Chief, KE

2 January 1953

Chief, Berlin Operations Base

Operational/REDCAP

CAUTERY Chain/Status Report

Action Required: None

- l. As previously reported, this chain is scheduled for close-out in early 1953. Through it we have made a long and sincere attempt to produce REDCAP results, but now the time has come to cut our losses and desist. Whatever assets remain within the chain when the final date comes will be turned over to other organizations for assessment and possible exploitation. At the moment these consist of one still uncertain chance to provide support points for our personnel within the framework of one of the state-organized cultural departments of the DDR, plus a rather nebulous but promising plan to use the current contacts of the chain in the development of a system of black-market outlets commentating on obtaining and cultivating contact with target personnel. A "pilot plant" for this type of operation is already in operation on a small scale, from which we expect to be able to draw operational conclusions within a month or six weeks.
- 2. The only personnel presently registered as full CAUTERIs that we expect to retain are C-1 and C-4. Our original notion was to place them in the freework for further reference should some need for their services arise. In the meantime, the "flusher system" for identifying interesting DDR refugees worked out with CIC locally has begun to produce a very respectable tally of bodies which warrant more than a cursory interview. Since both CAUTERIs 1 and 4 are experienced interrogators, we feel that they will definitely earn their pay as long as such a situation persists, where they can be used to do the "heavy digging" of preliminary interrogations. An incidental benefit will be added security protection for our other personnel against attempted penetrations. We plan to continue their employment along these lines, at least until CAUTERI 1 has been formally discharged from his present cover position. He has not as yet received official notice of such action, so as of this writing, we have at least six weeks time. We feel that this interval should demonstrate whether or not their services in this activity will be of sufficient value to warrant their retention.

