

VIA: AIR
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DISPATCH NO. Mgk.W.5725

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CLASSIFICATION

TO : Chief of Station, Karlsruhe
Attention BOB
DATE: 27 July 1950

FROM : Chief, Foreign Division S
Chief, Foreign Division M

SUBJECT: GENERAL - OPERATIONAL -
SPECIFIC - Project CAUTERY

Ref: MGB-A-274

1. We welcome the formulation of Project CAUTERY which constitutes the first concrete program for local inducement of Soviet defection submitted by any OSO field Base. It clearly reflects the fund of experience accumulated in Berlin, not only by HOB itself, but by the other interested agencies, and gives promise, under an aggressive approach, of yielding exceptional results.

2. The submission of this limited project has helped to crystallize a broader program which has been taking form in FDS, and which we hope to launch as a Basic Plan in the nearer future. This is nothing less than a broad program of planned defection inducement, aimed at Soviet personnel, wherever they can be reached, in both occupied and unoccupied areas. This campaign is intended to implement the directive of the National Security Council which imposes on CIA the exclusive responsibility in this field. Our current thinking projects as the diverse objectives of this project:

- a) recruitment of agents in place for local intelligence and counter-espionage coverage etc.)
- b) recruitment of agents in place for USSR coverage, - if he had been in contact with you)
- c) immediate physical defection for intelligence procurement,
- d) agent recruitment for return to the USSR under official cover, plus a mission)
- e) physical defection for employ: agent to be dispatched il-
legally under cover to the USSR, (no case special qualifications would

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FORM NO. 51-20
MAR 1949

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be required). This is the necessary complement of the RUSDEIRD Program, and like the latter, will imply close cooperation between FDS and other divisions both at headquarters and in the field. We hope to receive approval for this project in the near future, and to issue suitable instructions to field stations concerning operating and reporting procedures, finance, assignment of case officers, methods of approach, etc.

3. We wish, in the meantime, to express a concrete approval of the objectives and the proposed implementation of CAUTERY. There seems to be little to add to [redacted]'s statement, and we await the formal Field Project Outline.

4. The following points occur to us as of possible assistance to you in making this formulation.

a) The emphasis in a defection program should be placed on quality rather than quantity. It is as obvious to you as to us that no formula can cover the criteria of a suitable defection target. An ignorant enlisted man who would be in a position to arrange the delivery of a Soviet jet aircraft, might be of greater value than a field grade officer with only routine information.

b) Although we put the stress on quality, we hope that quantity will also increase, especially in view of the declining number of defections in Berlin. It is impossible to set a minimum or maximum number to the defectors we can handle and exploit. With the expansion of RUSDEIRD facilities throughout the world, we look forward to steadily increasing demand for usable agent recruits.

c) Apart from operational recruits, the rate of defection for intelligence purposes can also safely afford to increase. CIA is now in a position, through the Defector Committee, to centralize intelligence requests and requirements to be satisfied through the Defector Exploitation Center in Germany. As you are perhaps aware, it is likely that the operation of that Center will come under CIA management in the near future. With the gradual drying up of other intelligence sources, especially PW's, it is important to increase the flow of grist to the mill from defector sources.

d) We are still exploring the possibility of launching an "advertising" campaign of some sort to stimulate both desertions and defections. As you are well aware, such a program, whether white, black or gray, poses many problems: fear of retaliation against American personnel, confusion in existing liaison arrangements, further tightening of Soviet security measures not to mention the fear expressed by [redacted] to [redacted] that it might be too successful in causing mass desertions. We discount these fears, and feel that some positive steps are necessary in order to convey to the Russian soldier and official the essential point, viz, that we do not return bona fide refugees. The Defector Committee is exploring this problem.

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5. At the moment we have relatively little to offer you in the form of concrete assistance. We shall continue to send you all the background material produced by FDS, together with any reference works you might require. We will also give you prompt service on traces, requests for documentation, etc. The proposed budget seems reasonable, and we can assure you that additional financial support will be forthcoming as you require it.

6. As you can readily understand from the foregoing, headquarters handling of the program will have to be a joint FDS/FDM undertaking. As a first step in expediting headquarters action on your program, it is requested that you prepare one more than the usual number of copies of dispatches so that automatic routing to FDS can be arranged at this end. We will also arrange automatic distribution of cables marked CAUTERY to both divisions to assure prompt, joint action as the program progresses.

7. The problem of giving personnel support to this program, as well as to Redbird activities generally out of Berlin, has been given serious consideration here, and our present views are as follows:

a) The primary case-officer requirement on Project CAUTERY calls for linguistic and operational experience in the handling of Germans.

b) Any individual inducement operations which reach the stage of direct contact with Soviet personnel can, for the time being, be handled by the temporary assignment to BOE of a NOB case officer such as [] This would hold until frequency of such Soviet contacts made it advisable to have a full-time Redbird officer on deck.

c) For the CAUTERY project we have under consideration a possible candidate for a cover position as an overt "come-on" figure along the lines you envisaged for []—this will be taken up in greater detail in a later dispatch.

d) For following-up and eventually handling Redbird operations proper of any sort out of Berlin, we are processing a junior case officer who may be assigned to BOE.

8. We trust that [] and [] will be able to devote sufficient time and attention to the CAUTERY Project and any Redbird leads that can be developed in Berlin to get the Soviet pot actively stirring.

cc: MCB

[]
jmik
FLETCHER M. KNIGHT

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