

Renewal - FY 1958

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CENTRAL INTELLIGENCE AGENCY
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6 August 1957

Resubmitted

MEMORANDUM FOR: Chief of Foreign Intelligence
SUBJECT : Project AEREADY (Renewal)

CENTRAL INTELLIGENCE AGENCY	
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BY AUTHORITY OF	
Name	<input type="checkbox"/> <i>SR/DOB & Filops</i>
Office	<input type="checkbox"/> <i>tsa</i>
Date	<input type="checkbox"/> <i>28 JUL 1957</i>

1. PURPOSE: To provide SR Division with a trained cadre of principal agent communications personnel who could be utilized during a period of reinforced alert or during actual hostilities with the Soviet Union.

2. PERSONNEL: In addition to the SR/DOB personnel involved in the project, there are: two Commo instructors assigned on a temporary basis; a psychologist from the Office of Training; and three enlisted personnel are used to support AEREADY activities. Eight contract employee trainees have been recruited and are currently being trained:

A ninth,

dropped out of the scheduled training because of physical failings.

A concentrated effort is presently underway to recruit twelve additional candidates for the second course scheduled to begin in late October 1957.

3. PAST APPROVALS:

<u>Action</u>	<u>Officer</u>	<u>Period</u>	<u>Authorization</u>
Approval	DDCI	1 Dec. 56 - 30 June 57	\$123,228

4. BACKGROUND: During 1950-51, several Soviet emigre groups were organized according to their ethnic components into "guard companies." The SR Division intended to utilize these groups for para-military or political action activities during a period of hostilities with the Soviet Union. As the prospect of open hostilities became less imminent, many holding problems developed and these "guard companies" were disbanded.

However, many of the emigre organizations continued to advocate the need for a Hot War cadre and in late 1955, upon the revival of REDSOX operations, SR/DOB was given the responsibility of developing such assets. A modest program was planned for the 1957 fiscal year under Project AEACRE, the REDSOX basic support project, in which agents were to be spotted and recruited but were not to be trained immediately. However, with the advent of the recent uprisings in the Georgian SSR, in Poland, and in Hungary, it has become evident that a trained cadre must be immediately available if future similar situations are to be exploited without delay.

Originally it was planned to train 25 individuals in each course. These courses were scheduled to commence in December 1956 at a U. S. military installation in the area. Because of a delay in recruitment and related factors, training was necessarily changed to a commencement

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date of 18 February 1957, thus delaying the completion date of the first course to mid-August 1957. Only 12 rather than the hoped for 25 candidates received training. It was found that the military installation used could not possibly accomodate the desired 25 effectively.

Recruits during the first phase of the project were drawn primarily from Soviet emigre groups. Approximately 50% of the first contingent represents these groups. The remaining candidates will be recruited from among former Agency contract agents and individuals contacted by SR/DOB and SR/2. The emphasis for future classes will be guided away from the emigre groups and concentrated on other individual organizations.

SR Division has not abandoned its original plan of training a class of 25. However, to make this possible, a much larger, more isolated and less confining site must be procured for such training. This is already under consideration and investigation by the Division.

In view of the fact that it will be necessary to maintain the proficiency of these trained individuals and hold them in a continual state of readiness, provisions must be made for the "holding" of these trainees. With this in mind, SR Division proposes, at the conclusion of each course, that these individuals be held in a psuedo-reservist status. Under this arrangement, they would receive \$50 per quarter to defray any expenses incurred in maintaining contact with the Agency. Payment will be contingent on continued cooperation, availability for refresher courses, etc. Communications equipment would be issued each trainee successfully completing the course to ensure his continued proficiency.

5. ACTION REQUESTED: Renewal for the period 1 July 1957 through 30 June 1958 for a total cost of \$83,900.

Breakdown:

Compensation:

Eight agents @ \$500 monthly for 2 months	\$ 8,000
Twelve agents @ \$600 monthly for 2 months	43,200
Eight agents average for two weeks reserve training	2,000

(Each agent will receive an amount equal to his normal monthly salary plus a 15% differential. The minimum monthly amount that will be paid any agent is \$400, the maximum \$600.

Three U. S. Army enlisted personnel	10,500
Travel	4,600
Holding costs	1,340
*Resettlement expenses	11,200
Commo equipment	1,560
Military and/or Agency aircraft expenses	1,500

*Upon the successful completion of six months training, the agents will be returned to their respective areas of residence and resume their

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normal occupations. Since it is probable that these agents will not be able to regain immediately their former jobs, a resettlement sum of one month's salary will be paid each agent in such cases.

6. COMMITMENTS: Agent trainees will be allowed death or total disability benefits equal to FECA provisions, ~~and not to exceed \$5,000.~~ Medical and hospitalization expenses for temporary disabilities incurred by the agents while in training will be borne by CIA. Should the agent be unable to continue his training, his total salary for the remainder of his training period shall be paid him.

[Chief, FI/OPS/Division]

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DD/P 3-4715

MEMORANDUM FOR: Chief of Operations, DD/P
SUBJECT : Project AEREADY (Renewal)

FY 58

1. The attached project, originating in the SR Division, is presented for your approval of renewal for the period 1 July 1957 through 30 June 1958.
2. Authority is requested to obligate \$83,900 from the DD/P-SR Division budget for the current fiscal year, subject to the availability of funds.
3. There is attached a memorandum prepared in FI/OPS Division summarizing the important factors involved.
4. I recommend renewal of Project AEREADY as presented.

[]
Chief
Foreign Intelligence

Approved: []
COP-DD/P

AUG 16 1957
Date

Attachment: Project Outline AEREADY

Staff Coordination:

For C/FI/OPS	s	[]
C/CI/OA	s	
C/CI/OPS	s	
For C/CCB/OCL	s	

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Office 7500
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PROJECT OUTLINE

CRYPTONYM AEREADY HEADQUARTERS CASE OFFICER

AREA DIVISION SR Room No. 2607 J Bldg.
Extension 3808

STATION Domestic Operations Base Date _____

The attached project outline is presented for approval.

CENTRAL INTELLIGENCE AGENCY
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BY AUTHORITY OF
Name [] SR/DOB + FI/APS
Office []
Date 28 JUN 1958

[] _____ []
_____, CSR/7
[] _____ []
_____, Area Div.
FI Staff
[] _____ []

DATE 13 JUN 1957

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MEMORANDUM FOR: Chief, FI/DDP

SUBJECT: Request for Renewal of Project AEREADY for
the Fiscal Year of 1958

REFERENCES: A. Project AEREADY for period 1 December
1956 to 30 June 1957
B. Amendment #1 to Project AEREADY, dated
3 December 1956

1. Introduction

a. This memorandum represents the renewal request for Project AEREADY for the fiscal year period of 1 July 1957 to 30 June 1958.

b. The basic purpose of this project remains the same, that is: To provide the SR Division with a trained cadre of principal agent communications personnel which could be utilized during a period of reinforced alert or during actual hostilities with the Soviet Union. As an emergency measure, the training course of such agents will be so organized as to give them a rudimentary dictation speed commo capability after the first two weeks of their six month training program.

c. The objectives, tasks and targets remain essentially the same as outlined in reference A with periodic nominal changes in priority targets.

2. Status of Project to Date

a. Personnel: Personnel assigned to AEREADY are as follows:

(1) SR/DOB Staff Personnel

2 Senior Case Officers
1 School Commandant
2 Junior Case Officers

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- (2) Two Commo Instructors assigned on a temporary basis by the Commo Division
- (3) One Psychologist from OTR (On observation and training evaluation assignment for OTR)
- (4) Three enlisted men (Specifically provided for in Amendment #1 AEREADY)
- (5) In addition to the above, for instructional purposes, the services of four to five SR/DOB contract personnel have been constantly available for assignments in realities, photography, S/W, etc.
- (6) OTR, TSS and Medical Division were called upon for special instruction as needed.

b. Contract Personnel (Agent Trainees): Agent trainees at this writing number eight; this represents a reduction of one since the course's inception on 18 February 1957. The pseudonyms and salaries of the original nine are as follows:

(1)		\$425.00 per month
(2)		\$515.00 per month
(3)		\$600.00 per month
(4)		\$458.33 per month
(5)		\$515.00 per month
(6)		\$400.00 per month
(7)		\$550.00 per month
(8)		\$493.00 per month
(9)		\$420.00 per month

(dropped out)

There is no present evidence of a further decrease prior to termination of the present course scheduled to be completed August 23, 1957. The drop out indicated can be attributed to physical failings under arduous conditions, with age a relative factor.

c. Property: This project has been physically contained in a barrack type building assigned to it under orders of the Commandant, Ft. Meade, Maryland. For specific training problems facilities at A. P. Hill Military Reservation have also been used.

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d. Transportation: Four vehicles are available for use by personnel assigned to various tasks emanating from this project. These vehicles are represented on the SR/DOB TVA and are serviced and supported by the Logistics Office, SR/DOB. They are used for travel between SR/DOB headquarters and the Ft. Meade or allied sites and for the transport of instructors to and from the post.

e. Logistical and Financial Support: DOB Logistics is supporting this project on a continuing basis with such items as training clothes, recorders, film, cameras, weapons, field rations, recreational equipment, office equipment, training and field equipment, demolitions, television and radio, and, of course, vehicles including the use of a GMC van when necessary. Finance support is rendered for salary purposes as well as payment of sundry items including station mess supplied by and reimbursed to the Second Army. It now appears that the original estimate of financial needs for this project was exceedingly high. Of the \$123,227.78 requested in the basic and amended project, some \$45,000.00 will be actually used. The explanation is relatively simple:

(1) Salaries for a full complement of 25 trainees at maximum allowable salary of \$600.00 per month per trainee was estimated as against an average of \$500.00 per month paid to an average of eight and one half persons.

(2) Nine agent trainees paid or to be paid travel allowances averaging \$100.00 each as against 25 estimated at \$400.00 each. (Six of nine from New York City and vicinity.)

(3) No emergency travel to date.

(4) No more than two or three expected to be entitled to resettlement at the lower average salary.

f. Cover and Security: The original cover unit at Ft. Meade was changed at the outset to U. S. Army Materiel Testing Unit #1 (8723). This is an official unit established to cover these training activities; it is adequately backstopped through the Agency Cover Division, at the Pentagon and with the Second Army. As noted in reference A, it has the use of facilities at Ft. Meade and can draw any Army logistical support desired. The support given -- use of the barracks building, messing facilities, heating and servicing of said building, 24 hour hospital care when necessary, medical attention available on field

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assignments, films, overt training aids, etc. has been beyond doubt a most vital contribution to the success achieved by this activity. No security flaps have occurred to date.

g. Timetable: The initial timetable as outlined in reference A for AEREADY Course I is no longer applicable, primarily because the original starting date of 15 December 1956 was necessarily changed to 18 February 1957, thus setting back the completion date of the first course to 23 August 1957. This, of course, will necessitate the requesting of funds to cover the period 1 July 1957 to 23 August 1957 for pay and travel purposes and possible resettlement of eight trainees.

3. Projection - Fiscal Year 1958

a. Personnel: It is anticipated that one additional junior case officer may have to be assigned since the administrative activity, that which must be contained on post (scheduling, maintenance of classified files and complete 201 files as well as liaison activity), is voluminous. The present group has done an excellent job; but with the necessity of maintaining one or two language specialists on hand at all times, what with the polygot language problems which incidentally will revise our sessions in the future (instituting a system of seminars and commo classes according to ethnic grouping), the administrative end could suffer with the burden of additional trainees and associated problems. The source of assigned personnel should essentially remain the same; that is, SR/DOB, Commo and the AEREADY enlisted T/O.

b. Assessment and Recruitment: Presently there is a drive on to recruit twelve candidates for the second course scheduled to commence 28 October 1957. The figure of twelve is based on the experience factor over the last three and one half months, which at least at Ft. Meade prohibits the training of more than twelve individuals. This, of course, is not in line with the original concept of 25 trainees in each course. It appears, as in the first class, that about 50 per cent will be representatives drawn from emigre groups. The remaining candidates will be drawn and divided between former Agency contract agents and those recommended and, in some cases, initially recruited by case officers assigned to SR/DOB and SR/2. As the recruitment activity for subsequent classes moves forward, however, it appears that less and less reliance on emigre groups will be in evidence, with expanding spotting networks and files of unorganized contacts such as the Tolstoy Foundation and other so called "clearing houses" furnishing valuable leads and probable candidates.

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Generally SR/DOB's A&R group operates as follows:

(1) DOB staff employees make either the first or second approach, usually a rather direct approach.

(2) If interest in shown, the individual is called subsequently to Washington to undergo what usually amounts to a one-week full assessment which embodies such activity as a physical examination, polygraphing and psychiatric-psychological tests designed to evaluate the potential candidate.

(3) After this week of assessment, the candidate returns home to await the decision of the ~~DOB~~ ^{SR/DOB} officers as to his suitability as a trainee.

(4) Still later he will, if chosen, be advised by secure means, to report to Ft. Meade, Maryland, to commence training for whichever course is timely.

c. Property: Although a relocation of this site is contemplated because its proximity to activities at Ft. Meade and the limited quarters are unfavorable factors, it is not anticipated that any such action will be taken during the remainder of the present course or during AEREDY course number two. However, if it is intended that the original course quota of 25 be reached, eventually a much larger, more isolated and less confining training site must be procured. Investigative action is already under way in this direction.

d. Transportation: It is expected that the increased activity in consequence of additional trainees will require one or two more vehicles from the DOB pool.

e. Logistics and Finance Support: This will continue to emanate from SR/DOB in proportionate degree to the increase in trainees and broadened and revised training activity.

f. Holding: It will be necessary to maintain the proficiency of these trained individuals to continue them in a more or less ready state. With this in mind, it is intended that upon the conclusion of the initial course of training that these individuals be held in a pseudo-reservist status (at home), that they be paid \$50.00 per quarter per person to defray any individual expenses the reservist might incur in mailing, telegraphing or telephoning data reflecting his personal status, and in substance to recognize continued cooperation on the part of such individuals particularly in the W/T phase of the program. This payment is

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contingent on his continued cooperation in supplying necessary data and his availability for a refresher course.

g. Refresher Course: To maintain any degree of proficiency in the subject matter absorbed during the basic six months training period, the trainee should undergo a refresher course of two weeks duration each year under the salary and travel provisions in their current contracts. These periods of training to be scheduled between 1 May and 30 June 1958 for Class I and between 1 March and 30 June for subsequent classes in succeeding years. The eventual scheduling will be as follows:

- (1) Course Period 1 September - 28 February
- (2) Refresher Period 1 March - 31 May
- (3) Preparation Period 1 June - 31 August
(next training cycle)

h. Maintaining Radio and C/W Proficiency: It is intended that short-wave sets, keys and headphones be issued each trainee who successfully completes the course, the price of these sets and equipment to be charged to the AEREADY project. Once the sets are located with the reservist in his home territory the Office of Communications will initiate a series of C/W broadcasts from the Agency stateside station in Warrenton, Virginia. These messages would serve in maintaining code proficiency. No security risks are visualized since the equipment is available commercially.

i. Timetable: It is expected that AEREADY Course II will commence October 28th and continue through April 28th, a six month period. This will, unless an emergency arises, constitute the activity, other than continuing recruitment, for the fiscal year 1958. In all probability a subsequent third class will commence about 1 September 1958.

j. In Review: Needless to say, it is much too early to evaluate the success of this, the first class, under this relatively new project. Viewing the progress strictly from a training standpoint, it can be said there has been eminent progress made in securing and establishing guide lines for future classes. Much time has been spent in visualizing and preparing for the adaptation of these trained individuals to future Agency operations, and for all intents and purposes the present group to a man has demonstrated a willingness to cooperate beyond the usual limits. All support elements (OTR, TSS, Commo) have shown a deep interest in the problems which have arisen. Each in its specialty has been instrumental in devising means, lending advice and personal hard

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effort in contribution toward the measure of success we have enjoyed. Some techniques obviously will be improved in the second class, but generally the first class has lost nothing by being a "guinea pig."

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PART II

Estimated Cost

a. It is requested that Project AEREADY be authorized for a period of one year commencing 1 July 1957 and ending 30 June 1958. The estimated cost of this project is based on the expenses involved in the completion of training for one group of eight agents for the period 1 July to 23 August 1957 and for a second group of twelve agents for a six month period commencing 28 October 1957.

b. The compensation of these agents offers some unique problems in that most agents recruited for this project will be United States residents who come from different economic strata. Past DOB trainees have, for the most part, been non-United States residents. Thus, despite the ideological motivation of all agents concerned, it will be necessary to equal each individual's normal monthly salary. As participation in such a six month training program might entail some hardships, expense and inconvenience, an additional 15 per cent monthly salary differential will be paid each agent trainee.

c. However, the minimum salary paid any agent participating in this program will be \$400.00 monthly. It is not intended during the course of this renewal to recruit or transport agents from abroad. This minimum monthly salary figure is based on figures provided by the Bureau of Labor Statistics.

d. The possible maximum monthly salary figure of \$600.00 will be used for computing the salary budget on this project. This should not be construed as the maximum salary which could be paid any one trainee, however. This amounts to:

- | | |
|--|----------------------|
| (1) Eight agents @ \$500.00 monthly (factual) for a period of two months | \$4,000.00 ? \$3000. |
| (2) Twelve agents @ \$600.00 monthly (estimate) for a period of six months | \$43,200.00 ✓ |

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Special Problems and Commitments

a. Benefits: In the event of death or disability connected and due to actual participation in the training program or travel to and from the training areas, all of the trainees are covered by the provision of the Federal Employees Compensation Act as amended to 14 October 1949.

b. Resettlement: Upon the successful completion of six months training, and if world political conditions do not necessitate the immediate utilization of these agents, the agents will be returned to their respective areas of residence and continue their normal occupations. It is probable that some of these agents will be unable to regain immediately their former jobs. Therefore, a resettlement sum of one month's salary will be paid each agent in such cases. The maximum cost of this will be:

(1) Eight agents @ \$500.00 each	\$4,000.00
(2) Twelve agents @ \$600.00 each	\$7,200.00

(unlikely that this number will need such compensation but provided for against such exigency)

c. Disposal

(1) In the event it becomes necessary to terminate the training of any agent for actions or reasons not due to his direct disobedience of training regulations, a sum of money equivalent to two months salary will be paid.

(2) In the event a temporary disability is incurred while in training, medical and hospitalization expense will be borne by this Agency. If the agent is unable to continue his training, his total salary for the remaining period of his training shall be paid him.

(3) If the agent trainee is involved in any flagrant violation of security or in the event that the agent's presence in the training group shall be detrimental to the morale of the unit, his services shall be terminated. Agency financial responsibility ends upon such termination effective the date of dismissal.

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FINANCIAL RESUME

1. Salaries of Agents

Eight agents @ \$500.00 monthly (present average) for a period of two months	\$ 2 ,000.00
Twelve agents @ \$600.00 monthly (top estimate) for a period of six months	43,200.00
Eight agents (Class I) @ \$250.00 average for two week reserve training	<u>2,000.00</u>
Total Salaries	\$ 43 ,200.00

2. Travel

Eight agents @ \$50.00 per return trip	400.00
Twelve agents @ \$200.00 per round trip	2,400.00
Eight agents (Class I) round trip travel for two week reservist duty @ \$100 per	800.00
Emergency travel	<u>1,000.00</u>
Total Travel	\$ 4,600.00

3. Holding Admin Costs

Eight agents (Class I) @ \$50.00 per quarter ¹ September through ^{3/4} June	1,340.00
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4. Resettlement

Twelve agents @ \$600.00 per trainee for one month	7,200.00
Eight agents @ \$500.00 per trainee for Course #1	<u>4,000.00</u>
Total Resettlement	\$11,200.00

5. Commo Equipment

Twelve sets of short wave outfits, keys and head phones @ \$130.00 each	1,560.00
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6. Salaries of E.M.

Three @ \$3,500.00 per year	10,500.00
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7. Miscellaneous

Military and/or Agency aircraft @ \$100.00 per hour for
15 hours

1,500.00

ALL COSTS TOTAL \$~~8~~3,900.00

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