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| DISPATCH | | CLASSIFICATION SECRET | PROCESSING | |
| TO: Chief, Wtl Division | DESENSITIZED Per CSN 42-43 | | PROPOSED | ACTION |
| INFO: | | | MARKED FOR INDEXING | ACCOMPLISHED |
| FROM: Chief of Station, Mexico City | | | NO INDEXING REQUIRED | |
| SUBJECT: LIFEAT Progress Report for August 1962 | | | ONLY QUALIFIED HEADQUARTERS DESK CAN JUDGE INDEXING | AN <input checked="" type="checkbox"/> |
| | | | ABSTRACT | AS <input checked="" type="checkbox"/> |
| | | | MICROFILM | FM <input type="checkbox"/> |
| | | | | TS <input type="checkbox"/> |
| | | | | EX <input type="checkbox"/> |
| ACTION REQUIRED - REFERENCES | | | DES-REF <input type="checkbox"/> | |
| Ref : A) HMMA 19641 B) HMMA 19129 | | | PI <input type="checkbox"/> | ARD <input type="checkbox"/> |
| <p>1. The following report is submitted in accordance with CSHB-F 52-6-1, Section V, paragraph 2 (d) (1).</p> <p>A. <u>Exploitation of Leads</u></p> <p>(1) <u>LIFEAT/SOVIET</u> With the departure of Vladimir G. NOVIKOV during the month of August 1962, it was decided that LIFEAT should pick up coverage of his replacement Svyatoslav F. KUZNETSOV. The continued coverage of Aleksandr G. SIDOROV, which includes extensive periods of live-monitoring and special processing of the take, is considered essential to those Station-assets involved in the attempt to place the technical surveillance noted in last month's report (see reference A). Coverage of the Soviet Bulletin Office continues to provide interesting personality data on Soviet officials assigned to Mexico.</p> <p>(2) <u>LIFEAT/POLISH</u> LIFEAT coverage in support of the BEKNAVE/BECHICK operation continues to be vital to that operation. Additional coverage for this operation has been undertaken, leads from which will probably determine future direction of the operation as well as aid KUBARK in controlling the operation.</p> <p>(3) <u>LIFEAT/YUGOSLAV</u> In this area LIFEAT provided the information that a cousin of a recently assigned KUBARK deep cover agent, Victor W. OBOLD (ps) will be travelling to Mexico in the near future. This cousin is a long-time Communist Party official and a chance meeting with him could have destroyed OBOLD's carefully prepared cover. Due to LIFEAT advanced warning, proper security safeguards have been arranged. LIFEAT has also provided travel information on Yugoslav officials from the United States which was of great interest to ODENVY.</p> | | | | |
| (Continued) | | | DATE TYPED | DATE DISPATCHED |
| RECORD COPY | | | 20 Sept. 1962 | |
| CROSS REFERENCE TO | | | DISPATCH SYMBOL AND NUMBER | |
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(4) LIFEAT/EXILE LIFEAT coverage in this area has been most rewarding in providing leads to the contacts of Juan Jose Arevalo Bermejo, former Guatemalan President. Spanish Republican Exiles were covered for approximately one-half month in August, at which time it was decided that the coverage no longer provided sufficient leads and information to justify continued LIFEAT effort.

(5) LIFEAT/American Communist Group in Mexico (ACGM)
This coverage is at the request of the local office of ODENVY and the processing of take in this area is done by that office. One of the most interesting items provided from this coverage was the fact that the American Communists Albert MALTZ and Margaret Larkin MALTZ had separated and that Albert MALTZ would probably reside in the U.S. with Margaret remaining in Mexico. Concerning the LIFEAT coverage of the ACGM, the local office of ODENVY wrote on 23 August 1962: "This office feels that the coverage mentioned is quite valuable and many useful leads are obtained from this coverage, particularly with regard to travel in and out of Mexico of American Communists who are in contact with individuals on whom coverage is maintained".

B. Processing of Take

No change from that noted in reference A.

C. Liaison

No change from that noted in reference A.

D. Security

During the early part of August 1962 a group of "coyotes" was uncovered in the telephone company in Mexico City and a number of arrests were made. This group had organized a unit including linemen, centralmen, installation crew, warehousemen, and workers in the office responsible for providing service to new clients. It was the purpose of the "coyote" group to provide service, for a price, to those individuals whose requests for installations had been turned down by the telephone company due to limited availability of cables and contacts. (Note: The company generally keeps a certain number of "spare pairs" in each cable for its own use in providing special service, company phones, and for re-routing during repairs to other cables. It was these spare pairs and contacts which the "coyotes" used to provide illegal phone service.) This telephone company within the telephone company would also collect monthly fees from their "subscribers". When the story came out, the telephone company had special police stationed in each central and spot checks made of linemen and crews to prevent recurrence. It was therefore necessary for the LIFEAT linemen to refrain from any clandestine activity for a period of almost four weeks so as not to be accidentally picked up as a member of the "coyote" group. LIFEUD-1 has reported that the situation is now back to normal with the special police details and special checkups terminated. No compromise of the LIFEAT operation resulted from the above incident.

E. Technical

In addition to re-supplying LIFEAT with audio recorders (as reported in reference A), the Station has ordered ten new dial tape recorders for the project. Funds for this purpose were included in the latest Project Renewal Request (forwarded by reference B).

F. Coverage

During the month of August 1962, LIFEAT covered a total of 15 target

lines. The coverage by target was as follows:

1. Soviet Bulletin Office
2. Svyatoslav F. KUZNETSOV
3. Aleksandr G. SIDOROV
4. BECHICK's place of employment (and place of contact with BEKNAVE)
5. and 6. Polish Embassy (two lines)
- 7., 8., and 9. Yugoslav Embassy (three lines)
10. Juan Jose AREVALO Bermejo
11. Peter WATKINS
12. Juan Simeon VIDARTE Franco Romero
13. Dr. Eugenio ARAUZ
14. Albert MALTZ
15. Charles SMOLIKOFF (aka SMALL)

G. Personnel

The basehouse operators for LIFEAT Annex VI, LIFEUD-5 and LIFEUD-11, after a long period of family disagreements, have mutually decided on a divorce. Both are being terminated by KUBARK since their usefulness as basehouse keepers for the project will end with their divorce. The agents have agreed to the termination and it will be accomplished on a friendly basis. (Agent Service Records will be forwarded). Therefore, it has been necessary to close Annex VI and terminate coverage of the lines provided by that basehouse. LIFEUD-24 and LIFEUD-26 have been recruited to replace the terminated couple and are presently looking for a suitable basehouse which could fully replace the old Annex VI. (Note: POA was granted for LIFEUD-24 on 28 June 1962 and OA was requested. Also, OA was requested for LIFEUD-26 on 30 August 1962.)

During the absence of Woodrow B. CABBOT (ps), the processor of the Polish language portions of the Polish Embassy take, a replacement in the person of contact agent BETUMBLE was provided by Headquarters. He performed well with no known security hazard to himself or LIFEAT. BETUMBLE departed Mexico City on 17 September 1962. Until CABBOT's return Polish portions of this take are being translated by the Station Satellite Case Officer.

2.A. During the month of August 1962, the LIFEAT operation provided a total of 45 reels of raw take from the ACGM lines to the local ODENVY office for their processing. In addition, a number of memos were prepared by the Station for passing to local ODACID and ODENVY based in whole or in part on LIFEAT provided material.

B. The following reports were based in whole or in part on positive intelligence which is provided as a by-product of the LIFEAT operation:

HMM-6605
HMM-6626
HMM-6663
HMM-6667
HMM-6670

Willard C. Curtis
Willard C. CURTIS

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