#### - SECRET SECURITY INFORMATION

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Chief, EE

5 September 1952

Chief, FHB

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OPERATIONAL/CARE

KIBITZ Assets, Problems, and Recommended Future

REF: MSGW-1h936

- 1. Above reference states that the entire Staybehind Project is under the process of review preparatory to authorisation of financial allotment for last quarter of aclendar year 1952. Our views on what assets the project has are given herein. As the undersigned has been the case officer on the project just since mid-April, we have taken the ensuing four months to "get our feet on the ground" and attempt to learn where both the weak and strong points in the project were.
- 2. First, it is believed that the only weak point is that there are just not enough good "stayable" US recruited KIBITZers. Those individual KIBITZers who were far enough along in development -- and most important of all, those who had the time, i.e. KIBITZ-10,6,3 were developed, trained, and/or finished as staybehind agents. A short review of the status of the US recruited, or non-KIBITZ-15 side of the progrem is:
  - KIBITZ-10 -- completely trained, equipped with two sets and signal plan. and assistant; ready for activation. Is now considered "aslesp" but will be recontacted every 3-4 months to keep up motivation.
  - KIBITZ-6--- completely trained, has signal plan; above ground cache and burial of W/T sets will be made in mid-September; then he will be simpleted and "asleep" ready for activation.
  - KIBITZ-3--- Being given part-time W/T training, one week-end a month. Whether he has enough inclination and aptitude for staybehind activity is still a question. However, a decision will be made after late September training period. If he stave in progrem he probably can be finished as W/T operator around first of

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year when he can come for a 10-day training session.

- KIBITZ-7--- Still highly motivated but has been sick and too busy for training. Hope to complete as singleton by late winter.
- KIBITZ-9a--- Cold feet seem to be problem here and its believed that he will have to be dropped. Final decision will be made in next two months. There will be no disposal problem.
- This extrovert type has no desire to be a staybehind agent himself, but as he knows what kind of business we are in and has many connections, we are using him as spotter recruitage with a target of only one or two W/T agents. Target area for his recruiting is Hof-Coburg area.

KIBATZ's 16.11 and lla are being further developed but progress is slow.

KIBITZers, other US recruited, still being developed.

- RIBITZ prospects-there are several new people that we are working on and
  the emphasis for the fall is being placed on recruiting
  new types for the US run side of the picture.
- 3. Actually the last four months have been the best months to get agents into "resident training", i.e. during their regular vacation periods. Getting an agent to leave home, family and local Gasthaus for an extended period of time--and not getting himself and us into flecurity problems is the biggest obstacle we have. So during the summer we concentrated on getting already recruited agents into extended training sessions. Of course the KIBITZ-15 Net had the most agents and K-15 being the agressive and dynamic character he is he kept the summer training program and all the staff plenty busy. In addition, K-15 has quite a big show, some 150 agents in various stages of development and training; there are many problems. So that I might be on as even ground as possible in my dealings with K-15 and attain
- s knowledge of the organisation that he had seen grow from the embryonic stage, the entire KIBITZ staff, at my direction concentrated on the KIBITZ-15 show all summer. Another reason for such concentration was to find out all we could about K-150 and their organization and bring it under as good control as possible.

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that the Soviets had crossed the senal borders and were attacking. His astonished reply was "Garnichts". So I then gave him a target of getting 12 operators singletons or in teams finished by 31 December 1952 and said that when this
was reached we would discuss further and greater expansion. During the same
period (late April and May) I put on the pressure for PRQs and increased security
and compartmentation in the KIBITZ-15 Net. These last items are the biggest
problem in my dealings with the old boy, but some results have been obtained in
this line.

- 5. K-15 realized the validity of my complaint that expansion was silly until we had showed some results in the actual completion of some trained teams or singletons. Occasionally in the past several months he has strayed a little from this line and attempted to recruit more people or get into grandiose schemes. Each time he has so transgressed I have hopped on him and generally it can be said that he has recruited very few new people but has, with intermittent prodding, turned in complete PRQs on and further developed the already spotted and recruited agents, organized what he has into teams and, best of all, he has done a marvelous job in getting the W/T operators free from their everday life and into residence training sessions.
- 6. As the KIBITZ-15 Net is the major portion of the KIBITZ program new, (we hope to remedy this as fast as it is operationally and feasibly possible) we would like to give you some of our views on the operation the colonel is running for us. Some of my comments will be a repetition of previous reports, but to get the proper perspective, they will be made again but in a limited form.
- 7. Recruitment of KIBITZ-15: K-15 was not actually recruited by a staff officer, but recruited after he had "volunteered" by writing a letter to the US High Commissioner for Germany and offering his services in the fight against Communism. KIBITZ-15's original idea (he volunteered right after the Korean war began) was that he could, with the help of his old Wehrmscht comrades, set up a resistance or guerrilla type organisation to fight against the Communists I answered K-15's letter by a personal when war broke out here. visit and after some several months of visits and Kaffe Klatching truned his ideas toward staybehind activity. The recrutiment was made on the basis that K-15 was the expert and that [ ], who "came from" and reported "directly to Washington", was looking for experts in the staybehind field to set up a network in Germany. Thuse K-15, the expert, was recruited and the US just "furnished money, material. and later W/T instructors". On the K-15 recruitment, one thing must not be overlooked. K-15 is not working for the US, but he is working with the US for the good of Germany. Anyone handling K-15 or meeting him must keep this fact in mind, for if not, relations will get pretty strained. The logical follow-up to this is of course no contract. [ ], according to K-15, drafted up a contract and discussed it with K-15, but the latter refused to sign or discuss it.
- 8. KIBITZ-15's status and disposal problems: The next tiem to consider in the K-15 Net is the future of K-15,i.e., how long can or will he work with us, what commitments have we made to him, what is his status and what disposal problems would he create? "What is my status?" is K-15's favorite question, and one that I hear about once a month on the average and at the next meeting we have after every newspaper blurb about the "planned Wehrmacht". Actually, I have made no commitment to K-15 other than evacuation of his family and himself, and, to the best of my knowledge, 

  I did not either except possibly by innuendo. An ambiguous promise, if any, was that apparently made by his work

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with the "American Army" that we (the US) would assist him in getting back his colonelcy (his Wehrmacht 201) indicates that he could not have been more than a Ltl Colonel, but he calls himself "Colonel") and a good position in the European Defense Forces or NATO to go with it. Time and time again K-15 has asked me "what is my status?" At first I gave ambiguous answers but as he became very insistent a time or two I brutally hinted that we had a contract all ready for him to sign. This backed him off, but in a few weeks he was back again with the same old question. This time I asked him "What do you want?" To this there was no answer at all except the statement that "well, I meant that when the contractual agreement and peace treaty are signed how will our organization and relations be affected by it! or words to that effect. Then he added that he believed he would be offered a commission as colonel in the new Wehrmacht for the fellowing reasons: a) in the 10,000 man officer corps of the Reichswehr his number was in the 2700's, and that now he figured out that it would be between 250 and 300 because of the numbers of his comrades that were wounded, killed, missing too old now (K-15 is just 39) etc; b) he knew some of the people in the Interior Ministry and Blank Office who were planning the new Wehrmacht; c) he had had considerable experience in training combat and "shock", or ranger type, troops; d) he considers himself an expert on Yugoslav and Balkan affairs; and e) he also considers himself an expert on penser and engineering equipment, and on sabotage due to his long service in the Pioneerkorps. My reply was that the German Army was still only on paper and that it would be another year yet before we had to worry about it. He, K-15, then asked if the US couldn't inform the Bonn Government that he was not to be touched for military service as he was working for the German cause in conjunction with the Americans. I pointed out the fallacy of this idea by point blank saying that I would do better than that and pass his name and generally what he was doing for the western cause to SHAPE. K-15 thought this one a good idea until I followed it up in the next breath and said that of course the SHAPE staff was an international one and that his name and activity would be passed on to all the European nations in SHAPE, or at least their G-2's would hear of it, quickly. This he had never thought of and immediately I was asked not to do anything of the sort; "think of all the French Communists that would know what I was doing". So, for the time being, the "status of K-15" is dormant but it will be a continuous thern in the side and will no doubt become more of a problem once the German Army does get going, for the Army is K-15's first, last and always love. He is an old soldier that will "never die". It is believed that he can be kept as a principal agent and possibly kept out of the army, if he bets the call, for he is vitally interested in the staybehind program and would just love to get into paramilitary type operations. The latter idea may be the bait that we can use to keep him and/or the answer to his disposal-give him more work, which he really thrives on -- and get him out of just staybehind operation. course, that is a problem for the future-one that is not answerable now. One other factor that is to be considered in both the disposal/commitment light is that L > and I have indicated that we will evacuate K-15 and his family in case of hostilities. I believe that this is another factor that is in our favor as far of control of K-15 is concerned, for heads convinced that a war will come and does want to get his family out of Germany in time. He of course has been told that he is being evacuated to help run the staybehind net he has set up--that, too, is a problem that can be considered later, although he would be a help in such operations, he would be a problem, too.

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#### 9. what has K-15 done and what can he do in building a staybehind operation?

- Because of his military service he has good access to many of his old army comrades-in-arms and has recruited a number of them. This is good in many ways as they are motivated by a hatred of Russia and a love of the Fatherland forobably little love for the US as such however, but just as the means to the end-defeat of Communism). Secondly, as a native of Schwaben and the Pfalz. he has many connections in those areas, all of which he has exploited operationally. The bad point is that the KIBITZ-15 Net has too heavy a concentration in those areas. I have pointed this out to K-15 and he agrees. In the last month he has attempted to spread north to the Ruhr and along the intersonal border which is our weakest and one of the most important areas. - have prodded K-15 on this point for the last month, and it is hoped that he will come up with some regults. On the individual persons recruited by K-15 and his cohorts, we have professional soldiers, all ranks, who are now in many different kinds of employment. Actually they make good agents for this type of work. The only difficulty with this type of person, especially Germans, is that the majority are awed by the "colonel" and his adjutant, K-150, and that if they, 15 and 150, were not around, some, not all, might drop out of the operation. In other words, some of the individuals in the K-15 show have loyalty to K-15 and not to the US case officers working with them. One point that must be brought in here is that with this recruitment of ex-soldiers who were in most cases wartime comrades, the compartmentation of the K-15 Net is not too good. I have tried to find the weak spots in this regard and think that I have uncovered a few of them,; but the general fact that many of the individuals in the operation know other members and what each one is doing cannot be denied. With careful scrutiny of each agent or team and the balancing of security against efficiency it is believed that workable and secure teams can be arranged. The way to overcome this is to put, when possible, W/T operators who know each other, operationally speaking, on the same team and have them use the same signal plan. This has been discussed with EUCA and meets their approval. 't has also been discussed with K-15 and he, too, agrees that it can be done in certain cases. In some ways this system would increase security by having more transmission sites and operators and eliminating the necessity of moving the very incriminating transmitting equipment around. for example: The wursburg area has three W/T operators--198. 199,200-who know each other well, and what each is doing. here is also a good team leader in K-120 (who is not PRQed yet, but will be soon). Why not put all three (199/200 are man and wife) on same team under K-120 and have them transmit on alternate dates and from alternate places, from same signal plan? This will probably come into effect as our first attempt at setting up a team with one plan and more than one operator. We also intend to put it into effect in other instances when possible.
- b. The goal of 12 finished teams by 31 December that I gave \$315 in May has been almost half completed. MTBITZers 156, 177 and 180 have been completely trained and their caches should be finished in next 30 to 60 days. KIBITZers 182, 191, 127,198 need some more training and in the meantime we are working on their caches. Another three, 161, 192, and 199/200 need a fair amount of training time yet, but should be near completion by the first of the year. With luck regarding shaking some of the W/Ters away for training we may come close to the 12 team goal by January.

# 10. Security Features SECURITY INFORMATION

- a. ZIPPER. We have, and will continue to have, fears that Zipper has or will penetrate KIBITZ-15's show because of the fact that the latter contains so many ex-professional soldiers and both ZIPPERites and KIBITZers belong to veteran groups. We have made a number of chesks to determine whether or not the two top people in the K-15 Net--K-15 and K-150-- are connected with ZIPFER, but all have been negative. This does not eliminate the possibility that ZTPPER knows what is going on, however, either through a penetration or an unwitting informant of, as ZIPPER calls it, a "special connection". The unwitting informant possibility is most likely. For example, K-15 who has many connections in military circles and, as will be pointed out below, he has absolutely no sense of security. Whether or not ZIFPER's penetration of K-15's operation, if there is any, is dangerous or not to the operation is a question that would probably be a good subject for debate. However, we have been under the impression that KIBITZ was considered to be the US controlled check on EIPPER's staybehind activities when and is there is a war and the staybehinds are called upon to produce. Although there are no indications of such a penetration, we will continue to watch for and report all indications.
- b. Communist Penetration As far as German Communists actually being in the KIBITZ-15 show there is little chance that anyone with even a slightest stigma of past KPD connections would have a chance of getting in the net. In fact, that is the least of our worries for, by and large, K-15 has chosen cohorts who tend more to the NSDAP line than anything else. This does not preclude, however, a real penetration job done by or under Soviet direction. That is an ever-present worry and one that it is sometimes hard to get K-15 to realize for he says to me about once every second meeting that "we have only good Germans in our organization, all of them good Russenfresseren!". He will not realize that a good double is usually just such a good German and not a KPD card carrier for 20 years. We shall continue our education program in this light, too.
- This is a good possibility, too, and will become more so as soon as the BfV gets going full steam. No doubt some of our safehouses have been come "interesting" to local German policy and through this channel such information could get to the Federal or a Laender Verfassungsschutzamt. Again, according to K-15, we have nothing to fear from these good Germans who are also western minded and not Communist, even though they are "no-good politicians" (his idea of all politicians). Again we try to explain over again-gradually pushing ourselves into the expert's seat which K-15 has held for some 2 years-that in a staybehind program everyone is your enemy; no one must know what is going on. "t is a tough job, but gradually something is sinking in to the old boy's military mind.
- d. Physical Security/Tradecraft. Not one classified paragraph of the old wehrmacht manuals on security of documents or physical security does K-15 remember or want to remember. At least, that was the way he operated in general until I gradually got him to listen to a security lecture about twice a month. Still, when he leaves the safehouse, we have papers on desks, not a real operational paper but, say, lists of telephone numbers, his own real name tax card or letterhead (he uses an alias documented), takestmefactures, paper seutlining a phase of operations, doors left open, etc. All this I found when I "raided" his safehouse-office when he was away on a ten day leave last month. Gradually, I

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am bringing up each point to him. Incidentally, during the same raid I opened his safe (one of the new type issued by our supply) and found no evidence that he carries on a private correspondence "double" operation. It is believed that if he did do so he would have had copies of such correspondence in the safe for German agents are very meticulous in keeping records of what information they pass on to their case officer, no matter who he is. If course, I could be wrong in my judgment of the man and that this whole attitude of don't-give-a-damn-about-security being just an act to disarm me, but I do not think so. Education of K-15 in security matters has met with some success and I must say that when he is directed to make a correction he does so if it is explained to him and he sees, as he has in all cases, the necessity. He might do the same thing again, though. In tradecraft principles, however, he is quite ignorant and generally dies not seem to have the type of mind that assimilates them readily.

happier if he was told to go out and blow up all the Rhine bridges the day war starts. The job would be done but would be done with about ten times as much explosives as needed, lots of blood would be spilled, K-15 would be there personally lighting every fuse, and keeping them short just for laughs. He is the big he-man type and never lets anyone forget that he was in the late war, wounded nine times and is still walking. On politics he has little interest. Military affairs and winning the war, which he says is inevitable, with boviets, are his life's blood. To say that he is on the conservative side is putting it mildly for he is still in his heart a damn good Nazi, reading all the right wing/neo-Nazi periodicals (my raid on his safe house office disclosed several) and using the Nazi line on many matters. He is still anti all non-Aryans, bitterly anti-sit French and anti-British, blaming mainly the French for all Europe's woes.

#### 12. Conclusions:

- a. The KIBITZ 15 show is not a perfect one but one that has a lot of assets and one that could become a very good thing. It definitely must be tightly controlled and should be better compartmented. Both of these things can be done.
- b. KIBITZ-15 should be led--he cannot be ordered for motivation and psychological reasons--into the track, and kept there, of only recruiting a subagent for a given area and running all operations in that area through this sub-agent who will be K-15's cut-out. In this way compartmentation can be increased and K-15 will not be running numbers of agents himself. K-15 has agreed to this in principle and has in the last several months let K-150 run a number of agents himself just in the manner described above.
- c. The staybehind singleton and teams in the K-15 net should not be considered top quality-vis-a-vis type of person, security-mindedness, motivation, etc.—as a US recruited and trained agent. But the organization should be kept and expanded slowly.
- d. In line with paragraph c above, the signal plan given the KTBITZ-15 W/T operators need not be the best that the US has, but it should be more simple, and thus less of a loss operationally if compromised, than the BRCWN/A plans originally scheduled for the operation. his matter has been discussed with Chief, EUCA, and it was decided that the AMBER/A plan would be adequate. Better still and more in line with what we could expect for the K-15 Net would be the

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EUCA proposed AMBER/XRAY plan which is simple to operate, comparatively easy to to the up, and not as much of a loss operationally if compromised, or if the agent just ups and quits on us. KIBITZ-15 W/T agents could be switched to AMBER/XRAY when and if it is approved.

#### 12. Recommendations:

- a. To get the most out of the KIBITZ-15 operation it is planned that as soon as the personnel andmerger situation have cleared up, a senior type case officer should be assigned to exclusively run and control the KIBITZ-15 show and not be connected with any other staybehind agent or operation. In this way, it is believed that the operational maximum had from K-15 and the operation, security and training wise. The assignment of one case officer to run the show would not mean that other case officers or specialists, like Mark J. Stockdale, would be cut off from the operation.
- b. The West German staybehind section should concentrate on the recruitment of US controlled single teams or singletons. This would not preclude the recruitment of principal agents to run a net. However, it is strongly recommended that any principal agent recruited in the future we recruited with the specific assignment to spot, recruit and organize an exact number of agents or teams and that such an operation be limited to specific areas that are considered of military or strategic importance in the staybehind program.
- c. In considering the KIBITZ-15 met it is recommended that it not be cast aside or broken up just yet for it might be considered good camouflage, i.e., let us use it operationally if we can, but, in the meantime keep it going as bait or a dummy target for the Doviets, German government and ZIPFAR, with the non-KIBITZ-15 side being the one we are really betting on to come on the air.
- d. Considerations should be given to using—at a later date— #IBITZ-15 and/or any part of his net in PM type operations, providing, however, for good case officer control and assignment of a definite target.