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REF

Chief, MI
Chief of Base, Munich

Date: 02/1/56

Operational - MEMPHIS/BERLIN/GENEVA/ALL

MEMPHIS/BERLIN Progress Report, 17 February to 19 March 1956

REF: DIS-0271, 14 March 1956

Executive Action Requests:

1. Headquarters' actions are requested on the following items. Station actions will be requested separately.

- a. ASTANJO, Josef: See paragraph 8.
- b. ALLEN, John: See paragraph 9c.
- c. ALLEN, John: See paragraph 9c.
- d. ALLEN, John: See paragraph 9d.
- e. ALLEN, John: See paragraph 9e.

2. An amended FOI is requested to cover the activities proposed in paragraph 14 below.

3. CIA comments are requested on the points raised in paragraphs 13 and 14 below.

Summary of Developments:

4. Three meetings were held with Subject during this reporting period. He was able to add very little to our knowledge of Antonio WISE, but his story was a profile that told by WISE/Orilla-1. Subject gave the names of five persons who were among the returned prisoners, and offered the name of one who was a potential WISE agent. He gives promise of being useful in the future, and wishes to keep in touch with him.

Background:

5. Subject's meetings with Subject MEM-651, which first reported Subject's activities in Germany, also give indications that he might be able to shed some light on the matter. These two FOIs are still very much in doubt. Meeting arrangements were made with ORILL-1, and on 17 February 1956 Ripet-2 had his first meeting with Subject in the Danish Consulate General. A second meeting was held on 23 February in a Danish restaurant, and a third on 19 March in a cafe near the station in Berlin. (See contact reports no. 1, paragraphs 1-9; and no. 2, paragraphs 1 and 2.)

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Comment: Please note also paragraph 11 of contact report no. 3 which states that Subject was pleased by the added security of the meeting in his safe apartment, but objected to having been brought to the meeting in a UN-licensed car. [] answered this criticism by telling Subject that, as far as any surveillance might be concerned, both he and Subject were Americans. This answer is not a true reflection on []'s sense of operational security, since he had already reported to Wisley verbally after a previous meeting that Subject will soon be such an important man in Bavaria that it will not be safe to meet him publicly anywhere in Munich. It reflects rather on his ability to think on his feet, and on his knowledge of available alternatives. He appeared honestly surprised when Wisley told him that he might use a taxi for such purposes.

6. Subject's Contacts with Western Intelligence Organizations: When Subject entered Germany, a member of the Greenpolizei gave him half of a calendar page to serve as identification for some unspecified persons who were to contact him later, as of 17 February 1954. This contact had not yet been made. (See contact report no. 1, paragraph 20. Comment: This recognition device is believed to be in use by the KfV. We do not know whether it is customary for returned prisoners to be given this treatment. See also paragraph 9a below.) While riding on a train to Munich, exact date unknown, Subject met one Josef KASTAGLIO, formerly of Karlovy Vary and now a resident of West Germany, whom he had known previously in Czechoslovakia. KASTAGLIO helped Subject establish contact with [] (see contact report no. 1, paragraph 14.) Through the good offices of [] (see WMA-671), 15 February 1954), we were able to arrange an interview with Subject for [] .

Comment: The above is literally all we know to date on this matter, a highly important one considering that Subject is a walk-in. [] has been asked to fill in the gaps for us. After this information has been received, we shall probably query Subject on certain aspects of it.

7. Message from Antonin SMM: Subject had little to add to the information already reported in WMA-20344. The important part of the message is allegedly incidental. SMM told Subject that, if he gave this message to the top W. S. intelligence agent in Frankfurt, it would eventually reach the right person who would know just what to do. The word "Bagram" is apparently an authenticator intended to prove that Subject comes from WMA. (See contact reports no. 1, paragraph 11, and no. 2, paragraphs 3-5.)

Comment: Why a post-1948 prisoner like SMM should have chosen a former Nazi like Subject to carry his message was a question to which some time was devoted in the meeting of 29 February. The answer, which appears to be satisfactory, is that SMM and Subject, both highly-educated persons with political interests, naturally gravitated together in Camp Vajna. It is also plain that SMM had not really entrusted Subject with anything beyond the delivery of a message, the content of which is unknown to him.

8. Divno/Guild-1: [] prepared himself for his first meeting with Subject by compiling a list of names of returned prisoners, buried among them being the names of Divno/Guild-1. When asked about them, Subject recognized some of the names but was somewhat less sure about Divno/Guild-1. On 29 February, [] asked Subject about SMM's conspiratorial activity in Camp Vajna, for the purpose of checking the story previously told by Divno/Guild-1. Subject was able to report

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only on SSM's political attitudes and to give the names of certain political personalities in the West whom SSM wished Subject to brief on conditions inside Czechoslovakia. He had no certain knowledge of an underground movement inside Camp Vajsa, but was positive that SSM is an extremely cautious and level-headed individual who would not confide in anyone not completely reliable. On 29 February Agent-L also asked Subject whether he knew the name Vladimir VICOVSKY (see NSA-3234, paragraph 18). Subject replied that he did, and confirmed the story previously told by [] that VICOVSKY had tried to get some message out to Germany via a reference and that this attempt had leaked to the StB. Subject, however, did not volunteer the additional information that this reference was himself. (See contact reports no. 1, paragraph 11; no. 2, paragraph 21; and no. 3, paragraph 5.)

Comments: The above tends to strengthen the basic idea of [] It also tends to throw a certain amount of suspicion on Subject as a possible StB informant in Camp Vajsa. However, Subject's behavior, when questioned about the VICOVSKY case, has caused [] to tentatively share []'s belief that Subject accidentally betrayed VICOVSKY to the StB.

9. StB Recruitment Activity Among Returnees: Subject himself was the object of a recruitment attempt by the StB. At present this story is known only in bare outline. Before Subject's amnesty was granted, Subject was taken from the labor camp by two men in civilian clothes and driven to a villa where he was interviewed by an apparently high-ranking StB officer. The latter offered him an amnesty in exchange for his services as an espionage agent in Germany. Subject allegedly rejected the offer, saying that he could be no good for the job because "he blanches whenever he tells a lie". In exchange for his freedom, however, he offered free legal counsel for any German Communists who might later find themselves in trouble with the law. Subject allegedly added that there would be more such cases in the future than his interrogator probably believed. This freedom did not appear to have caused him any trouble. A more detailed report on this incident is in preparation. In addition, Subject knows of the following persons who have been offered collaboration by the StB:

a. Dr. Fritz KOELLNER: One of the organizers of the HEBELER movement in 1911, and of the Selbststaendisches Freikorps in 1934, he later became Reichstreuhaender der Arbeit fuer Sudetensland. In May or June 1953, KOELLNER reported to Subject that the StB had tried to recruit him as a camp informant. He had allegedly rejected this task as beneath his dignity, but had accepted other "honor" tasks given him by the StB. Subject describes KOELLNER as the type of Nazi most susceptible to Communist conversion, and predicts that he will soon become an important political figure in Western Germany. Subject added that KOELLNER is now working for UFFENBERG whom KOELLNER has already informed of the StB offer. (See contact report no. 2, paragraph 7-9.)

Comments: KOELLNER was traced by PCB in WML-3277 dated 7 February 1954. A no trace reply was sent in WML-3265 dated 9 February 1954. An extended trace is being sent. We also have an entry on KOELLNER in [] report no. 1521 dated 20 January 1954, according to which he entered Western Germany on 15 December 1953. He was born 5 May 1904 in Harlow Vary, formerly resided at Emmersberg 17, Liberec, and now lives at Steinhilfstrasse 56, Strachow.

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b. Dr. Heinz KANWILL: No further details were given by Subject, and we have found no traces on him. (See contact report no. 2, paragraph 11.)

c. Dr. von LARIMANN-WENHAR: No further details were given by Subject, and we have found no traces on him. (See contact report no. 2, paragraph 11.)

d. Dr. von NOCHLITZER: No further details were given by Subject. (See contact report no. 2, paragraph 11.)

Comment: [] report no. 1520 dated 20 January 1956 states that a Dr. Heinz NOCHLITZER, born 21 August 1906 in Hrdl n/1, entered Western Germany on 17 December 1955. He formerly resided at Radlichgasse 6, Litomirice, and now lives at Bahnhofsstrasse 19, Kerechen.

e. Robert WILMANN: Subject describes him as a technician whom the SAs promised an important job in Western Germany where he would be useful to them. Subject does not know whether WILMANN admitted his cooperation with the SAs upon his arrival in Germany. (See contact report no. 2, paragraph 10.)

Comment: NSB has no identifiable traces. He may possibly be identical with Peter-Paul WILMANN, born 6 June 1908 in Keesing, who entered Germany on 18 December 1955. He is a merchant, formerly a resident of Flum, and now living at Eschenlehe 53 bei Garmsien.
Source: [] report no. 1534 dated 20 January 1956.

10. Robert GRENOR: When asked to mention persons suitably placed and well motivated to work as COMINT spotters, Subject mentioned Robert GRENOR of Bayreuth (see WMLA-11382) in whom we have been interested because of his connection with [] According to Subject, GRENOR will do anything for money. [] did not ask Subject how he had learned about GRENOR. (See contact report no. 1, paragraph 12.)

11. Assignments: During his first meeting with [], Subject emphasized that he did not wish to become a paid agent of the AIS, but wanted only to make his experiences available as a contribution to the fight against Communism. During the second meeting, Subject retreated somewhat from this position, and gave certain indications that he might accept recruitment. [] has taken the position throughout his contact with Subject that he himself represents an espionage organization, and that while there are certain services which he might wish Subject to perform for him, he recognizes that Subject's greatest potentialities for the common cause lie in the field of psychological warfare. This tactic has served to keep Subject interested, and at the same time to permit [] to guide Subject gently toward active intelligence cooperation. The request for operational leads, referred to in paragraph 9 above, was a step in this direction; although Subject did not appear averse to giving this kind of information, what he did produce can hardly be said to have been useful. As a second step, Dipt-2 has lent Subject a tape recorder and asked him to record reports on the following topics: (a) overall situation in the COMINT; (b) an account of his experiences with the AIS; (c) Subject's plans for the future; and (d) development of weapons

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aining in the OBR. (See contact report no.), paragraph b.)

Comments: Subject can not fail to see that the questions about his future plans can relate only to possible intelligence collaboration with us. From the way in which he answers this question we should be able to form a reliable impression of his motivation. As for Hight-2's having lent Subject the tape recorder, when Hight agreed to the use of the recorder for this purpose it had been his understanding that the recording was to be done in the safe apartment, and he was surprised to learn subsequently that [] had given him the recorder to take home, without so much as obtaining a receipt. We can only hope that the equipment will be returned to us.

Analysis of Developments:

12. The possibility that Subject has an StB mission can not be dismissed lightly. There can be presumed to be a fair sprinkling of StB agents among the returnees. Both Subject and []/[] are returnees, both were walk-ins, and both had much the same story to tell. We do not think it likely, however, that both are StB agents; their stories tend to buttress each other in places where they must if the two men are clean, and fail to do so in places where they might if they are both agents. This does not exclude the possibility that Subject is an StB agent and []/[] is clean. Frankfurt's comments on this point would be appreciated.

13. [] considers Subject the most intelligent man he has ever met, and has no confidence in his own ability to handle the case. On the strength of []'s estimate of the man, if he is an StB agent he is a dangerous one. That the StB has done some recruiting among men of his caliber is evident from his own story (see paragraph 5 above).

14. In Subject we have a man of exceptional abilities who is not unwilling to cooperate with the AIB. He has an intimate knowledge of Czech public affairs prior to 1945, and a somewhat less intimate knowledge of the same since 1945. It can be expected to have, or to acquire soon, a close familiarity with affairs in high-level Sudeten German circles, and perhaps eventually with Czech-German commercial relations in Bavaria. According to his own claims, he is anti-Communist but an expert in the Marxist dialectic.

15. Subject would appear to be useful as a spotter. If he is also as skilled in ideological debate as he claims to be, he might eventually be useful in defection operations. More likely is the possibility that he can be developed into a source on German politics.

Future Plans:

16. We intend to remove Hight-2 from the case as soon as feasible and substitute a staff officer, probably Volger, who will pursue both GALL and DITAC objectives.

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17. For the more immediate future, we are wondering whether it would be worth while to send him to GIBSON, both for the purpose of systematically debriefing him for positive intelligence, and to satisfy him as to the competence of the AIS in this field. Frankfurt's comments would be appreciated.

Case Officer Comments

18. [] has not done an outstanding job of handling this case. (See comments to paragraphs 5, 6, and 11 above.) In extension, it should be noted that []'s original instructions were only to get the Ambrose GUM story and as much of Subject's life history as would be necessary for identification purposes. Since Subject had already undergone a presumably thorough debriefing both by [] and the Consulate General, [] quite correctly refrained from obtaining PBQ information, in the expectation that copies of the interrogation reports would be made available to us. Nevertheless, we also suspect that [] has paralyzed himself by taking the attitude that the case is beyond his powers.

Approved by: _____

- Attachments:
- A. CRLO-1277 dated 20 Feb 56, CR #1
 - B. CRLO-1282 dated 5 Mar 56, CR #2
 - C. CRLO-1289 dated 23 Mar 56, CR #3

- Distribution:
- 3 - KE (w/2 cys on att uncopy)
 - 3 - COB (w/2 cys on att uncopy)
 - 3 - HCB (w/2 cys on att)

1 April 1956/haw

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