DRAFT WORKING PAPER

Chapter Eleven

DECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCES METHODS EXEMPTION 3B2B VAZI WAR CRIMES BIS CLOSURE ACT BATE 2007

American Intelligence and the Jewish Brichah (U)

Throughout late 1945 and early 1946, the Strategic Services Unit received reports from its stations in Europe about a Jewish underground movement in Europe. Known collectively as the *Brichah*, or the Escape, couriers of the Jewish Agency, including members of the Jewish Brigade serving with the British army, escorted Jews from Eastern Europe to safety in the West with the goal of bringing them to Palestine. The estimated one million European Jews who had survived the Holocaust posed a serious health issue for the Allies, but, more importantly, a resettlement problem. Many had lost their entire families and few wanted to return to their homes, even if they still existed in the Soviet Union and Eastern Europe. Outbreaks of anti-Semitism in Poland and

¹The Jewish struggle to achieve an independent state marked the first step in Great Britain's lengthy retreat as an imperial power. The Palmach, the strike force of the Haganah, the military arm of the Jewish Agency in Palestine, and two terrorist organizations, the Irgun Zvai Leumi and the Lochmei Heruth Israel (respectively called the Irgun and the Stern Gang), caused heavy losses among British military and security forces between 1944 and 1948. The influx of refugees from Europe was the visible indicator of tensions between the Jews, the Arabs, and the British in Palestine. For accounts of British military and intelligence operations in Palestine, see J. Bowyer Bell, Terror Out of Zion: Irgun, Lehi, and the Palestine Underground 1929-1949 (New York: St. Martin's Press, 1977); Gregory Blaxand, The Regiments Depart: A History of the British Army, 1945-1970 (London: William Kimber, 1971); David A. Charters, The British Army and the Jewish Insurgency in Palestine 1945-47 (London: MacMillan, 1989); David A. Charters, "British Intelligence in the Palestine Campaign, 1945-47," Intelligence and National Security 6 (January 1991), pp. 115-40; A.J. Sherman, Mandate Days: British Lives in Palestine 1918-1948 (New York: Thames and Hudson, 1997); and Saul Zadka, Blood in Zion: How the Jewish Guerrillas Drove the British Out of Palestine (London: Brassey's, 1995). For a description of the Irgun's war against the British by its leader and later prime minister of Israel, see Menachem Begin, The Revolt (New York: Nash Publishing, 1977, rev. ed.). (U)

DRAFT WORKING PAPER

elsewhere pushed thousands of the remaining Jews from Eastern Europe into the western Allied occupation zones in Germany and Austria. The Zionist movement, which had its origins decades before the war, now acted as a siren for Jews to leave Europe for the British Mandate in Palestine.² British policy, however, called for the restriction of Jewish immigration into Palestine.³ Thus, the movement of these refugees from Europe,

²In 1890, the term "Zionism" was first used to refer to the return of the Jewish people to Palestine, their Biblical home. After 1896, Zionism also became a political movement under Theodor Herzl, a Hungarian Jew who worked in Paris. After witnessing growing anti-Semitism in France, Herzl became imbued with the idea of a national home for the Jews. In 1897, he founded the World Zionist Organization to push for a Jewish state in Palestine. In the meantime, Jewish pioneers from Eastern Europe settled in Palestine and formed kibbutzim, or collective agricultural settlements. After the outbreak of World War I, Arthur James Balfour, the British Foreign Secretary, wrote a prominent British Jewish leader in 1917 that the British government advocated "the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object." The Balfour Declaration became the basis for Jewish claims for independent statehood. In 1922, the League of Nations granted the British control over Palestine under its mandate system. The British, in turn, organized the basic governmental structure in Palestine, including a Jewish Agency. Under David Ben-Gurion, the Jewish Agency acted as a quasi-governmental body in Palestine to promote Jewish affairs and to formulate domestic and foreign policies. For further details, see Hershel Edelheit and Abraham J. Edelheit, History of Zionism: A Handbook and Dictionary (Boulder: Westview Press, 2000); Bernard Reich, Historical Encyclopedia of the Arab-Israeli Conflict (Westport: Greenwood Press, 1992); and Bernard Reich and David H. Goldberg, Political Dictionary of Israel (Lanham: The Scarecrow Press, 2000). (U)

³In 1936, a British Royal Commission was appointed to examine the causes of Arab rioting in Palestine. Lord Robert Peel, the chairman, recommended that the Mandate be divided into a Jewish state, an Arab state merged with Transjordan, and a British enclave in Jerusalem. The British dropped this idea and in 1939, Malcolm MacDonald, the British Colonial Secretary, called for the establishment of one independent state in Palestine by 1949 under Arab domination. MacDonald's White Paper restricted the total immigration of Jews to 75,000 over the ten-year period; a move designed to ensure the Arab majority status in Palestine. Zionists regarded the White Paper as a betrayal of the Balfour Declaration and the Mandate itself. In 1945, after the revelations of the Nazi concentration camps and the election of the British Labour Party, Palestinian Jews hoped that the new British Government would abandon the 1939 White Paper. Instead, Prime Minister Clement Atlee and Ernest Bevin, his Foreign Secretary, reaffirmed the restricted immigration policies and, in fact, stepped up measures to keep European Jews out of Palestine. (U)

DRAFT WORKING PAPER

either by legal or illegal means, became an important weapon in the Jewish resistance against the British in Palestine.⁴ (U)

As the flood of Jewish refugees poured out of Eastern Europe through Germany and Austria to Italian ports, American intelligence discovered that the Soviets were trying to infiltrate these migration channels to smuggle Russian agents into the Middle East. According to an X-2 report from Paris in February 1946, the Soviets dispatched agents into the British and American occupation zones in Germany and Austria. Posing as Jewish victims of Nazi concentration camps, these agents would be processed through Allied displaced persons channels and infiltrate the secret Jewish smuggling rings. The Soviet agents planned to spread rumors throughout Europe and in Palestine that the British hated the Jews and supported the Arabs for control of the Holy Land. Ultimately, the Soviets wanted to draw the Jews closer to communism and incite them to revolt against the British in Palestine, according to an intelligence report given to the Americans by the French. In addition, the report listed the addresses of meeting places and names of numerous Jews in Austria involved in the smuggling of refugees in that country. ⁵ (S)

⁴The literature on the fate of the Jews after World War II is extensive, including Thomas Albrich, Exodus durch Osterreich: Die judischen Fluchlinge 1945-1948 (Innsbruck: Haymon-Verlag, 1987); Yehuda Bauer, American Jewry and the Holocaust: The American Jewish Joint Distribution Committee, 1939-1945 (Detroit: Wayne State University Press, 1981); Yehuda Bauer, Flight and Rescue: Brichah (New York: Random House, 1970); Yehuda Bauer, From Diplomacy to Resistance: A History of Jewish Palestine 1939-1945 (New York: Ateheum, 1970, rep. ed. 1973); Yehuda Bauer, Out of the Ashes: The Impact of American Jews on Post-Holocaust European Jewry (Oxford: Pergamon Press, 1989); Michael Berenbaum and Abraham J. Beck, eds., The Holocaust and History: The Known, the Unknown, the Disputed, and the Reexamined (Bloomington: Indiana University Press, 1998); and Ted Szulc, The Secret Alliance: The Extraordinary Story of the Rescue of the Jews since World War II (New York: Farrar, Straus & Giroux, 1991). (U)

⁵SAINT, Paris to See Distribution, "Soviet Propaganda Agents Sent to Palestine," 7 February 1946, FPX-7320, (S), in Records of the Directorate of Operations, Soviet Propaganda Agents Sent to Palestine," 7 February 1946, FPX-7320, (S), in Records of the Directorate of Operations, Soviet Propaganda Agents Sent to Palestine," 7 February 1946, FPX-7320, (S), in Records of the Directorate of Operations, Soviet Propaganda Agents Sent to Palestine," 7 February 1946, FPX-7320, (S), in Records of the Directorate of Operations, Soviet Propaganda Agents Sent to Palestine, Soviet Propaganda Ag

DRAFT WORKING PAPER

Other reports also discussed Soviet efforts to exploit the Jews. A summary of a Bern report, for example, highlighted the Soviet penetration of Jewish organizations in Austria by using the black market to raise funds. Capt. James J. Angleton, the head of X-2 in Italy, reported on Jewish escape efforts in January 1946. He cited sources that claimed the Russians were actively assisting the Jews to flee from Poland. Angleton relayed information that the Russians had provoked the Poles to attack the Jews in an effort to discredit the Polish Government; to force the British to face the question of a Jewish homeland in Palestine; and to justify Soviet repression in Poland. In other dispatches during the first half of 1946, Angleton submitted Italian intelligence reporting on Jews transiting that country en route to Palestine, including the names of ships that carried the Jews from Italian ports. (S)

As concern mounted about Soviet efforts to infiltrate the *Brichah*, X-2 in Washington proposed that its field stations penetrate the Jewish underground to determine the extent of the subversive activities. The ideal agent for this mission, Headquarters stated in early March 1946, would be a noncommunist Jewish refugee

⁶Summary of Bern 1817, [no date], (S), in DO Records, ☐ ☐, Box 4, Folder 11, CIA ARC. (S)

⁷X-2, Italy, "The Jewish Problem in Poland," 8 January 1946, JZX-6085, (S), in DO Records, ⊂ ☐ Box 4, Folder 11, CIA ARC. (S)

⁸X-2, Italy, "Clandestine Traffic of Jews and Arms from Italy to Palestine," 4 April 1946, JZX-7576, (S); and BB-8 [Angleton], to JJ-1 [James R. Murphy], "Clandestine Jewish Traffic to Palestine," 2 May 1946, JZX-7998, (S); X-2, Italy, "Jewish Escape Routes to Palestine; Possible Soviet-Agent Infiltration Therein," 9 May 1946, JRX-3044, (S); BB-8 [Angleton] to JJ-1 [Murphy], "Jewish Escape Routes and Relevant Problems," 23 May 1946, JRX-3257, (S); BB-8 [Angleton] to JJ-1 [Murphy], "Jewish Escape Routes," 28 May 1946, JRX-3301, (S); BB-8 [Angleton] to JJ-1 [Murphy], "Jewish Escape Routes," 29 May 1946, JRX-3336, (S); BB-8 [Angleton] to JJ-2 [identity unknown], "Jewish Escape Routes," 10 June 1946, JRX-3451, (S); BB-8 [Angleton] to JJ-2 [identity unknown], "Clandestine Expatriation of Jews to Palestine," 24 June 1946, JRX-3704, (S), all in DO Records,

[☐] Box 4, Folder 11, CIA ARC. (S)

DRAFT WORKING PAPER

willing to go to Palestine. Once recruited, the American agent should be "advised to participate fully in Communist activities in Austria, Germany, or Italy short of violence." Of more importance than how the Soviets planned to spread their propaganda in Palestine, SSU wanted to discover detailed information regarding the escape routes, the identities of agents and their contacts, the location of their hideouts, the extent of their finances, and the sources of their falsified documents. Washington felt that this project could prove critical in understanding the *modus operandi* of the Soviets, and it encouraged the field to submit projects for review in Washington. (S)

Project SYMPHONY (U)

Even before Washington sent its message, X-2 in Austria considered the Jewish *Brichah* to be a target. Maj. Edward P. Barry, the chief of SCI/A (as X-2 was formally known in Austria), later recalled, "this office began laying plans for a project which was to use the present extensive Jewish emigration for a source of CI information.

Preliminary investigations on the subject plainly showed that no one in the American Forces in Austria had a clear picture of either the procedure or the agencies involved." 10

⁹SAINT to SAINT, Austria, AMZON, and Rome, "NKGB Recruiting of Jewish Agents for Palestine," 12 March 1946, X2TS-2231, (S), in DO Records, ∠ J, Box 4, Folder 10, CIA ARC. (S)

¹⁰SAINT, Austria to SAINT, "Project SYMPHONY: Direct Overt Contact with Political Department, Jewish Agency," 10 May 1946, LSX-251, (S), in DO Records, _______, Box 4, Folder 10, CIA ARC. Born in 1914 in Chicago, Edward P. Barry graduated from Northwestern University in 1936 after spending a year at the University of Freiburg in Germany. He joined the US Army in 1941 and rose to lieutenant colonel at the time of his release from SSU in late 1946. Barry first served with the Army's Counter Intelligence Corps in the Middle East and in Italy and later transferred to OSS as the head of X-2 in Austria. Following his return to civilian life, Barry attended law school at the University of Michigan.

DRAFT WORKING PAPER

By early April, Capt. Jules Koenig, a member of X-2's small base in Vienna (the main office was in Salzburg), submitted a proposal to Headquarters "to use the influx of Jewish refugees into Austria from Romania, Czechoslovakia, Hungary and Poland for sources of CI information, for exact data on the Intelligence service of the Jewish Agency in Austria, and for all intelligence activities run by any persons or organizations who use this influx into Austria for such purpose." 11 (S)

Koenig, born in Belgium of Polish Jewish parentage, had served with OSS as an Army officer in the Middle East and in Italy. At the end of the war, he transferred to Austria and joined X-2 in Vienna. In his new assignment, Koenig observed firsthand the immigration networks flowing through the Austrian capital. ¹² Koenig emphasized that the Jewish underground flight was not a new phenomenon. "The exodus of Jews from Russian-occupied countries," Koenig commented, "is an exact replica of the vast legal or

11SCI/A, Vienna, "Original Project Report: SYMPHONY Project," [April 1946], LVX-216, (S), in DO Records. , Box 4, Folder 10, CIA ARC. Maj. Barry also informed the chief of the Austrian Mission about the new project in his monthly update. See Maj. Barry to Commanding Officer, SSU, War Department Mission to Austria, "Progress Report Covering the Period of 1-30 April 1946 X-2 Branch," 30 April 1946, (S), in DO Records, 7. Box 3. Folder 46, CIA ARC. (S) ¹²Jules Koenig (also spelled Konig) was born in Ostend, Belgium, in 1912, the son of Polish immigrants. He served in the Belgian army at the outbreak of the war and was evacuated to Great Britain after the fall of France. He worked for the Belgian Red Cross and held a variety of other jobs until he moved to the United States in 1942. Koenig was employed as a diamond cutter in New York when he was inducted into the US Army in 1943. Commissioned as a Signal Corps officer, Koenig joined OSS that same year. He remained in SSU until June 1946 when he returned to the United States and was discharged from the Army. Koenig reentered the diamond business in New York and was in periodic contact with former members of OSS. Koenig died in 1989. Jules Koenig, OSS Index Card, in WASH-HQ&HQ-DET-PERS-11, DO Records, C_ Box 19, [no folder listed], CIA ARC. See also various notes on Koenig in DO Records,

__, Box 2, Folder 2, CIA ARC. (S)

7.Box 4, Folder 10, and DO Records,

Γ...

DRAFT WORKING PAPER

illegal emigration movement which began at the ascension of the Nazi Party in Germany around 1932. Hundreds of thousands of Jews fled Germany to find their way to any safehaven in Europe or, more importantly, in Palestine."¹³ (S)

As the Nazis shut down the legal movement of Jews from Germany and Austria, underground organizations aided the Jews to escape. Funded by outside groups, including the American Jewish Joint Distribution Committee (commonly called the "Joint" or the JDC), the Hebrew Sheltering and Immigrant Aid Society (HIAS), the Political Section of the Jewish Agency, and the *Aliyah Bet*, Jewish agents penetrated the Third Reich both to rescue the refugees and to collect intelligence during the war. These personnel later formed the basis for the *Brichah* in numerous European countries during 1945-46.¹⁴ According to Koenig, "the various British Intelligence Services freely used the emissaries of this section [i.e. the Jewish Agency] for penetration, intelligence and DA [double agent] purposes. The representatives of the AJDC acted as a liaison with the

¹⁴The American Jewish Joint Distribution Committee was formed in 1914 to help Palestinian Jews suffering under the Ottoman Empire during World War I. During the Second World War, the Joint, under Dr. Joseph J. Schwartz worked with Shaul Meyerov (later known as Shaul Avigur), the head of the clandestine ha-Mossad le-Aliyah Bet, to smuggle Jews from Europe to Palestine. In 1939, after the publication of the White Paper, the Haganah, and the Histadrut, the General Foundation of Jewish Labor, formed the Aliyah Bet (interchangeably called the Mossad) to resist the British control of Jewish immigration. The Joint raised its funds from American Jews to finance the escape movement. The Joint and the Aliyah Bet worked with the Jewish Agency to establish their main posts in Lisbon, Marseilles, Istanbul, and later in Paris. As early as 1939, Aliyah Bet agents were in contact with Adolf Eichmann, the SS officer in charge of "Jewish Affairs" in an unsuccessful attempt to arrange the release of some 1,000 Jews from Austria. In 1944, Saly Mayer, the Joint's representative in Switzerland, provided funds to "buy" the release of over 1,500 Jews from Bergen-Belsen concentration camp. Other rescue missions, including that of Raoul Wallenberg, were the results of efforts by the Joint and Aliyah Bet. (U)

DRAFT WORKING PAPER

Allied intelligence services and eventually financed this courier-cum-intelligence service."¹⁵ (S)

In effect, Koenig saw the project, which he dubbed SYMPHONY, as a continuation of earlier wartime collaboration between the Allies and the Jews, and this time facing a new threat—the Soviet Union. 16 In his proposal to Headquarters, Koenig

| 15SCI/A, Vienna, "Original Project Report: SYMPHONY Project," [April 1946], LVX-216, (S) in DO Records, \(\subseteq |
|--|
| 16Despite opposition from the British who wanted to restrict American intelligence operations, OSS had a sizeable wartime presence in the Near East Theater of Operations (NETO). With its headquarters in Cairo and smaller bases in Greece and Turkey, OSS personnel and agents were scattered throughout the region. Three branches of OSS—Research and Analysis, Secret Intelligence, and X-2—had a total of six agents in Palestine reporting on both Jewish and Arab perspectives as well as ties to the Jewish Agency and its missions into Central Europe. In Augus 1944, OSS agreed to accept reports from the Jewish Agency, but refused to exchange American intelligence or even acknowledge the Jewish reporting. By the spring of 1945, OSS in Washington severed its contacts with the Jewish Agency. With the end of the war, the strength of the NETO mission quickly dropped. From 80 personnel in October 1945, SSU counted only 38 by the following spring. Likewise, the new organization had retained only one agent in Palestine an American missionary. Late in 1945, SSU acquired Capt. Nicholas Andronovitch, who had been the Army G-2's Military Liaison Officer in Jerusalem, as its representative in Palestine. Andronovitch provided a steady stream of reports as the British Mandate became increasingly volatile. Both the State Department and the Army commended him for his work when he finally returned to the United States in 1949. Born in Russia in 1907, Andronovitch fled after the Bolshevik Revolution with his mother and sister to Turkey. He entered the United States from Cuba in 1930 and became an American citizen nine years later. He joined the US Army as an officer in 1943 and rose to lieutenant colonel. |
| For further information on OSS and SSU activities in Palestine, see War Report of the OSS: The Overseas Targets, Vol. 2. Introduction by Kermit Roosevelt (New York: Walker and Company, 1976), p. 47. |
| |

DRAFT WORKING PAPER

visualized SYMPHONY as having several immediate and long-term goals, both of an overt and covert nature:

- Immediate Aims (overt): To extract information of CI value from refugees escaping from Russian-occupied countries: composition, trends and activities of the Communist parties in those countries; location and identification of concentration camps in Russia and Russian-dominated countries; identification of NKVD deserters or NKGB deserters; identification of NKVD agents or Communist agents sent among the refugees; identification and elimination of Nazi elements, infiltrating amongst the refugees to escape punishment from the authorities of their respective countries.
- Immediate Aims (covert): To ascertain and locate the agents of the Jewish Agency in Austria who run both the emigration of Jews from Russian-dominated countries and a highly-efficient intelligence service into those countries; to ascertain and spot those persons who smuggle Jews out of those countries for high sums of money and who, being in contact with NKVD officials, also smuggle war criminals and agents into the Allied-occupied zones, to work either in Austria or in Palestine.
- Immediate Aims (covert): To locate those persons within official organizations, such as the Hungarian Red Cross, the Austrian Red Cross, the Italian Red Cross, some so-called repatriation committees with official and semi-official status, the UNRRA and the (Lublin) Polish repatriation committees, who provide false papers and identification cards to those smugglers and to the smuggled for the furtherance of this traffic; to take all measures of security safeguard to eliminate or neutralize such traffic when it becomes a danger to the security of the Allied-occupied zones or to its establishments and units.
- Long-Range Aims: To penetrate those organizations of whatever kind they are—Jewish, political or of intelligence nature of any country—which send Russian—trained or Russian—inspired agents through this flow of Jewish refugees to further propaganda or intelligence aims either in Allied-occupied zones of Austria or Germany, or in Allied countries such as France, Italy, the United States and/or Palestine.¹⁷ (S)

17SCI/A, Vienna, "Original Project Report: SYMPHONY Project," [April 1946], LVX-216, (S), in DO Records,
3. Box 4, Folder 10, CIA ARC. (S)

DRAFT WORKING PAPER

CONDUCTOR (U)

Capt. Koenig also outlined the structure of the Jewish refugee groups in Austria and the various international organizations that supported the immigrants as they passed through the country. In particular, Koenig commented on the role of a young Austrianborn Jew, Arthur Pier, who represented the Jewish Agency in Vienna, but actually served as the head of the *Brichah* in Austria. Pier, according to Koenig, claimed to represent several Jewish newspapers, including the Palestinian Telegraphic Agency. "Officially Pier is here to collect items of Jewish interest for his newspaper employer, principally items on atrocities against Jews during the war and after," the American intelligence officer wrote. "Actually he runs a highly efficient intelligence net, through couriers into Romania, Czechoslovakia, Hungary and Poland. He is also running another net," Koenig reported, "which tracks down Germans either free or in captivity in Allied-occupied zones of Germany or Austria, who are suspected or proven to have been committing atrocities against Jews during the war." Pier then turned these war criminals over to the Allies while he also collected evidence for the Jewish Agency. (S)

Pier's operational activities in Eastern Europe were of more immediate interest to Koenig than his Nazi-hunting skills. Koenig told Headquarters that Pier was the key link to facilitating the movement of Jews from the Russian-dominated countries, and he gave him the operational codename of CONDUCTOR. After organizing the Jews into small groups, Pier's agents led them surreptitiously across the border into Austria. The groups made their way to Vienna where the Joint initially placed them in the city's Rothschild

¹⁸ Ibid. (S)

DRAFT WORKING PAPER

Hospital. Pier screened the refugees for information desired by the Jewish Agency and then prepared to move them to other DP camps in the American zone. Those refugees intended for Palestine were placed in a camp near Salzburg while those who could not or did not want to go to the Middle East were sent to other camps in Germany. Koenig calculated that Pier was responsible for the smuggling of hundreds, if not thousands, of Jews on a monthly basis into Austria and eventually toward Italy and Palestine. ¹⁹ (S)

At first, Koenig posed as a journalist seeking information about the *Brichah*. As his questions became more of an intelligence nature, Koenig admitted to Pier that he was an American intelligence officer.²⁰ In the meantime, Koenig also wanted to place American personnel in the Jewish camps in Vienna, principally the Rothschild Hospital and the Jewish Agency's interrogation center on *Alserbacherstrasse*. These agents, also posing as American journalists, would collect intelligence on Soviet order of battle as well as economic and political information behind the Iron Curtain. US contact with the

¹⁹Ibid. In addition to Pier's covert smuggling mission, Koenig discovered numerous illegal rackets in Austria. The representative of the Free Polish intelligence service in Salzburg also used the Joint to bring people out of Poland, while Koenig later reported that members of the French Mission in Budapest were also involved in a smuggling ring. Koenig also described a Hungarian Jew, named Alfred Schwartz, who had set up his own group, the "Jewish Repatriation Committee for Hungarian Deported Slave Workers and Concentration Camp Inmates," which essentially became a black market ring in Vienna. Koenig stated, "there is no doubt that the Russian intelligence services are using this flow of Jews to infiltrate Jewish or non-Jewish agents into the Allied zones." More sinister, Koenig uncovered the smuggling of Hungarian non-Jews, many with Nazi collaborationist backgrounds, from Budapest to Vienna. In some cases, the operator of this network, Gabor Salzer, circumcised the Nazi escapees so as to pass them as Jews for migration to Palestine with the connivance of the Soviets. For further details, see SCI/A, Vienna, "Jewish Emigration Racket Run by French Mission, Budapest," 19 April 1946, LVX-220, (S); SCI/A, Vienna, "Szak Ladislas, Agent for Political Police, Hungarian State Police," 1 May 1946, LVX-226, (S); SCI/A, Vienna, "Jewish Emigration Racket Run by Alfred Schwartz," 18 April 1946, LVX-219, (S); SCI/A, Vienna, "Jewish Clandestine Emigration under Salzer," 18 April 1946, LVX-217, (S); and SCI/A, Vienna, "Death of Salzer," 18 April 1946, LVX-218, (S), ☐ Box 4, Folder 10, CIA ARC. (S) all in DO Records, [²⁰SAINT, Austria to SAINT, "Project SYMPHONY: Direct Overt Contact with Political Department, Jewish Agency," 10 May 1946, LSX-251, (S), in DO Records, → Box 4, Folder 10, CIA ARC. (S)

DRAFT WORKING PAPER

Jewish Agency, Koenig believed, would expand SSU's understanding of the personalities involved in the illicit smuggling of refugees. This aspect of the project, however, proved the most difficult given the lack of Americans who could speak Yiddish or Hebrew. Lastly, Koenig hoped to infiltrate a Jewish agent into the refugee pipeline to assess the extent of the Soviet penetration of this movement.²¹ (S)

LILAC (U)

As he wrote his proposal in April 1946, Koenig already had selected a man to infiltrate the Jewish smuggling network. According to Koenig's notes, Erich Wender had an extensive background in intelligence as an agent for both the Germans and the British during the war. Born in 1907 in Austro-Hungary, Wender was a machine construction engineer who had immigrated to South America in 1928, but returned two years later to establish his own company in Austria. Arrested by the Gestapo in 1939 as a Jew, he was not sent to a concentration camp. Instead, the German *Abwehr* used Wender (known as Carol Popescu) as an agent in the Middle East. He was dispatched to Istanbul en route to Svria where he was to collect military information for the Nazis. Wender, however, turned himself over to the British in Turkey and was doubled. He also became an agent of the Joint and established a courier network in Eastern Europe. Wender, along with several other Jews, smuggled letters from the JDC in Istanbul into Hungary while also providing British feed material to the Germans.²² (S)

²¹SCI/A, Vienna, "Original Project Report: SYMPHONY Project," [April 1946], LVX-216, (S), in DO Records,
Box 4, Folder 10, CIA ARC. (S)

22SCI/A, Vienna, "Detailed Interrogation Report of Erich Wender @ Carol Popescu, @ Sheliach

Eri. Former GIS and JOINT Agent," 12 April 1946, LVX-207, (S), in DO Records,

Box 4, Folder 10, CIA ARC. See also miscellaneous note cards with information on Wender in DO Records, Sox 4, Folder 10, CIA ARC. (S)

DRAFT WORKING PAPER

In all, Wender made some 12 trips from Budapest to Istanbul between 1941 and 1943 when the Germans arrested him for communicating with the enemy. Wender was held in captivity until early 1944, but was transferred to an insane asylum after he was declared mentally incompetent following a suicide attempt. When he learned that the Gestapo planned to interrogate him again, Wender tried to escape from Budpaest, but he was betrayed to the Germans. He admitted all of his activities on behalf of the Joint to the Gestapo, and was held in Vienna as a prisoner until the Soviets entered the city in April 1945. The Russians then used Wender as an interpreter for an intelligence unit until his release after the German collapse. Wender accepted a position with the Joint in Vienna, but was later arrested by the American military in Vienna as a black marketeer.²³

On 19 April 1946, X-2 in Austria sent a cable to Washington requesting that Wender be vetted as an agent for Project SYMPHONY.²⁴ Koenig, in fact, had already commented on Wender's potential usefulness to the new project and the need to get him out of confinement. "Inasmuch as he is a fervent Zionist," Koenig wrote, "and has a very extensive knowledge of the Joint and Brichard [sic] organizations he may later be 'sprung' and used in project SYMPHONY."²⁵ Through Koenig's intervention, the US Army conducted a "mock trial" of Wender, and he was sentenced to 90 days in jail for his participation in the black market. Rather than being remanded to prison, Koenig took custody of Wender and informed him that he now worked for American intelligence. In

²³Ibid. (S)

²⁴Cable, Vienna to Washington, 19 April 1946, Vienna 1056, IN 36089, (S), in DO Records,
☐ , Box 4, Folder 10, CIA ARC. (S)

²⁵SCI/A, Vienna, "Detailed Interrogation Report of Erich Wender @ Carol Popescu, @ Sheliach Eri. Former GIS and JOINT Agent," 12 April 1946, LVX-207, (S), in DO Records,

[,] Box 4, Folder 10, CIA ARC. See also miscellaneous note cards with information on Wender in DO Records, , Box 4, Folder 10, CIA ARC. (S)

DRAFT WORKING PAPER

his new task, Wender, now designated as LILAC, would be Project SYMPHONY's conduit to collect on the Jewish Agency and penetrations by the Soviets as well as the British. Capt. Koenig would pay Wender 750 shillings a month and provide some rations for his work.²⁶ (S)

Headquarters accepted Koenig's use of Wender as an agent with some reluctance. "Previous information on subject from British sources," Washington reported, "appears to corroborate points in subject's story." Aspects of Wender's background raised questions as to his honesty and willingness to play all sides. "There seems little doubt that subject is a typical professional agent, and no more reliable than most of that stamp. There seems little reason to assume that he could be trusted any further than his own immediate interests lie, or that he would maintain a confidence any longer than it is to his immediate profit to do so," Headquarters noted. "Contact and use of subject should be predicated on this basis." (S)

Upon receiving the memorandum from Headquarters, Capt. Koenig met with Wender and went over some of the points of confusion regarding his relationships during the war. In responding to Washington, Koenig commented, "it is our opinion that Wender basically told the truth." Looking at the whole man, Koenig observed, "Wender certainly is not the snow-white angel he occasionally pictures himself to be, but his Zionist activities are thought to be honest. As for his black market activities, this is so

²⁶SAINT, Austria to SAINT, "Progress Report-LILAC," 27 May 1946, LSX-280, (S), in DO Records, Sox 4, Folder 10, CIA ARC. In late May, Headquarters requested the codenames of Pier and Wender. See Cable, Salzburg to Washington, 28 May 1946, Salzburg 021, IN 37639, (S), and Cable, Vienna to Washington, 28 May 1946, Vienna 095, IN 37509, (S), both in DO Records, 78-03069R, Box 4, Folder 10, CIA ARC. See also Evelyn M. Williams to Corrinn Williams, "Symbol Identification," 29 May 1946, (S), in DO Records, Sox 4, Folder 10, CIA ARC. (S)

27SAINT to SAINT, Vienna, "Wender, Erich @ Carol Popescu," 17 May 1946, X-4623, (S), in DO Records, Sox 4, Folder 10, CIA ARC. (S)

DRAFT WORKING PAPER

current right here in Vienna that an honest businessman is as rare as snow in a very hot place." Koenig felt that he had suitable control over Wender, and that he could provide American intelligence with the information that it sought.²⁸ Koenig exerted considerable effort to glean as many details from Wender about his contacts during the war and how the Joint operated in Eastern Europe.²⁹ (S)

The Symphony Begins (U)

Throughout the spring of 1946, Koenig feverishly collected information about Pier's associates as well as transmitted information about the Austrian Jew to other stations.³⁰ He was also interested in the efforts of the other Allied powers in Austria to

²⁸Wender's background and activities also attracted the interest of the Russians. At the end of June 1946, Koenig learned that a Communist agent had offered Wender a job to inform on the Americans. See SCI/A, Vienna, "Hans Kraus, NKVD Agent," 29 June 1946, LSX-354, (S), in DO Records, ☐ ☐, Box 4, Folder 10, CIA ARC. (S)

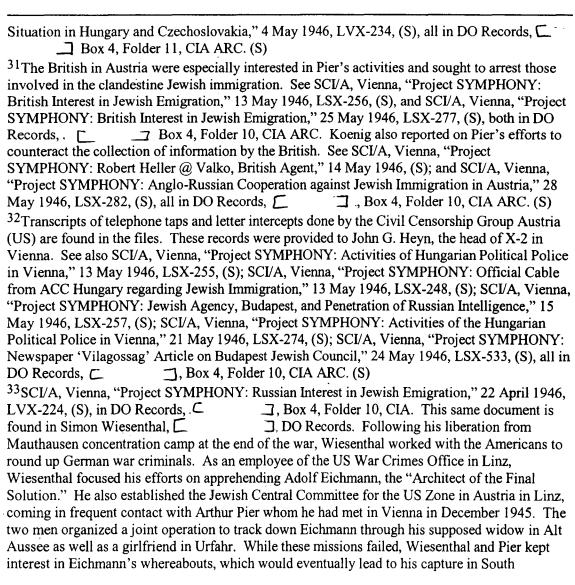
²⁹SAINT, Vienna to SAINT, "Erich Wender," 28 May 1946, LSX-296, (S), in DO Records, ☐ ☐ Box 4, Folder 10, CIA ARC. See also SAINT, Austria to SAINT, "Vienna Memo

Box 4, Folder 10, CIA ARC. See also SAINT, Austria to SAINT, "Vienna Memo #375, dated 4 June 1946," 14 June 1946, LSX-A-6, (S), in DO Records, □ Box 4, Folder 10, CIA ARC. For examples of information provided by Wender, see SCI/A, Vienna, "Project SYMPHONY: Heinrich Aigner, NKVD Agent," 5 June 1946, LSX-293, (S), SCI/A, Vienna, "Project SYMPHONY: Raoul (Rudolf) Kauntiz @ Korda," 5 June 1946, LSX-294; SCI/A, Vienna, "Present Location of GIS Personnel," 10 June 1946, LSX-295, (S); and SCI/Vienna, Project SYMPHONY: Teddy Ehrenthal, Jewish NKVD Agent in Budapest," 10 June 1946, LSX-292, (S); SCI/A, Vienna, "Project SYMPHONY: Henrik Neustadt," 12 June 1946, LSX-317, (S); SCI/A, Vienna, "Project SYMPHONY: Sandu Weissman," 12 June 1946, LSX-312, (S); SCI/A, Vienna, "Project SYMPHONY: Emigration Racket between Bucharest and Budapest," 12 June 1946, LSX-313, (S); SCI/A, Vienna, Project SYMPHONY: Kovacs (fnu)," 14 June 1946, LSX-318, (S); SCI/A, Vienna, "Project SYMPHONY: Stefan Vadasan, Joint Agency, Budapest," 20 June 1946, LSX-340, (S), all in DO Records, □ Rox 4, Folder 10, CIA ARC. (S)

³⁰For example, see SCI/A, Vienna, "Suspected Agents Filtering through Emigration Channels," 19 April 1946, LVX-221, (S); SCI/A, Vienna, "Kepesz (Cover name), Right-hand Man of CONDUCTOR," 19 April 1946, LVX-222, (S); SCI/A, Vienna "Jewish Agency Men in Bindermichl Camp, Linz," 19 April 1946, LVX-223, (S); and SAINT, Vienna to SAINT, Cairo, "Arthur Pier," 22 April 1946, (S); SCI/A, Vienna, "Letter from Hungarian Jewish Agency to CONDUCTOR," 2 May 1946, LVX-229, (S); and SCI/A, Vienna, "Press Cable re Jewish

DRAFT WORKING PAPER

collect information on the Jewish Agency.³¹ Through various means (including telephone taps and mail intercepts), Koenig discovered that the Hungarians were particularly active in penetrating Jewish groups in Austria as were the Soviets.³² On 22 April, for example, SCI in Vienna sent a report to Washington noting that Russian officers had visited Jewish camps in both the American and British zones. While inspecting the Bindermichl camp near Linz, one of Pier's agents, a man named Simon Wiesenthal, recognized a Soviet officer as a NKVD official.³³ Furthermore, Koenig's



DRAFT WORKING PAPER

report noted that, during a Soviet visit to a Jewish DP camp in the British zone, Pier had a copy of a telegram from the British headquarters in Austria in his possession, leading Koenig to suspect that Pier had penetrated the British military itself.³⁴ (S)

On 25 April 1946, US military police in Vienna conducted a "surprise" raid on Jewish DP camps looking for evidence of black market dealings, foreign currency, and unauthorized US Army material.³⁵ The Army also searched Pier's apartment where it found a box of microfilmed OSS records as well as forged border-crossing permits. The fact that Pier had the OSS records in his possession raised eyebrows in Vienna and Washington, but fears were laid to rest when the documents were found to pertain to war

America. For further details on Wiesenthal's work after the war and his connections with Arthur Pier, see Alan Levy, The Wiesenthal File (Grand Rapids: William B. Eerdmans Publishing Company, 1994) and Hella Pick, Simon Wiesenthal: A Life in Search of Justice (Boston: Northeastern University Press, 1996). (S) ³⁴Koenig later reported that Pier had access to all of the British intercept files on his activities and those of the American Jewish Joint Distribution Committee. See SCI/A, Vienna, "Project SYMPHONY: Telephone Intercepts by British," 7 June 1946, LSX-302, (S), in DO Records, Joh 78-03069R, Box 4, Folder 10, CIA ARC. In mid-June 1946, Koenig reported to Washington that he had learned from Pier that the Jewish Agency had a source in the British headquarters. Pier stated that Betty Thompson O'Donnell, a linguist and a member of the General Staff Intelligence (B) of the British Troops Austria in Vienna, provided information to the Jews. See SCI/A. Vienna, Project SYMPHONY: Betty Thompson O'Donnell," 20 June 1946, LSX-342, (S), in DO , Box 4, Folder 10, CIA. In August of that year, Evylyn M. Williams. Records, T the Austrian Desk Officer at Headquarters, recommended that the British be informed of O'Donnell's work for the Jewish Agency. Williams remarked, "it is my opinion, as the staff member most exposed to the information coming in from the SYMPHONY Project, that most of the information is garbled, and of most uncertain accuracy. In the long run," she wrote, "there seems to be little gained by clutching this small piece of information about Miss O'Donnell to us and not passing it to the British." Williams felt that the O'Donnell lead could either be misinformation provided by the Jewish Agency or that she could have been a British-controlled source. See Untitled Memorandum, E.M. Williams, 16 August 1946, (S), in DO Records, Box 4, Folder 10, CIA. Williams, born in 1915, had served as a civilian employee for the War Department from April 1941 until July 1942. She later served in Europe with X-2 as an officer in the Women's Army Corps. Williams joined SSU in Washington in January 1946 as a civilian and was assigned to the Austrian Desk during the spring and summer of 1946. She itransferred to the State Department. ³⁵SCI/A, Vienna, "Project SYMPHONY Progress Report," 2 May 1946, LVX-228, (S), in DO

, Box 4, Folder 10, CIA ARC. (S)

Records,

DRAFT WORKING PAPER

crimes. OSS had apparently borrowed the documents from the Jewish Agency during the war and microfilmed them. The Americans then provided a copy of the microfilm to the Jewish Agency.³⁶ (S)

During the raid, the military police also arrested a man who turned out to be the long-awaited Soviet that Pier had offered the Americans in April. In his proposal to Washington, Capt. Koenig wrote, "information of high intelligence value is being promised by the Jewish Agency people. For instance," Koenig wrote, "the Jewish Agency people are arranging the desertion of a Jewish NKVD major in Vienna around the middle of May 1946." According to Koenig, Pier would allow American intelligence "to hold this Russian officer at its disposal until such time that his detention will not be necessary any more." As it turned out, Pier had not told Koenig that he already had Michael Pines, also known as Stefan Janeczak, until the Army arrested him for possession of an illegal firearm. Pines, a Polish Jew, had served in the Polish army and the Soviet NKVD during the war. At the time of his desertion in December 1945, he was the head of the Polish Security Police in Danzig. He barely escaped and settled in Munich where he worked as a doctor in a Jewish displaced persons camp. After his arrest, Koenig managed to have Pines "sprung" from American confinement and interrogated him.³⁷ (S)

Former Major in the Polish Security Troops (Lublin)," 9 May 1946, LVX-231, (S), both in DO Records, C , Box 4, Folder 10, CIA ARC. A copy of this same report is found in Michael Pines, C , DO Records. Koenig also learned about another NKVD officer who deserted in Vienna, see SCI/A, Vienna, "Project SYMPHONY: 'ZALLEL,' Sgt.,

³⁶Cable, Salzburg to London, 22 April 1946, Salzburg 672, IN 36090, (S); Note by Thomas F. Victor, 25 April 1946; Cable, Vienna to London, 6 May 1946, Vienna 019, IN 36685, (S); Cable, Washington to Salzburg and Vienna, 13 May 1946, Washington 291, OUT 0291, (S); and Cable, Salzburg to Washington, 18 May 1946, Salzburg 011, IN 37148, (S), all in DO Records, Box 4, Folder 10, CIA ARC. (S)
³⁷See SCI/A, Vienna, "Original Project Report: SYMPHONY Project," [April 1946], LVX-216, (S), and "Interrogation Report of Michael Pines, @ Stefan Janeczek, Former NKVD Captain and

DRAFT WORKING PAPER

Contacts With the Jewish Agency (U)

By early May 1946, Capt. Koenig had already provided a good deal of information about the *Brichah* at a time when the American military governments in both Austria and Germany were just beginning to realize the dynamics of the Jewish underground and the sensitive nature by which the United States had to handle these refugees. Koenig's contacts with the Jewish Agency expanded when he met with Gideon Ruffer, the roving representative of the Agency's Political Department in Europe who also observed the Nuremberg trials. Ruffer, who later turned out to be Gideon Rafael, sought to establish formal ties between the Jewish Agency and American intelligence, but Capt. Koenig stated that he could only discuss local issues. He would, however, pass on information from the Jewish Agency to his superiors. Ruffer, in turn, presented his version of the history of the Jewish Agency's relations with the OSS and British intelligence during the war. 40 (S)

NKVD," 14 May 1946, LSX-262, (S), in DO Records, C , Box 4, Folder 10, CIA ARC. (S) -8To enable Washington to understand the terminology used by the underground Jewish movement, Koenig sent Washington a list of the various organizations and special designations. See SCI/A, Vienna, "Project SYMPHONY: Hebrew Nomenclature," 13 May 1946, LSX-247, (S), in DO Records, Box 4, Folder 10, CIA ARC. (S) ³⁹Born in Berlin 1913, Gideon Rafael escaped to Palestine in 1934 where he worked with the Haganah in the unsuccessful negotiations with the Nazis to rescue thousands of Jews. He later worked with the Jewish Agency in Europe to recover lost Jewish property and then served at the United Nations as the JA's representative during the partition talks in 1947. Rafael held senior positions in the Israeli Foreign Ministry, including four years as its Director-General and five years as Israeli ambassador to the United Kingdom. He died in 1999. See Reich and Goldberg, Political Dictionary of Israel, p. 320, and Gideon Rafael, Destination Peace: Three Decades of Israeli Foreign Policy, A Personal Memoir (New York: Stein and Day, 1981). See also Gideon , DO Records. (S) Rafael, ⁴⁰In 1948, Rafael wrote an account of cooperation between the Jewish Agency and the American services. Unfortunately, a copy of this account was not placed \(\sum_{\text{\tinte\text{\tinte\text{\tinite\text{\text{\text{\text{\text{\text{\text{\text{\text{\texiext{\texi}\text{\text{\text{\texi}\text{\text{\texi{\text{\texic}\text{\texi{\texi{\texi}\texi{\texi{\texi{\texicl{\texi}\tint{\texi{\texi{\texi{\tex{

DRAFT WORKING PAPER

Ruffer offered to allow Americans to use Jewish couriers in Eastern Europe on the condition that any intelligence obtained would be credited to the Political Department of the Jewish Agency. (Ruffer had mentioned that both the British and the Americans had exploited the Jews during the war for information, but did not credit them). When Ruffer asked Koenig what sort of intelligence he wanted, the American replied that he actually sought counterintelligence information. Specifically, Koenig told the Jewish representative that he wanted to know if foreign powers were targeting the United States either through military or political means or by subverting the Jewish immigration channels. Koenig also mentioned that he was interested in "any intelligence about war criminals which would be uncovered by the Jewish Agency representatives and would benefit either the War Crimes Board or the State Department." (S)

Caution Signs (U)

While Koenig maintained a hands-off approach as far as Pier's activities in

Austria were concerned, his affiliation as an American intelligence officer actually aided
the Vienna International Committee for Jewish Displaced Persons and Ex-Concentration

⁴¹SAINT, Austria to SAINT, "Project SYMPHONY: Direct Overt Contact with Political Department, Jewish Agency," 10 May 1946, LSX-251, (S), in DO Records,

4, Folder 10, CIA ARC. Ruffer was also involved in complicated negotiations with the Hungarians to permit the emigration of Jews from that country as well as the recovery of stolen Jewish assets. See SCI/A, Vienna, "Project SYMPHONY: Trip to Budapest by Mr. Ruffer, Roving Representative of Political Dept., Jewish Agency," 27 May 1946, LSX-279, (S), in DO Records,

3, Box 4, Folder 10, CIA ARC. (S)

DRAFT WORKING PAPER

Camp Inmates, the official name for Pier's group.⁴² On 27 May, two men in civilian clothes reported to the Rothschild Hospital in Vienna where they claimed to be captains in the Hungarian Political Police. They showed Pier their identity cards and weapons permits and said that they were assigned to arrest German and Hungarian war criminals, They were in the country illegally because Hungary did not have a war crimes mission in Austria. In turn, they sought help from Pier's Brichah to locate the war criminals and to bring them back to Hungary. Pier provided them with false DP identification cards and he then notified Capt. Koenig. After further talks, Pier concluded that the two Hungarians were relatively low-level police officials who undertook this mission on their own volition. They did not appear to be dispatched from the Political Police headquarters in Budapest. Pier assigned one of his men, dressed in a British army uniform, to escort the Hungarians and to help them arrest the suspects. Simon Wiesenthal later joined the expedition, and he introduced the Hungarians to the head of the war criminal section of the Austrian State Police. The Austrians, without consulting the Western Allies, also provided several officers to help the Hungarians. As it turned out, the wanted war criminals had already evaded the Jewish-Hungarian-Austrian teams; thus, Pier escorted the two Hungarian officers back to the border.⁴³ (S)

Capt. Koenig, in the meantime, complained about the US Government's lack of support for the Jewish refugees. After a discussion with the SSU's section responsible

⁴²For example, Pier sought to use the Americans to "wipe out these rackets which soil the name of the regular Emigration Movement." In particular, Pier used the American military to arrest members of the rightwing Jewish Betar group which furnished members to the violently anti-British organization in Palestine, the *Irgun Zvai Leumi*. See SCI/A, Vienna, "Project SYMPHONY: Arrest of Mandel Laszlo," 13 June 1946, LSX-314, (S), and SCI/A, Vienna, "Mandel Laszlo," 20 June 1946, LSX-344, (S), both in DO Records — , Box 4, Folder 10, CIA ARC. (S)

⁴³ SCI/A, Vienna, "Project SYMPHONY: Illegal Activities of Hungarian Police in Austria," 10 June 1946, LSX-315, (S), in DO Records,

, Box 4, Folder 10, CIA ARC. (S)

DRAFT WORKING PAPER

for intelligence on Hungary, Koenig described the problems that the JDC faced in helping Jews in that country. Because the Russians refused to allow American citizens to staff the Joint or any of the other relief organizations in Hungary for fear that these individuals were American intelligence officers, the Jewish organizations in that country had no oversight from their main offices. Instead of supporting all Jews, the Joint in Budapest dissolved into a racket where only the favored few obtained supplies. Money, food, and supplies were squandered, giving the organization a poor name. Compounding these problems, Koenig told Headquarters that the American element of the Allied Control Commission in Hungary "has taken a completely biased attitude toward Jewish emigration. They are influenced by the completely wrong connections they have made among Hungarian circles and now are cooperating actively with the Russians in their program to stop any emigration toward the US Zone of Austria."44 (S)

Headquarters Has Doubts (U)

By mid-1946, Headquarters questioned aspects of Vienna's reporting on the Jewish underground. In one example, Pier had told Capt. Koenig that a US Army officer assigned to the Allied Control Commission in Hungary was "on more than friendly terms with NKVD officers in Budapest." When the report arrived in Washington, SSU wanted to know the identity of the officer and the validity of the information. "This is an example, again, of odds and ends of information which come to us with no indication as to what development will be made, or what information or corrective action may result

⁴⁴SCI/A, Vienna, "Project SYMPHONY: Joint and ACC, Budapest," 20 June 1946, LSX-345, (S), in DO Records, \(\subseteq \subseteq \text{K}, Box 4, Folder 10, CIA ARC. See also SCI/A, Vienna, "Two Official Cables Exchanged between the DP Section USFA and USFET," 1 May 1946, LVX-232, (S), in DO Records, \(\subseteq \subseteq, Box 4, Folder 10, CIA ARC. (S)

DRAFT WORKING PAPER

from the information. If any service to US organizations can be rendered through information which we obtain," Headquarters chided, "it is important that this be done." (S)

Koenig's close ties to the *Brichah* in Austria also concerned Washington lest it affect relations with the British after they launched a major operation in Palestine, including a raid on the Jewish Agency's headquarters, in June 1946. This led Washington to advise X-2 in Austria, "things of this nature may explain to you why we have felt that caution should be exercised in our activities in a certain project." It also became more apparent to Washington officials that Koenig actually worked with a clandestine organization that operated against official US military government policies designed to staunch the flow of refugees from Eastern Europe into the American zones of Germany and Austria. (S)

Coupled with growing anxiety that American intelligence be caught supporting a subversive element, SSU had nagging doubts about Arthur Pier, the chief agent in Project SYMPHONY. Responding to Vienna's trace request, the SSU station in Cairo replied that it could find no information on the man. In fact, Cairo confirmed that Pier never

☐ Box 4, Folder 10, CIA ARC. (S)

⁴⁵SAINT to SAINT, Austria, "Project SYMPHONY," 27 June 1946, X-4960, (S), and SCI/A, Vienna, "Project SYMPHONY: Capt. (USA) Levitan, ACC Hungary," 10 May 1946, LSX-245, (S), both in DO Records, \(\subseteq \subseteq, \text{Box 4, Folder 10, CIA ARC.} \) In response to Washington's concerns, Security Control (the successor to X-2) in Austria stated that it had contacted both the G-2 of the US Forces in Austria as well as the American military mission in Budapest informing both organizations of the allegations against the US Army officer. See Security Control Division, Austria to Richard Helms, Acting Chief, FBM, "Project SYMPHONY," 13 August 1946, LSX-393, (S), in DO Records, \(\subseteq \subseteq. \subseteq. \subseteq. \text{Box 4, Folder 10, CIA ARC.} \) (S)

DRAFT WORKING PAPER

worked for the British Security Intelligence Middle East (SIME) and that his press card was false. As a result, Cairo Station advised Vienna to proceed with caution.⁴⁷ (S)

Closing the Project (U)

On 12 July 1946, Richard Helms, who had just been named as the acting chief of Foreign Branch M, sent a cable to Vienna. Helms said that while Washington had no objections to continuing the project, Headquarters needed more information about SYMPHONY's value and its overall potential as a project.⁴⁸ By this time, the project's case officer, Capt. Jules Koenig, had already returned to the United States for demobilization, leaving the project without any American control. Over a month later, in late August, John G. Heyn, the acting head of the Security Control in Austria, provided this update:

The project continues to lie idle for lack of a case officer. In the meantime, additional thousands of emigrants are pouring out of Poland into Austria. The original plan for operating the project, by planting six Yiddish speaking interrogators in the Rothschild Institute in Vienna, is as impossible to carry out today as it was in the beginning. Reason: There are no American Yiddish speaking interrogators to be had. CONDUCTOR is as anxious as ever to cooperate in removing non-bona fide Jewish elements from the stream of immigration. The control feature of the project remains as it was; fear to in any way offend US authorities lest the entire emigration be closed down. CONDUCTOR has made every effort in the past to fulfill our requirements. However, direction is needed and having received no replacement for Konig, [sic] Vienna is over-taxed. The Chief of Mission has expressed an interest in the positive information available through CONDUCTOR. We shall try to maintain

⁴⁷Cable, Cairo to Washington, 27 June 1946, Cairo 321, IN 38715, (S), in response to SAINT, Vienna to SAINT, Cairo, "Arthur Pier," 22 April 1946, (S), both in DO Records, E Box 4, Folder 11, CIA ARC. (S)

⁴⁸Cable, Washington to Vienna, 12 July 1946, Washington 1669, [no OUT number listed], (S), in DO Records, ☐ ☐ , Box 4, Folder 10, CIA ARC. (S)

DRAFT WORKING PAPER

the contact in order to keep the avenue open to the wealth of fresh CE and positive information that these emigrants are bringing out with them.⁴⁹ (S)

By the time that it received this monthly report from Austria, Headquarters had lost interest in Project SYMPHONY. On 19 September, Helms and Evelyn M. Williams, the Austrian Desk Officer, sent a lengthy review of the project to Austria for the mission's comments. "It is our feeling," they wrote, "that this case should be neither continued nor reinstated under circumstances attendant in the past. If [original emphasis] the case is developed at all, it should be on the basis of the most secure covert penetration of the agency concerned (by covert penetration we mean without the knowledge of any of its officials or personnel) instead of the open collaboration of the past." 50 (S)

The 16-page review was scathing in its criticism of the project. Headquarters felt that the two main agents had significant black marks in their past, especially Wender who had made a fortune as a courier between Turkey and Eastern Europe during the war.

After questioning Capt. Koenig upon his return to Washington before his release from the Army, Headquarters learned that Koenig's description of Pier had proven misleading. It turned out that Koenig and Pier had met each other during the war and not, as Koenig had

50 Acting Chief, FBM and DH-136 [believed to be Evelyn M. Williams] to Commanding Officer, War Department SSU Mission to Austria, "SYMPHONY Project," 19 September 1946, (S), enclosing Project Review, in DO Records, \(\sum_{\text{\tex

⁴⁹SAINT, Austria to SAINT, "Station Activities, Month of August 1946," 31 August 1946, LSX-A-21, (S), in DO Records, _______, Box 368, Folder 3, CIA ARC. At the time of the report, Security Control in Vienna had only one officer assigned while the main base in Salzburg counted only seven personnel, including secretaries and a guard. Born in 1906, John G. Heyn studied to be a conductor of opera and symphony in Germany in the late 1920s and worked in Germany until 1935. He entered the Army as a private in 1942 and was commissioned a second lieutenant in October 1945. Heyn served with the Counter Intelligence Corps in Egypt, Palestine, Italy, and then Austria. Upon his release from the military in January 1946, Heyn joined SSU as X-2's chief in Vienna and remained in Austria until December of that year. ____

DRAFT WORKING PAPER

suggested, in Vienna. Likewise, Headquarters also learned to its dismay that Capt. Koenig had himself been affiliated with the Jewish Agency prior to his joining the Army.⁵¹ (S)

For his part, Pier operated in a conspiratorial manner while the *Brichah* "has been more and more associated with, if not actually sponsoring, certain terroristic groups in a desperate effort to attain its aims." Pier's own methods, as seen by Washington, were "strong-arm and unethical." Those who opposed him were simply "taken care of" or "liquidated." Koenig's own sympathies for the plight of the Jewish refugees and his growing reliance on Pier for intelligence appeared to give sanction to the illegalities being committed by the Jewish underground in Austria. ⁵² (S)

Pier also had not lived up to his offer to arrange the desertion of Michael Pines, the NKVD major mentioned in Koenig's project proposal in April. Instead, the Polish Jew was arrested by Army authorities during the roundup of illegal immigrants in Vienna and held on weapons charges. The information that he subsequently provided did not justify Koenig's obtaining Pines's release from jail and his removal to Munich.⁵³ (S)

Two other incidents raised questions about the security of the project. In mid-May, Capt. Koenig met a man who claimed to be a Russian scientist employed by the Soviet military in Austria. This man, known as Donsky, wanted to leave Austria as quickly as possible with his wife to travel to Palestine. While Donsky stated that he would not reveal all of his information about his work for fear of being branded a traitor, he offered to supply general details about life in the Soviet Union. Koenig agreed to this proposal and began to make arrangements to have Donsky transported by an Army plane

⁵¹Ibid. (S)

⁵² Ibid. (S)

⁵³Ibid. (S)

DRAFT WORKING PAPER

to Italy. When Headquarters learned about Koenig's steps on behalf of the Russian, it ordered its Vienna representative to drop all contact with him. SSU feared that Donsky's supposed defection was a ruse orchestrated by the Soviets to catch the United States in an unfriendly act toward its ally. Likewise, Koenig's withholding of Pier's alleged source in the British headquarters in Austria became a matter of contention between SSU officials in London, Vienna, and Washington.⁵⁴ (S)

Altogether, Helms and Williams felt that the intelligence procured by Project SYMPHONY had been low grade and could be procured through the open press. The *Brichah* had been the main beneficiary of the exchange, and it appeared that Koenig had fallen under Pier's sway. The balance sheet of what Pier had gained by his affiliation with X-2 in Vienna far outweighed any benefits to the United States. Even more troubling, Koenig's work had, no doubt, come to the attention of the British in both Austria and Palestine. The diplomatic ramifications if the British exposed the American operation would be simply too great. The review advised the abandonment of Project SYMPHONY as it had been first conceptualized and evolved over time. While Headquarters did not rule out a new covert project to penetrate the Jewish immigration, it did not seem feasible given the circumstances. ⁵⁵ (S)

The Aftermath (U)

The Vienna base, reprimanded as a result of the Washington review, acknowledged in early October that Project SYMPHONY and the use of Pier had come

⁵⁴ Ibid. The cables and reports pertaining to the Donsky case were removed from the Project SYMPHONY file and replaced with extracts. A summary of the case is found in the project's review. (S)

⁵⁵Ibid. (S)

DRAFT WORKING PAPER

to an end. Despite promises made to Army officials to continue to exploit the Jewish *Brichah*, a lack of case officers effectively closed that approach.⁵⁶ While SSU was able to provide some information to the military, the G-2, or intelligence staff, of the United States Forces in Austria, supported by the 430th Counter Intelligence Corps Detachment, hereafter furnished the bulk of the reporting on the Jewish underground following Project SYMPHONY's demise.⁵⁷ The Central Intelligence Group, which assumed SSU's foreign operations in the fall of 1946, dropped contact with Erich Wender after a final report in October 1946.⁵⁸ (S)

Arthur Pier, however, did not drop out of sight. In late January 1947, Pier met with a CIG officer in Vienna and complained that the United States had "cooled off toward him." Pier, in turn, was told that he had not been forthright in providing

⁵⁶[Unknown] to Acting Chief, FBM and DH-136 [Williams], "SYMPHONY Project," 3 October 1946, X-8326, (S), in DO Records, T Box 4, Folder 10, CIA ARC. A copy of this same document is found in DO Records, I Box 1, Folder 12, CIA ARC. (S) ⁵⁷See Acting Chief, FBM to Commanding Officer, SSU War Department Mission to Austria, "Report on Jewish Escape Routes Furnished G-2 USFA," 9 October 1946, (S), enclosing SAINT, Austria to SAINT, "Transmittal of Attached Report Furnished G-2 USFA, Subject: 'Jewish Escape Routes," 26 August 1946, LSX-399, (S), enclosing Rufus S. Crane, SCI/A, Vienna to Assistant Chief of Staff, G-2, USFA, "Jewish Escape Routes," 16 August 1946, Vienna Memo No. 497, (S), in DO Records, ___, Box 4, Folder 10, CIA ARC. This report was pretty much adopted from Koenig's Project SYMPHONY proposal. For an example of CIC reporting, see Summary of Information, James D. Lewis, Special Agent, Section Kirchdorf, 430th CIC Detachment, "Fischer, Lutz, Alias Vasile, Ladislaus, Illegal Jewish Evacuee from Romania and Hungary, Illegal Border Crosser from Styria to Upper Austria," 26 August 1946, K/1698, (S), Box 4, Folder 10, CIA ARC. See also Headquarters, USFA, in DO Records, Assistant Chief of Staff, G-2, Intelligence Summary No. 108, 27 June 1947, FAV-M 27, Appendix A, "The Jewish Underground in Austria," (S); and Chief of Station, Vienna to Chief, FBM, "Transmittal of Intelligence Material," 15 September 1947, MAV-A-258, (S), enclosing Headquarters, USFA, Assistant Chief of Staff, G-2, "The Jewish Question as Reported from 二、Boxes 255 and 284, [no folders Vienna," 21 August 1947, in DO Records, listed], (respectively), CIA ARC. (S) ⁵⁸For final reports from both Wender and Pier, see SCI/A, Vienna, "Project SYMPHONY: Austrian State Police Personalities," 18 October 1946, LSX-449, (S), and SC, Vienna, "Project SYMPHONY: Cadet Benjamin Schur, @ Johann Hass," 20 November 1946, LSX-468, (S), both in DO Records, ___, Box, Folder 10, CIA ARC. (S)

DRAFT WORKING PAPER

information to the United States and that there was no way that the large numbers of Jews coming from Eastern Europe could not escape without some type of cooperation on the part of the Soviets. The American representative informed Pier that the US Army's Counter Intelligence Corps was now responsible for collection of information from refugees. In order for Pier to continue to work for the Americans, he had to agree not to impose any demands on the Army. Pier again stated that he wanted to cooperate with the Americans, but "was not in a position to engage in straight intelligence." After this point, Pier was turned over to Harris Greene, the deputy chief of the CIC office in Salzburg —

3.59 Pier's performance as a source for the Army also proved disappointing.60 (S)

| 59[Identity unknown] to |
|-------------------------|
| <u>_</u> |

60[Identity unknown] to Chief of Mission and Chief, SC, "Arthur Pier, Former Chief SYMPHONY Agent," 6 March 1947, MAS-003-306, (S); and Extract, Log, 13 March 1947 entry, 17 March 1947, MAS-023-317, (S), both in DO Records, Log, 13 March Folder 10, CIA ARC. Pier had reported only one time to the CIC in February 1947 and failed to tell his handlers that he had picked up a Soviet lieutenant colonel and his wife who had defected through Jewish channels. (S)

DRAFT WORKING PAPER

The Deeper Significance of SYMPHONY (U)

Pier's departure from Austria to Palestine in the summer of 1947 ended the shortlived relationship between American intelligence and the *Brichah*. 61 Arthur Pier. however, remained active in intelligence circles long after the formation of the State of Israeli in 1948. He took the name of Asher Ben-Nathan (also known as Ben-Natan) and served as chief of the Operations branch of the Political Department of the Foreign Ministry (HaMahlaka HaMedinet), the intelligence wing of the Israeli Foreign Service. under Boris Guriel. Ben-Nathan operated at first in Israel and then moved his operations to Paris. Competition among the intelligence services (including the Political Division. the Shin Bet or the General Security Service, and Israeli military intelligence), however, pitted Guriel and Ben-Nathan against Reuven Shiloah, who had been named by Prime Minister David Ben-Gurion as the Adviser on Special Duties to the Foreign Minister and the chairman of the Coordinating Committee of the Intelligence Services. After months of haggling, Shiloah persuaded Ben-Gurion to place all intelligence under his control as the head of HaMossad LeTeum, better known as the Mossad or the Institute for Coordination. The Mossad assumed the collection of foreign intelligence and disbanded the Foreign Ministry's Political Department. Shiloah, in effect, fired the Political Department's head, Guriel, leading to the "spies's revolt" in March 1951 where Ben-

⁶¹Army intelligence reported that Pier paid a visit to Salzburg immediately prior to his return to Palestine. As the Army noted, Pier had reportedly grown rich through his work in Austria according to those who opposed him. See Extract, Headquarters, USFA, Assistant Chief of Staff, G-2, USFA Intelligence Summary No. 110, 11 July 1947, (S), in DO Records, .
Box 4, Folder 10, CIA ARC. (S)

DRAFT WORKING PAPER

Nathan and other members of the Political Department resigned en masse and destroyed their records as opposed to turning them over to the new Mossad.⁶² (U)

Ben-Nathan's self-imposed exile from intelligence did not last long. In 1953, Ben-Gurion appointed Ben-Nathan as the general manager of the Israeli-owned Red Sea Incoda, a meat and shipping company, in the French colony of Djibouti on the Horn of Africa. The company ostensibly purchased beef and lamb in Ethopia for ritual slaughter and export to Israel. In reality, Ben-Nathan's mission was to monitor shipping movements into the Red Sea and to ensure that Israel's maritime lifeline remained unobstructed by the Arabs. In September 1956, Ben-Nathan received an urgent message to leave for Paris where he served as an Israeli representative with the French and British Governments as the three countries plotted to seize the newly nationalized Suez Canal Company from Nasser's Egyptian regime. Ben-Nathan's main role, as opposed to planning the military campaign, was to arrange for the transfer of French nuclear technology to Israel, thus allowing it to become the first nuclear power in the Middle East. Ben-Nathan went on to hold positions of power in the Israeli Government, including head of the Israeli Defense Ministry's purchasing mission to West Germany in 1957, the Director General of the Ministry of Defense from 1959 until 1965, Israel's first ambassador to West Germany from 1965 to 1969, Israel's ambassador to France from 1970 to 1975, political adviser to the Defense Minister from 1975 to 1977, and counselor

⁶² For more details on Asher Ben-Nathan, see Itzhak Ben, ed., Who's Who in Israel and Jewish Personalities All Over the World (Tel Aviv: Who's Who in Israel Publishers, 1999); Ian Black and Benny Morris, Israel's Secret Wars: The Untold History of Israeli Intelligence (London: Hamish Hamilton, 1991); Haggai Eshed, Reuven Shiloah: The Man Behind the Mossad Secret Diplomacy in the Creation of Israel, trans. by David and Leah Zinder (London: Frank Cass, 1997), Samuel M. Katz, Soldier Spies: Israeli Military Intelligence (Novato: Presidio Press, 1992); and Dan Raviv and Yossi Melman, Every Prince a Spy: The Complete History of Israel's Intelligence Community (Boston: Houghton Mifflin Company, 1990). Both classified and unclassified reporting is found in Asher Ben-Nathan,

DRAFT WORKING PAPER

to the Prime Minister from 1984 to 1986. An author and the recipient of many awards, Ben-Nathan was an unsuccessful candidate for mayor of Jerusalem. In 1999, Ben-Nathan resided in Tel-Aviv and was the chairman of the Ben-Gurion Foundation and president of the Israel-German Association.⁶³ (U)

Project SYMPHONY had a dampening effect on the establishment of liaison relations between the United States and Israel.⁶⁴ Not until 1951 did the CIA agree to cooperate with the new Mossad.⁶⁵ In part, the Americans remained concerned that the Soviets had penetrated the infrastructure of the Israeli intelligence and security services.⁶⁶ Consequently, exchanges between the two services remained mostly of a counterintelligence nature explaining, in part, why James J. Angleton, the chief of CIA's Counterintelligence Staff, retained control of the Israeli liaison account until 1973. Angleton, along with Koenig, had been among the first American intelligence officers to report on the smuggling of Jewish immigrants through Italy to Palestine in 1946. (S)

Lost in the haze surrounding the birth of Israel, Project SYMPHONY provides a glimpse of how American intelligence tried to get its bearings at the beginning of the

⁶⁶According to one book, "since its birth in 1948, little Israel was a big target for Soviet intelligence and a massive sieve when it came to leaks." Over the years, Israel suffered several high profile spy cases dating to recruitments by the Soviets before the establishment of the country. See Raviv and Melman, *Every Prince a Spy*, pp. 30-31, 49-50, and 98-100. (U)

DRAFT WORKING PAPER

Cold War. By utilizing the *Brichah* in Austria, the Strategic Services Unit sought to uncover Soviet efforts to penetrate the flow of Jewish refugees to Palestine. Yet, the project ended far different by than anticipated and, while it lasted only a few months, Project SYMPHONY marks a first, but unrecognized, step in the development of one of CIA's oldest and most important liaison relationships in a troubled region of the world. (S)