

22. Galloway to DCI, "Operation Rusty," 17 October 1946, enclosing Heidelberg Field Base to Chief, IB, "Agent Net Operating in the Bamberg Area," with attachment, 17 September 1946

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17 October 1946

MEMORANDUM FOR THE DIRECTOR, CENTRAL INTELLIGENCE GROUP

SUBJECT: Operation Rusty

The following analysis of "Operation Rusty" is an attempt to evaluate its present usefulness and to assess its potential for longer-range strategic intelligence operations. The advantages, disadvantages and recommendations incident to the maintenance of the project are outlined.

I. DISCUSSION:

A) Present Usefulness

1. Following a somewhat protracted period of preparation, Operation Rusty commenced its actual intelligence gathering activities in April 1946 and to date has confined these almost entirely to the Russian-occupied zone of Germany. During this period its production, from between 500 to 600 "sources", has consisted of 400-odd comparatively low-level and entirely tactical reports, plus seven others which, by subject matter, can be classified as strategic. Other than in the field of unit identification, little new or particularly valuable information which cannot be produced through relatively easy and routine intelligence operations has thus far been obtained. The few strategic reports are, for the most part, broad interpretations of material which is generally available to the foreign press. There is no evidence whatsoever which indicates high-level penetration into any political or economic body in the Russian-occupied zone.

During the same period, from the operations of the SSU Mission to Germany, a total of 647 reports on the Russian-occupied zone were disseminated. Of this total, 268 were military; 178 economic, 152 political, 23 technical, and the remaining 26 were on miscellaneous subjects. Of this production a relatively high percentage was strategic.

An additional 220 reports were obtained through these operations on contiguous areas. More important, still, is the fact that this intelligence was procured through the use of 114 sources, and 44 known sub-sources who were directly controlled and operated by U.S. personnel.

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2. In light of the above the statements made in Operation Rusty regarding costs in the "world intelligence market" and specifically with respect to the Soviet-occupied zone of Germany, both present and future, are disturbing throughout. The estimated annual budget for Operation Rusty in the Russian zone is set at \$2,500,000 per annum. This compares to a total yearly expenditure at the present rate by the SSU Mission to Germany of between approximately \$350,000 and \$400,000.

3. The importance of the counter-intelligence material produced on the U.S. zone of Germany cannot adequately be judged here but from the available data on Operation Rusty's part in Operation Bingo, it would appear that very little legal evidence of espionage activity by the individuals concerned was furnished. Moreover, the soundness of a native German intelligence unit operating more or less independently and reporting upon the identities and activities of individuals of German and other Central European nationalities, must be considered essentially suspect.

B) Potential Future Value

1. It is considered highly undesirable that any large scale U.S.-sponsored intelligence unit be permitted to operate under even semi-autonomous conditions. Unless responsible U.S. personnel are fully acquainted not only with the details of each operation carried out but also with the identities and background of all individuals concerned, no high degree of reliability can be placed from an American point of view upon the intelligence produced.

2. One of the greatest assets available to U.S. intelligence has always been the extent to which the United States as a nation is trusted and looked up to by democratic-minded people through the world. Experience has proven that the best motivation for intelligence work is ideology followed by common interest and favors. The Germans, the Russians, and their satellites, have employed fear, direct pressure of other types, and lastly, money. With most of these factors lacking to it, Operation Rusty would appear to be dependent largely upon the last and least desirable.

*Agreed to by  
D. W. ...  
Wright*

3. It is an accepted fact that strategic intelligence cannot be gathered effectively unless the personnel responsible for the operations receive careful intelligence direction and briefing. Since such material is often highly classified, much of it cannot be given to non-Americans. This would apply to Operation Rusty as presently constituted and would be a limiting factor in the effectiveness of its intelligence production.

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4. Since the present production of Operation Rusty can be duplicated if not improved upon by existing U.S. operations, its unique potential value, if any, must lie in its ability to collect strategic intelligence on Eastern Europe and the USSR proper. Available evidence of the actuality of this potential is far too inadequate for evaluation but the following points are worthy of consideration:

a) GIS interrogations available here indicate that the personnel of Operation Rusty are almost exclusively concerned with tactical operations on the Eastern Front and that deep penetrations were very limited in number. Their success, however, in this respect was considered by competent GIS personnel to have been superior to that of any other German intelligence unit.

b) GIS operational units contacted by SSU since the war have almost uniformly claimed the existence of high-level chains into the USSR but so far these have never been confirmed. Without implying any dishonesty on the part of Operation Rusty's personnel, it would be quite natural for them to exaggerate somewhat the level and extent of their capabilities.

II. ADVANTAGES

1. The German Intelligence Service, of which group was a part, is considered to be tactically effective.
2. Individuals concerned have had long experience in German Intelligence Service and particularly against the Russians.
3. Such archives, records, and intelligence materials in their possession are considered to be of great value.
4. The project, operating on current framework, has possibilities for further eastward penetration.
5. It entails an element of comparison and confirmation of other intelligence gathered by Special Operations.

III. DISADVANTAGES

1. The taking over of this project by GIG would, in effect, be reconstituting an important function of the German Wehrmacht, and could conceivably lead to repercussions from the

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political aspect, if compromised. Further, it might prove embarrassing in the defense of budget, where it may be charged that we are subsidizing a portion of the German Intelligence Service.

2. It places dependence on our organization of a former enemy over which personnel of OIG will have only nominal control.

3. It is believed that portions of this basic organization are currently under the control of at least two other nations, i.e., [ ] and Russian.

4. The operation entails duplication to a great extent of current SO operations in that area, as we also are in a Russian-occupied zone of Germany.

5. In general, the intelligence to be procured is too low level for the estimated cost of two and a half million dollars per annum.

6. Security Aspects

a) We have information, as a result of our own counter-espionage activities, to indicate that the operation is not very secure and is generally well-known.

b) For instance, a man named [ ] who worked for Baun during the war, informed the [ ] in Berlin that the Americans were using many of his former colleagues in intelligence work.

c) We have been informed on three occasions by the [ ] that their controlled officers of the Fremde Herre Ost know of Baun's activities in the American zone.

d) The most outstanding breach of security which has come to our attention came from the Bamberg area where the OIG has stated they have arrested over 25 individuals who claim to be working for Baun for the American espionage service, and many carried in their pockets revealing documents. Attached is a translation from German of the TOP SECRET USFET EEI (Enclosure I).

e) Besides the above security aspects, there exists no interrogation report for members of this Group. To our knowledge there has been no extensive check on members of the Group, nor have we any idea of the degree of Russian penetration by MVD.

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f) Of a longer-range nature, at some time in the future these men must submit themselves to denazification boards at which time it is conceivable that the entire operation may be compromised.

IV. RECOMMENDATIONS

A) That this operation as currently conceived and executed be not taken over by the Central Intelligence Group.

B) That in the event G-2, USFET, cannot continue to maintain the project, Special Operations effect liaison with this Group in an attempt to determine and procure archives, documents, personnel files, and other intelligence materials from this Group, as well as names, locations, etc., of current agents with a view to implementing an operation after careful study of capabilities of personnel, etc.

C) In any event, it is recommended that we not obligate CIG to the funds and agreements with the German chief of this service.

[ ]

DONALD H. GALLOWAY  
Assistant Director  
Special Operations

ENCLOSURE I

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E N C L O S U R E I

to

MEMORANDUM FOR THE DIRECTOR,  
CENTRAL INTELLIGENCE GROUP

SUBJECT: Operation Rusty

17 October 1946

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HEIDELBERG FEILD BASE

17 September 1946

MEMORANDUM

TO: Chief, IB

SUBJECT: Agent Net Operating in the Bamberg Vicinity

1. Attached are copies of a translation from the German into English of a brief found in the possession of one German named Gamba. This man was arrested by CIC, Bamberg and this particular brief was found in his possession. The individual is said to be the head of a chain of German agents.

2. Similar briefs have been found in the possession of a German named Nierhaus, also said to be the head of a chain of agents operating in the Ruszon. Chief of the whole setup is said to be one Von Lossow.

3. CIC region Bamberg has so far picked up close to 30 Germans with OB briefs on the Ruszon in their possession, all of whom have in their possession the telephone number of one Captain Waldmann.

[ ]

Distribution

Chief, IB  
Files

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Of Interest Are:

1. News of military nature.
2. Economic news.
3. Political news.

Concerning:

1. Military news.

The following enumeration is not complete but serves as an example. Generally it can be said, that news of offensive preparations are of the greatest interest, (special concentrations of armored units and other offensive preparations etc.). It must be stressed generally, that reports can only be used if they specifically answer the four questions:

1. Who or What?
2. Where?
3. When?
4. How? (In what manner).

Each report always has to be checked in regard to these four directives.

Example for matters of a military nature which are of interest at present:

1. Units of the Red Army which have been identified, always have to be checked in regard to their parent outfit (division). Which APO number did the specific unit have in 1944, in the year 1946, and at present?
2. How are the units garrisoned and where is the nearest higher HQ located?
3. Training and political instruction?
4. All names from Major on, are of interest.
5. In the USSR the biggest ocean liner of the world is supposedly being built. Details about it.
6. Army directives about rear-echelon service, reinforcement of motorized troop columns, and railroad transports; their condition.
7. Observation of railroad traffic in both directions at following stations:
  - a. PASSOW, N.W. of SCHWEDT.
  - b. TREBNITZ near BRESLAU.
  - c. BRIESEN near BRESLAU.
  - d. GORITZ, S.E. of LUBENAU.
  - e. LEUTHEN.
  - f. SAZDORF, N. of MUHLBERG (TORGAU).
  - g. GRAFENHEINICHEN, S.W. of WITTENBERGE.
  - h. BELZIG--BRANDENBURG.
  - i. NEUENDORF---BRANDENBURG.
  - j. NEUSTADT (RR line BERLIN--WITTENBERGE).
  - k. NEUENHAUSEN, E. of RATHENOW.
  - l. QVAAL, S.E. of GREVESMUHLEN, (ROSTOCK-LUBECK).
  - m. MILTZW (STRALSUND-GREIFSWALD).
  - n. LGCKNITZ (STETTIN -- PASEWALK).

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Furthermore the observation of RR traffic across the ODER bridges is important.

8. Heavy building equipment for streets, canals, railroads, and airports. Can this equipment be utilized for combat engineering purposes in case of war?

9. Shipping (number of ships and approximate monthly tonnage), troop embarkations and debarkations.

Repairs:

How much vehicle reinforcement?

All questions to be answered in the case of STETTIN and ROSTOCK.

10. Factories producing jet planes (i.e. "Junkers" in DESSAU and MAGDEBURG) Present amount of production and future plans for these factories.

11. Are the synthetic gasoline refineries being rebuilt?

12. Up to what point are Silesian factories being rebuilt, and how do the Soviet control the remaining factories?

13. Are the RO (RAZVEDYVATELJNYJ OTDEL) still in charge of (political) orientation in the Russian Zone?

14. Army Postal Service: Is the five-number system (i.e. 23,500) still being used by the Soviets for purposes of registration. Also give APO number of officially recognized units. (Army newspapers frequently carry the APO number of the unit publishing the paper).

15. Utilization of Russian papers, military papers, etc. Name place where they were located.

16. (Ration) card supply of troops.

17. Training questions:

Basic or Special training.

Percentage of recruits.

Training state.

Where does training take place? Are maneuvers carried on and where?

18. Are streets being repaired? Bridges reinforced? New bridge constructions?

19. Railroad conditions: Where is the Russian gauge? and where both?

20. Identification of Airport construction.

21. Numbers concerning ammunition and gasoline replacements?

22. Where are AA units located?

23. Was the population informed to preserve air-raid installations and equipment?

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24. Do the Russians use their own telephone network or the public one?

25. Which streets are marked as military streets and which ones are temporarily closed?

26. Are there indications of German Communist units being created (Information, registration, and schooling) etc.

27. Are the PW's placed in camps according to age and branch of service?

28. All questions concerning the preparation of a German auxiliary troop.

29. Police troops (MP's) and names of higher officers.

Concerning 2: Economic News:

1. What local specialists are staying behind, while factories are being removed?

2. Evacuation of entire <sup>occupation</sup> [profession (craft)] groups (shoemakers, tailors, etc.), voluntarily or compulsory, with all details. Evacuation where to?

3. Details about the nationalization of industry.

4. Are the remaining industries placed in a condition where they are dependent on Russian raw-materials? Details about specific factories are desired.

5. Which factories work for the Soviets and what branch? Which ones work in part?

Concerning 3. Political News:

1. Report of the Germans' feelings and mood, in their relations to the Russians.

2. Former National Socialists joining the KPD or Sympathizing with same; details (name, circumstance).

3. In what regions and where is the political life concentrated?

4. Political direction and frame of mind in the Red Army.

General Questions:

1. Which are the main supply depots in:

- a. BRANDENBURG
- b. MAGDEBURG
- c. THURINGIA
- d. SAXONY
- e. SILESIA

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Where are they located? Which particular supplies are stored at a certain time? In what amounts?  
Where do these stores come from, (origin).?

2. What amount and type of supply have been stored in aforementioned regions since March 1946?

3. What measures were taken by the Red Air Force in specified territories? Are there preparations for reinforcing the airforces in these regions?

4. Are the 1916-1921 classes being demobilized? With what speed?

Military Questions:

1. Is there a mechanized army in the HALLE-MERSEBURG sector and east of the eastern frontier of BRANDENBURG? If so, which one? Who is its commander? Where did it come from?

2. Is there any higher HQ (staff) located in HALLE, DESSAU, TORGAU or PINSTERWALDE? What is the designation of the troop unit in question? Who is its commander? What is its strength? What and how is its equipment?

3. Are there in Saxony any troops which had previously been located in HUNGARY? What units? Who are their commanders?

4. Is there a sizeable Airforce HQ (staff) in BERLIN? Which one? Who is the commander? Is the SPANDAU Airport (STAACKEN) occupied by an airforce unit? Which one? What is its equipment?

5. Are there any new airforce units in the BRESLAU sector? Which ones? How are they equipped? When did they arrive? From where?

6. Which airports in SILESIA are being used by the Red Airforce? Report of the units, their equipment, number of planes on each airport used with exact location.

7. Are there sizeable stores of airforce gasoline in Lower SILESIA? Where? Amount and type?

Economic Questions:

1. Efficiency of the railroad in the Russian Occupation Zone of Germany and Czechoslovakia with particular consideration of:

- a. Details about the condition of tracks.
- b. Working capacity of shunting stations.
- c. Single-double-triple-, or quadruple track railines.
- d. Types of bridges.
- e. RR personnel, insofar, as non-German personnel within Russian Zone is concerned. Methods of guarding.

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f. Condition and quality of engines and rolling stock (locomotives and RR cars), Prospects of developments.

g. Maintenance and repair capacity of locomotives and RR cars, new investments, tendency of development.

h. Has the capacity of any rail lines been increased or decreased? The same for shunting stations.

i. Is material for reconstruction and maintenance of tracks and bridges available? If so where is it located?

2. Location, capacity, and contents of depots in the Russian Zone with information about:

a. Transfer of depots, particularly reports of transfer to the West,

b. Mobility of stores, maintenance service, lay-out and troops.

3. Quantity and quality of transport vehicle-maintenance, replacement capacity, as well as tendency of development.

4. Location of tactically and strategically important bridge material and of troops.

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~~SECRET~~ 1946--30.7.1946.

Concerning: Experiences No. 2 comparison, in addition last report of experiences, Nos. 1 and 2.  
Interrogation of owners of 4-Zone passports by the Russians.

The following report from 10.6.1946 is on hand:

"All owners of 4-Zone passports undergo a thorough baggage, clothing, and body check at WARTHA near EISENACH. Afterward the people in question, are interrogated by a perfect German-speaking Russian Captain. This Captain has among travellers the nick-name "Alex."

The following questions were asked of me:

1. Which American officer gave you an instruction?
2. Have you an instruction from your husband and with which American officer is your husband connected?
3. Are there still American tanks in HERSFELD? (HERSFELD near BEBRA, note of writer).
4. Are there still American tanks in KASSEL?
5. Have new troops arrived from America and which ones are they?
6. In GIESSEN you were seen with an American officer, How were you connected with him?

To all these questions, the reporter, a woman from EISENACH, who stayed temporarily in American territory, was unable to give an answer. She did not walk with an American officer in GIESSEN. This apparently was a catchy question. The interrogation lasted half an hour. (901)

2.7.1946

1. Illegal-border-crossing-spots-in-CZECHOSLOVAKIA.

Exit points for border-crossings are:

WALDSASSEN (15km S.E. of WIESAU)  
 TIRSCHENREUTH (12km E of WIESAU)  
 BIERNAU (22km S.E. of WIESAU)  
 TACHAU (33km S.E. of WIESAU)

ASCH and SELB still have to be examined as potential departure points.

2. LEIPZIG fair in October 1946 (S) 20.6.1946.

In LEIPZIG a fall fair will take place from 2-6 Oct., according to Radio BERLIN.

3. Possibilities for avoiding travel difficulties:  
 From Germany to all of Austria and back.

1. Issue of a border crossing card for the small border traffic (so called Frontalier Permit) and of a registration card which must be issued from a border locality at the Austria-Bavarian frontier. (ie: LAUFEN, FREILASSING etc.)
2. Give a credible reason for being in possession of a border crossing card (ie: employment with a SALZBURG firm).

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3. Exemption from the obligatory 12-hour registration through CIC; extension of registration to a period from 3-4 days (permission to spend the night in SALZBURG). This exemption is to be placed on the last pages of the Frontalier permit by CIC under the heading "Endorsement".

4. Issue of a NANSSEN passport (for stateless people) which can be shown instead of the identification card. (This solution would be too revealing according to local and American stations.)

5. Crossing the border with American help without control by the German border police, also returning at a previously appointed moment.

6. Travel in Austria with the aid of the quadruplelingual travel permit and a Nansen passport (see No. 4 above). More suitable, however, if Austrian registration card is available.

Quadruple-lingual identification card.

In order to travel at all in Austria, the possession of a quadruple-lingual identification card is an absolute necessity. Description of the identity card.

The identity card is of a common white paper color. It contains the most important, personality, residence, and occupation data of the bearer. These data are placed on one page in English, one in French, and another in Russian. On the Russian page all data are put in Russian script. Even the first and family names of the bearer are "russified" (ie: Alexander--Alexej, etc.) The identity card is issued and signed by the Austrian Police office. The English, French, and Russian versions are signed by representatives of the respective occupation power.

7. Border Sector WEFERLINGEN--OSCHERSLEBEN  
Border Sector WEFERLINGEN--VOELPKE.

(S) 17. --24.6.46.

Names of Commanders and performance of their duties in their unit.

A. Major KOSCHNA:

Commander of the border sector WEFERLINGEN (45 km.N.W. of MAGDEBURG)---OSCHERSLEBEN (25km W.S.W. of MAGDEBURG).

Station: HOETENSLEBEN (50km W of MAGDEBURG) opposite the great textile department store WIGAND, (former Adolf HITLER Str.) signs border permits for the entire sector.

The Sub-Sectors are not entitled to the signature.

Adjutant: Major Anatol SASCHA.

B. Captain MISCHKA:

Commander of the bordersector WEFERLINGEN (45km N.W. of MAGDEBURG)--VOELPKE, (35 km W. of MAGDEBURG) Station: VOELPKE, Braun Str. Frequently checks border posts in his sector. His station accepts border permits, transmitting them for signature by the detachment of Major KOSCHNA. His sector is placed under Major KOSCHNA. Captain MISCHKA drives a red HANSA BORGWARD passenger car and a black-grey DKW passenger car.

15.7.46

Questions No. 2. ( 3.7.46)

I. A. Which airports in the Russian occupied Zone are in use by the Red Army?

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In Detail:

1. Location, if possible, through coordinated system (Sketch!)
2. Location of distinguishing terrain features or other marks in the surrounding area easily identified by air or ground observer.
3. Number and type of planes stationed.
4. Armament of airplanes (No and type of machine guns, cannons, bomb bays, rocket launchers, gas containers etc.)
5. Are bombs stored on the specified airport, where (sketch)? What type? What amount?
6. How many airplane hangars are there? Plane capacity?
- Position of hangars (sketch)?
7. Are there any other protective covers for planes? Where and how many?
8. What new construction is going on at the specified airport?
9. Change in the number of troops, type of the troops i.e.: Units and equipment of airport concerned.
10. What gasoline stores are on hand and where are they stored? (Sketch!)
11. Is AA protection on hand? Where and in what strength? Caliber account!

I. B. Report of type and number of detachments or units (inf., art., arm., etc. with numerical reports) i.e.: garrison strength of following troop training centers:

- a. NESSELBECK, 10km. N.E. of KONIGSBERG.
- b. STABLACK, N.W. of PRUSSISCHEYLAW (ILAWA), is this station in Russian or Polish hands?
- c. ARYS, (ORZYSZ) 48km S.E. of RASTENBURG (East Prussia) (it is assumed to be closed territory, accessible only to Red Army).
- d. MIELAU, (MLAWA) 28km. S. of NEIDENBURG (Eas Pr.) station approximately 15km. E. of MLAWA.
- e. THORN, (TORUN) station approximately 10km. S.S.E. of THORN.
- f. GRUPPE, (GRUPA, 5.5km. W. of GRAUDENZ (GRUDZIADZ)
- g. HAMMERSTEIN, 17km. E.S.E. of NEUSTETTIN (West Pr.).
- h. GROSS BORN, 15km. S.S.W. of NEUSTETTIN (West Pr.).
- i. ALTWARP, 38km. N.W. of STETTIN (at the bay).

2. Report of utilization character and garrison strength of former German Artillery and tank stations:

- a. ELBING, (ELBLAG), station located near LAERCHWALDE, (Northern Suburb of ELBING).
- b. GRAUDENZ, (GRUDZIADZ)
- c. THORN, (TORUN), gun and tank station either located on troop training square (10km, SSE of THORN or near SCHDENWALDE (5km. NW of THORN).
- d. KOESLIN, (KOSZALIN), 40km E. of KOLBERG.
- e. ALTDAMM, E. of the ODER opposite STETTIN.
- f. KOENIGSBERG, the main artillery camp was located near PONATH, Southern City district of KONIGSBERG, a sub-section near ROTHENSTEIN (4km. NNE of KOENIGSBERG).

C. RUSH!

- a. What branch of service do the local troops belong to?

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- b. What units are located there?
  - c. Are there local higher HQ and if so, which ones?
  - d. Other reports (tanks, motorized units, artillery, etc.)

To be reported for:

- 59) RIESA/SAXONY
- 50) GROSSROEHRSDORF/SAXONY
- 153) BRESLAU
- 44) MAGDEBURG

Furthermore for 44.)

e. What machine factories are still in operation there? Production (Each detail is of interest)? Where to are the finished products being sent?

D. 1 Why is WERNIGERODE closed territory?

Are there perhaps several reasons for it?

2 Are there in the HARZ Region or in bordering sectors launching installations for "V" Weapons? Where and to what extent?

III A. Concerning NAG, BUESSING-BERLIN-OBERSCHOENWEIDE.

Production and monthly capacity?

From whom does the firm receive its orders?

B. DESSAU.

Are there machine factories in DESSAU making equipment for Concrete production factories? To what extent? Delivery where to?

G. (a) Are new factories under construction and in operation at BRABAG in BOEHLLEN (16 km S of LEIPZIG). What is being produced in these concerns? (What Quantity?)

(Where to are the finished products being sent?)

Each detail of interest?

(b) What production attempt has been planned? For what time? Where? What production numbers have been estimated, i.e. planned for?

(c) Are there by any chance other works of the BRABAG participating in the construction and operation of new factories? To what way and to what extent?

(d) What is being produced at BRABAG in SCHWARZHEIDE in the LAUSTZ? Amount? Where to are the finished products being sent? (Each detail interests!)

D. Are the JUNKERS works in DESSAU still in operation?

(perhaps only parts of the works, research laboratories, experiments). Production? and quantity in relation to it?

If operation, following details:

a. What airplane type is under construction?

b. Is it a further development of a former German type? and what --

c. Engine type (rocket engines) is in use? (How many rocket tubes?)

d. Are the rocket engines there in mass production or are they built outside and where?

e. How great is on occasion the monthly production of

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- f. these engines? Are they sent away or stored and where?
  - f. What type is in use? Where is it produced?
  - g. What speed and maximum altitude does the built airplane type reach on occasion in theory and practice (trial flights?)
  - h. How great is the range of action?
  - i. Is the further development of this or another type planned?
  - k. Is mass production of this type planned?
  - l. To what extent do the Russians use former German trial fliers?
  - m. Work of BMW-STASSFURT for JUNKERS-DESSAU? What do they produce and to what extent.
  - n. Work of SIEBEL-WORKS-HALLE for JUNKERS-DESSAU? What do they produce and to what extent?
  - o. Work of NAG-BUESSING, BERLIN-OBERSCHOEN-WEIDE for JUNKERS-DESSAU? What do they produce and to what extent?

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22. (Continued)

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SUPPLY No 1

1.) Requisitions

Requisitions for goods and financial estimates, separated according to salaries and costs, are to be submitted up to the 10th of each month.

The salary recipients are to be listed according to their code numbers. Great extra expenses such as procuring typewriters, motor cars etc., are also to be submitted separately ahead of time.

2.) Travel-expense directives

I. Travel expense directives for employees

a. in the territory of the American, English, and French Zone

1. Daily Allowances

Daily allowance is only granted--those days, on which the employee is travelling from 0 hour to 2400 hours. During shorter leaves travel allowance will be paid. This also includes the day of departure and return.

The daily allowance includes reimbursement for all personal extra expenses during the trip, above all for feeding, incl. service and tips, except for over night expenses (board) and first breakfast.

2. Overnight allowance

Overnight allowance is granted for each night of absence from the residence. The overnight allowance has to cover costs for staying overnight and first breakfast, incl. service and tips.

3. Allowance for provisions (or travel allowance)

This allowance is granted for each dinner and supper which is consumed outside the employee's household, in a restaurant which must be located outside the working spot.

Travel allowance is also granted on longer trips i.e.: on the day of departure and return, insofar as the leave from the working location on these days is of shorter time than from 0 hour to 2400 hours.

4. Amount of travel-expense rate (allowance)

The travel-expense rates amount to:

Daily allowance:	RM 6.
Overnight allowance:	RM 5.
Provisions allowance:	RM 2.
(Travel allowance /	_____

b. In the territory of the Russian Zone:

- aa. For employees residing there, the same rates are in effect.
- bb. For employees residing in one of the other zones, ten times the rates for daily and provisions (travel) allowance are in effect.

5. Payment in kind

Insofar as payment in kind is offered, the rates are to be changed according to proportion by the personalities in charge.

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22. (Continued)

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II Travel-expense directives for agents.

The personalities in charge decide each case on its own merit. The constituted rates accordingly only serve as guiding posts. It is practical to fix a definite sum according to duration and type of instruction. (see experiences No 1, figure "4"-4-Zone passport.) Premiums are principally not issued in the form of money but only in form of goods etc.

III Experiences and proposed changes are to be put down in the experience reports.

3. Denazification

To expedite denazification, the following are to be handed in without delay aside from the already delivered MG "Fragebogen"; "Meldebogen" for execution of the law against National Socialism and militarism, with an account of the classified number and the local Spruchkammer as well as important facts on the debit side not contained by them, supporting factors which would aid in exoneration. (Documents with copies, naming of witnesses etc.)

4. Reports

When referring to minor localities always place them in relation to a city. When naming cities refer them to REGIERUNGS BEZIRKE and LANDE.

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22. (Continued)

~~TOP SECRET~~  
Questions No 4

1. New Sector borderlines

"1202" Right borderline: MARKTREDWITZ (incl) BAD BRAMBACH (incl) followed by course of Czech-Saxonian frontier line ending at Polish occupied territory. Left borderline: KRONACH (excl) course of RODACH river--LOBENSTEIN (incl)--SCHLEIZ (incl)--WEIDA (incl)--ALTENBURG (incl)--OSCHATZ (excl)--ELSTERWERDA (incl)--followed by the 13°30' longitudinal line northward.

"1302" Right borderlines: See left borderline of "1202" left border line: MAROLDS WEISACH (incl)--HILDBURGHAUSEN (incl)--ILMENAU (excl)--WEIMAR (incl) HALLE (incl) followed by 12° longitudinal line northward.

"1402" Right borderline: See left border line of "1302" left borderline GERSFELD (incl)--HILDERS (incl)--TANN (incl) followed by Soviet Zonal border line northward.

2. In these sectors strong points are to be formed where reports about the informants in other sectors, can and should be exchanged by way of central Hq.

By the 20th of August the occupied strong points are to be reported along with reference to the locality and notification, whether there are transmitter possibilities or not.

3. This document is to be destroyed after through acknowledgement and index filing.

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22. (Continued)

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Questions No 6

1. To hand in a diagram of the make-up of the organization there, by 17 August 1946. Enclosed should be the names of the leaders of the various subsectors with their address and the respective numbers.

2. Work with Lithuanians, Latvians, and Estonians. All connections with citizens of the Baltic countries should be registered at this place, as here a special office is conducting all work in the Baltic Region. If therefore any Baltics are used, notify this place.

3. Accuracy of the report. Many centers are failing in this respect. From the 3rd daily summary of a center, 8 reports could not be used, because one of the four essential questions had not been clarified. It is therefore pointed out once more that the four questions:

- A. Who or What
- B. When
- C. Where
- D. How - are to be answered in each report.

Is it impossible to answer such a question in a sole case, the reason for omission has to be stated in the report.

Time descriptions, such as "a short time ago", "several weeks ago" etc. are to be avoided.

It does not suffice to state in a report: "According to refugee reports from 30 July there are no troops in HALLE." It should read: "According to reports of such and such refugee (Always as accurate description of reporter as possible, insofar as he is no collaborator) no troops were in HALLE on 20 July or the end of July."

4. The description of "chance" reporters (refugees etc.) has to become more detailed. If possible, try to clarify where from the "chance" reporter gets his knowledge. (From other peoples' reports, employee of a concern about whom he reports, etc.)

5. Since centers of "chance" reporting have in part switched over to direct reporting in the Russian Zone the next step has to be taken.

We must penetrate Red Army units

Ask the persons in charge of the centers, to stress to their subsectors that the RED ARMY still forms the most important field of work. It should therefore be strived for to get as soon as possible a picture of Red Army units, their weapons, morale, and supply depots, and subsequent reports. The Red Army, in as short a period of time as possible, must be revealed to us like an open book.

For this purpose all means are to be used. The persons in charge of the centers, will have all necessary means available for it.

6. Reports reveal that some centers do not pay enough attention to their work with specialists.  
Therefore: Recruiting of experts, with an honorary office status, in all fields, especially in the military field.

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22. (Continued)

~~TOP SECRET~~

7. The leaders of the centers must be clear on one point; that our outfit is conducted on the principle of honorary membership. Therefore; in the future only people with superior abilities will be installed in supervisory capacity. ALL other workers will be under obligation of honorary participation.

This principle enables rational work and economical expenses, which are then free to be generously spent in the execution of particularly important tasks (penetration of Army Hq, Div. Hq. etc.)

8. There are reasons to point out and stress the essential principle to do as much work as possible in your own domain. The leaders of the centers are asked to follow this principle.

This also not necessary for a defense unit (ABWEHR) to work on all cases with registration cards and other protective means.

If the defense unit is cloaked as a state concern, it not only means that it will be known in most official offices, but also that the principle guiding the choice of collaborators will be decisively influenced in a negative manner.

It must be prevented that collaborators only join us for the purpose of gaining advantages. Such workers form at once a heavy burden on the organization. The idealistic basis of our work, which eventually has to be accomplished, regardless of approval or disapproval by the momentarily ruling power, always should form the guiding light of all actions by the leaders of centers.

After acknowledgement, destroy--then transmit orally.

9. Of interest are: Station commanders with their first names, fathers' name, family name, service rank, if possible, branch of service, good and bad characteristics.

10. Concerns: Oberleutnant (1st Lt.) Silling or SEMMLING. Subject belonged to the Brandenburg Division. Before he became an officer, he belonged to the 1012nd JAEGER Bn. He is a member of an organization, supposedly consisting of 200 men. Leader of the organization is a colonel who is in the English Zone. The organization represents an ultra-nationalist line and at present co-operates neither with Americans nor the British. Are there any details about this organization, particularly 1st Lt. SCHILLING or SEMMLING?

11. Concerns: Eastern-News organization. The former Oberstleutnants (Lt Cols) i. E. Michael, Brendl, Knesebeck, Buntrock and one oberleutnant (1st Lt) Dr. Albert BUERKLEIN work in close touch with HEIDELBERG CIC against the SOVIETS, probably steered by the 3rd Army. Individuals concerned, are all General Staff men who formerly only worked in the West Sector. No connections with these people are desired by this office for district reasons.

This report is strictly confidential and therefore after receipt, burn immediately. Naturally silence is essential in front of these people.

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22. (Continued)

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Questions No 5

I. Commence work on following two Soviet Schools; of primary interest are the schooling and training plans.

- 1) Political school in BERGERN (7 klm SW of WEIMAR).
- 2) Espionage and Sabotage school in DRESDEN

Concerning 1) Instructors in BERGERN:

Germans:

BORNWITZ  
BARTHEL  
DOELLING, EBERLING  
EGGERATH  
EYERMANN, FISCHER  
GOLDSTEIN, HEILMANN, HEYMANN  
KOPS, KNIPPEL  
LEONHARD  
LINDAU, SCHELER  
E. SCHMIDT  
Dr. SCHMIDT, STRAMPFER  
Dr. TANDY  
Dr. WOLF

Concerning 2) Instructors in DRESDEN:

Russians:

FABIAN  
KOMOROW, OBERST (COL)  
RUDZINSKY

Germans

V. D. GOLTZ, LT.  
HARTMANN, 1st LT.  
MOECK, Ofw (Pfc)  
NACK, Ofw (Cpls)  
SCHILLER, Ofw

II. Of interest are the No's of Russian Army Cars not those of MG and Civilian Government. If possible with station location.

Concerning Experiences:

Increased Control of Closed Border

in the BEBRA sector (H. middle of June)

Since the middle of June a severe control of the closed border has been started by Soviet Authorities. This control extends to the agricultural labors of the border inhabitants. These German peasants who have their fields on the other side of the border in Russian territory experience great difficulties in bringing home the hay harvest. They usually require permission to cross the zonal border and even then the cut grass can not be dried on the Soviet but only on the American side.

Children, who formerly were able to cross the frontier freely, are now arrested, and after lengthy interrogation, returned after days.

On the American side MP's replaced regular occupation troops in this sector.

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2. Arrest at the Russian Zone border (Collaboration of German Communists) (5 May 1946)

Subject asked for a border crossing permit to Red Army Zone at the MG passport office in AUGSBURG, for the purpose of arranging urgent family matters, and receiving same after lengthy time. After the border crossing near HOF immediate arrest through NKVD officials followed. The behaviour of the NKVD officials and the circumstances surrounding arrest convinced source, that his name and personal data must have been known beforehand at the office of border control. Source had a conversation with an acquaintance from Berlin who had similar experiences.

Source assumes from these facts, that KPD members work in passport offices and send through some organization the names and personal data of people travelling into the Red Army Zone.

3. Crossing location in the HOF Sector (B; 1st half of June 1946)

Rudolfstein (18 klm N of HOF a.d.s.) information in the GASTHAUS (restaurant) VOGEL.

4. Lifting of travel restrictions in the Soviet Zone.

In the Soviet Zone the permit requirement for trips over 50 klm's which was valid up to now, has been lifted. Permit is required only when crossing the various RR board districts. This report, given by a "chance" reporter, has not been checked.

5. DP Registration (R, July 1946)

In all of Bavaria and WUERTEMBERG the DP identification card (tan white with red print) has been issued, while in the English Zone only the small white index cards are used at present.

Questions No 3.

Orientation Task (Rush)

A. Berlin sector

1. Airforce Hq and Units in the surroundings of Berlin.
2. Airports within Berlin Surroundings which can be used for an operation. (in cases of new construction exact location, sketch.)
3. Units on airports under question No 2.
4. Names of Commanders of these units.
5. Under what higher Hq. are these units placed?

B. Breslau Sector

1. Airports in the Breslau sector. (Exact location, sketch)
2. Utilization of these airports?
3. Airforce Hq. and units in this sector.
4. Garrison of each airport?

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22. (Continued)

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5. Airplane types? (fighters, bombers, reconnaissance planes)
6. In what amounts is gasoline and other airport equipment stored? (If possible exact location of such depots, with diagrams and sketches.)
7. Number of lately reinforced planes?

Concerns: Experiences

1. Travel possibilities to Austria and Holy.

All passes in the WETTERSTEIN and KARWENDEL mountains, leading into Tyrol, are guarded by fixed posts of Germans and Austrians border police, aided by French military patrols.

As cross-overs, unused and unmarked routes through the mountains would usually be used. Even there danger of arrest by patrols, since they do not frequent steady routes and therefore unpredictable.

In case of arrest through German patrols, internment in the district court prison in GARMISCH. In most cases after credible alibi (picking of EDELWEISS flowers, mountain climbing) release after several weeks with monetary punishment of 100-200 marks. In case of arrest through Austrian border police and French patrols, deportation to France.

Alpine experience on these border crossing is advisable but not essential. For alibi in case of arrest, alpine equipment would be advisable. Routes in part, 4-5 hours and exhausting. Shorter routes in the valley usable primarily at night, however unsafe.

Situation in other border sectors (ALLGHEU, Inn valley) similar.

2. HIRSCHFELDER (8 klm NE of SITTAU/SAXONY)--Crossing possibilities from the Red Army Zone into Polish occupied territory (S Constantly observed since middle of March)

From HIRSCHFELD on, a narrow-gauge Coal RR goes back and forth. The coal cars of this RR are built in such fashion, that a man can easily and completely hide in them. This border crossing has been tried several times and has proved as completely safe up to now. The Red Army controls these RR only from time to time and then very superficially. The RR personnel aids every border crosser.

3. Statements of a Sportswear-wholesale dealer from CHEMNITZ who crossed the border on 2.7. (end of July)

The crossing is managed through connections with Russian border police on one side and the German border police on the Bavarian Side. Once a week, 1-3 passenger cars are put on for interzonal traffic. Subject has travelled in one of them. With him he had a child and plenty of baggage - everything crossed without any control.

4. Report of a traveller (reg.) crossing into the Russian Zone and vice versa (0. Middle of July)

The greatest difficulty is encountered in the border crossing, according to the traveller, since every 150 meters (450 feet) a

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post is standing. In the hinterland movement is relatively unobstructed. Return even more difficult.

1202

Concerns: Requisitions

Reference: "Supply N 1", figures from 28.7.46

for 1211 According to plan 1 and 2 (incl)

for 1240 For trips already carried out.

1. Five day package and 6 cartons of cigarettes

Estimate according to directive

2X five day packages plus 5X 1 day packages

Cigarettes	4X5 Packages each 20 cigarettes	-----	20	Packs
Coffee	4x2 cans	-----	12	cans
Chocolate	4x3 tablets	-----	12	tablets
Cocoa	4x1 cans	-----	4	cans
Sugar	4x1 16	-----	4	16s
Soap	4x1 piece	-----	4	pieces
Matches	6x5 boxes	-----	30	boxes
Rice	4x1 16	-----	4	16s
Other groceries		-----	-----	According to supply
Canned Meat	4x1 Kilo (2 lbs)	-----	4	Kilos (8lbs)
Canned Milk	4x3 cans	-----	12	cans
Socks	4x2 pairs	-----	8	pairs
Tobacco		-----	6	packages
Fat		-----	4	kilos (8lbs)

Financial Estimate (Budget)

Salary for July and August @RM 250	-----	500
Various travel expenses, etc.	-----	100
		Total 600 RM

For 1241 the same amounts as for 1240

Written

(in Green Crayon)

ORIGINAL copy to 1400 with request for settlement.

commentary superfluous!

for 1240 till now only a short

report about "V- General"

We have to work here according to private enterprise principles. 11/8/46

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