or the German Communists is splitting hairs. The issue is: Do we and the Fedrep consider necessary a counter-program to keep the Warsaw Pact forces off-balance? Via the DTLINEN/DOHRN/CAUSA channel, we understand that UPTHURST has already answered this in a statement to his foreign minister. When questioned by von BRENTANO, he reportedly stated, "As long as the Commies do it to us, I support doing it to them."

8. The current tactical situation, as we understand it, is that CALANATE (and presumably CAFALCATE) are attempting to withdraw from any responsibility in the question of emigre group activities, pleading lack of jurisdiction in this question. We understand and appreciate the pressures, political and bureaucratic under which CAFALCATE and CALANATE are operating. Nevertheless, they are the designated point of coordination for KUBARK on matters of emigre group activities as well as other KUCAGE problems. The present situation amounts, therefore, to a statement by CALANATE at least that he is no longer able, or can only for a short time, fulfill his coordinating role and prevent or stall an open break between KUBARK and Federal policy. This being the case, we feel that our proper course at this time should be to go to the source of CAFALCATE's and CALANATE's past authority, namely, CAUSA, and seek a definitive solution of the problem.

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While an immediate answer would probably not be forthcoming from this quarter, we would at least surface the question and move it closer to a forum in which it could be resolved.

9. The important thing, we feel, is not to let the situation drag on in its present indecisive state. Rather, we feel it desirable that our presentation proceed from a forceful presentation of the importance we attach to REDWOOD ballooning. If we could succeed in forcing the opponents of such activities into justifying their opposition, rather than the reverse of placing ourselves in the position of justifying the activity, we believe that continuation of KUBARK's program could probably be achieved. We have purposely avoided complicating this dispatch by differentiating between Federal Republic and Berlin based ballooning, and have addressed ourselves to the problem as a whole. Our reason for doing so is a conviction that, if REDWOOD ballooning is stopped in the Federal Republic, it will only be a matter of time until the same factors, political pressures from the West and hostile counter measures from the East, will force cessation in Berlin as well.

10. We realize that we have perhaps oversimplified the problem and that there are other factors involved of which we may not be aware or which we are in no position to evaluate, and all of the above comments should be considered subject to this automatic proviso. We do, however, feel strongly on the importance of the REDWOOD ballooning effort, and hope that our comments may be of some assistance in approaching what we fully recognize to be a most sensitive problem with the Federal authorities.



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