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Project Outline Clearance Sheet

Project Title LCHOMELY Amendment No. \_\_\_\_\_ Project No. EE-68

Developed by:  \_\_\_\_\_  
Case Officer Organization Date

Reviewed by:  \_\_\_\_\_  
Foreign Branch Chief Date Division/Staff Chief Date

(As required by subject content-see Para. 4 of OPC Reg. No. 50-1.)  
 EE-III 8 Jan 1951 \_\_\_\_\_  
Date Date  
 \_\_\_\_\_ 9 Jan 1951 \_\_\_\_\_  
CX/EE Date Date  
\_\_\_\_\_ Date \_\_\_\_\_ Date

Concurrences:  
(On applicable portions of the Project)  
\_\_\_\_\_ C I \_\_\_\_\_ Date  
\_\_\_\_\_ C II \_\_\_\_\_ Date  
\_\_\_\_\_ C III \_\_\_\_\_ Date

Approved subject to conditions below:  \_\_\_\_\_  
SAA  22 Jan 51  
Date

Conditions of approval: \_\_\_\_\_  
DECLASSIFIED AND RELEASED BY  
CENTRAL INTELLIGENCE AGENCY  
SOURCES METHODSEXEMPTION 3B2B  
NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2007

*Declassified to: January 1996*

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ATTACHMENT A

PROJECT OUTLINE

1. References

- a. NSC 10/2
- b. NSC 58/2
- c. 32-CMGFG dated 30 November 1950, Subject, "Contact with August Rei." (Attachment C)

2. Problem

a. Objective - To provide funds for the support, development and exploitation of the Estonian Resistance Movement.

b. Discussion

(1) During the first two post-war years there were frequent reports relating to extensive partisan activity in Estonia. However, except for isolated bands with no centralized control, it is doubtful if there is any significant resistance today although there is unquestionably much latent resistance and there are probably several hundred Estonians living in the woods where they escaped in preference to deportation. This lack of a resistance element that we can definitely place is not due to any deficiency in the anti-Soviet mood of the people; it is rather because of: (1) a failure on the part of the West to come to the aid of the Estonian resistance as they expected in the first post-war period, and (2) the thorough repressive measures by the Soviets. Despite these qualifications, however, it is believed that the Estonian elements in the Estonian SSR offer a definite operational potential if properly developed. Despite a small population and relatively small area, it is believed that the strategic location and the national traits of the Estonian peoples make such a development a worthy OPC project.

(2) Failing a good lead on a group inside Estonia, a proper approach is the development of a relationship with an Estonian emigre element that is capable of developing operational contact with the homeland. Since the people of Estonia are understandably extremely suspicious of strangers and afraid of provocation, these emigre elements must mean something to them--by historical tradition, by political experience or by wide contacts. General exile endorse-

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ment of any emigre element with which we would want to deal would also be important to the success of that group in making contact with the homeland. In both of these respects, the Estonian National Council (ENR) and its President August Rei seemed to offer the most significant potential. There is perhaps a more unanimous recognition by the Estonian emigres of the representative character of ENR than is true of the other Baltic emigre groups. Mr. Rei's active role in the public life of the Estonian Republic, his participation in the first resistance movement and his leadership in the Estonian emigre community qualify him as a meaningful symbol to Estonians in the homeland and abroad. For these various reasons EE-II followed up an operational lead that enabled one of its field representatives to meet Rei and obtain certain information. On the basis of the information obtained at these meetings with Rei and our other available information, it was decided to develop this project.

(3) In July [ ] visited Stockholm and held informal meetings with certain Baltic exiles. At our request, we asked him to conduct unofficial meetings, on the basis of his previous personal contacts, with August Rei and two other Estonians. [ ] did so and also established a recognition pattern with Rei for any possible subsequent meetings. A representative of this branch debriefed [ ] on his contacts in, and impressions of, the Estonian exiles in Stockholm. After a study of his report, our files, and an informal check with OSO, we decided to make a second contact with Rei. An operational clearance for Rei was requested and received. On 25, 26 and 27 November 1950, a representative of the German field station conducted a series of meetings with August Rei (see Attachment C).

(4) August Rei, 64 year old chairman of the Estonian National Council (ENR), has spent a lifetime in the service of the Estonian nation. His career includes: 1917 - he helped organize Estonian National troops; 1918-1919 - Minister of Labor and Social Welfare of the Provisional Estonian Government; 1919-1920 - President of Estonian Constituent Assembly; member of first five State Assemblies; 1925 - head of Estonian delegation to League of Nations; 1925-26 - Speaker of Parliament; 1928-1929 - President of Estonian Republic; Chairman of Committee on Foreign Affairs; 1932-1933 - Minister of Foreign Affairs; 1936 - Assistant Foreign Minister; 1938-1940 - Estonian Minister to USSR; member of Central Committee of the Estonian Resistance under German occupation; active in Estonian emigre politics; chairman and head of the Foreign Section of ENR. Considering his stature and position in the Estonian emigre picture, it was felt desirable to work through, or with the blessings of, Rei. On the basis of the early meetings with Rei, it seems this assessment

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was valid. Rei has agreed to provide us with the nucleus for an operational group to be trained for the penetration of Estonia. In conjunction with our field contact, Rei has proposed an operations chief for the job of commanding and training the agents to be sent into Estonia. The operational chief is a man of fifty years of age who reportedly has extensive knowledge of, and probable contacts in, Estonia. He has held important posts of leadership and is reported to have a high reputation in the younger elements of the Estonian emigration. He also has had some knowledge of clandestine operating techniques. More precise information on the operational chief is forthcoming and he will be carefully assessed. A request for operational clearance will, of course, be initiated upon receipt of the more detailed information. The training site for the operational group will be in Western Zone of Germany. Rei will not concern himself with the operational details.

(5) It is believed that the finally selected and trained operational group, if provided proper OPC support, will afford the first significant penetration potential for Estonian operations. The activities this group would be capable of developing, after penetration, would include the establishment of E and E lines, the dissemination of propaganda, the preparation for sabotage of line of communications, and the establishment and further development of resistance and underground activities.

(6) The initial mission of the group will be the establishment of a communication contact in Estonia. The group will then be tested on projects of a less sensitive nature. The group representatives will be informed that any breach of security or policy tending to compromise future OPC-controlled operations will result in the immediate termination of OPC support.

(7) The group will be responsible for its own recruitment and internal supervision subject to our approval.

(8) Operational control will be exercised by the German station.

### 3. Proposal

a. It is believed that the support and exploitation of the operational group developed from the Rei contact will provide OPC with an opportunity to develop operations in Estonia. It is believed that this operational group with its knowledge of Estonia and its experience will be capable of facilitating OPC-type operations in Estonia and perhaps creating a base for coordinated activities with other groups in the other Baltic States and the USSR proper. The close proximity to Leningrad is a factor of strategic importance in any Estonian operation.

b. It is therefore recommended that   be provided (for the

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remainder of this fiscal year) for the establishment of the Estonian operational group in Germany. From this base the group will mount operations into Estonia.

c. As the development of this project is successful, an amended budget will be submitted consonant with the anticipated operational activities of the group.

d. The area of operations will be Germany, Sweden and Estonia.

e. Currently existing communication facilities will be used for communications between the field and Washington headquarters.

f. OSO will furnish CE protection and other intelligence support as specifically requested. Also, budgetary support will be required at the headquarters level. (See Attachment B - OPC Form #404 Rev)

g. The operational group will be physically serviced by and directly under the control of the German field station. A case officer will be assigned to the project in the field.

h. It is not now contemplated that the group will require support outside CIA. On later penetration attempts a carrier--i. e. airplane or fast boat--will be required. OPC is presently developing the field utilization of both means of transport.

i. In the event any matters of operational interest should arise which would be of interest to other Divisions of OPC or Offices of CIA, they will be coordinated at that time with the appropriate Division or Office.

j. The standard reports procedure currently in effect for the German Station will be used.

k. This will be a continuing project.

#### 4. Risks

a. August Rei has been operationally cleared and it is our belief, supported by other knowledgeable parties in CIA, that he offers a properly motivated, personally secure operational potential. Our meetings with Rei have merely supported this view. In view of his overt position as actual and titular head of the Estonian emigre community, it can be assumed that Rei is frequently consulted by the host country, Sweden. It is also a valid assumption that the Soviets are doing their utmost to penetrate ENR. Rei's desire to keep the operational details away from his closest confidants on ENR, and in fact his desire to know as little as possible himself, should reduce the risk of security leaks to the Swedish intelligence service and to ENR.

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b. As an active emigre leader and an outspoken anti-Communist leader, Rei has been charged with being a Communist by those emigres wishing to discredit him, and as a German collaborator by the Soviets. Although he has lived down both charges with no serious damage, it is not contemplated that our operational contact should be the cause for new political repercussions. This belief is based on the separation between Rei and the operational unit and the establishment of secure cut-out arrangements for the receipt of Rei's supplementary information to be submitted after the first meetings.

c. The security risks involved in moving up to six Estonians from Sweden to Germany and providing cover for them while training are considerable. Every precaution will be taken to lessen this risk. This matter is the subject of current field-to-headquarters communications.

d. The pertinent branch of FDS/OSO has been consulted at all stages of the development of this project. The FDS/OSO branch has been asked to give CE protection. The branch concerned has also read Attachment C.

e. It is believed that constant cognizance of the risks involved, plus our continued experience with similar operations, and cautious procedure in handling Rei and the operational group will insure proper security.

f. Outward signs of U. S. Governmental interest in this endeavor have been concealed, but it can be assumed that a man of Rei's intelligence and general knowledge has some suspicion that such interest does exist.

g. Details of operational cover will conform with the requirements of the overall cover situation of the German field station.

#### 5. Current Status

A series of meetings were held with August Rei in November. He has agreed to furnish us further information and suggestions of personnel for an operational group. This branch has established with the help of WE-I a cut-out arrangement for the receipt of this information which will be obtained in the early part of January 1951.

#### 6. Budget Data

As indicated on Form #404 (Rev) attached, the [ ] will be used for the remainder of this fiscal year for the initial operational phase of the project. An amended budget and calculations will be submitted as the project develops.

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BUDGET ESTIMATE

Purpose LCHOMELY

Fiscal Year: 19 51

OBJECT CLASSIFICATION (For detailed explanation see OPC Reg 80-1)	FUNDS REQUIRED		
	TOTAL	FIELD	HQ.
	(2)	(3)	(4)
.01 Personal Services			
.02 Travel			
.03 Transportation of Things			
.04 Communication Services			
.05 Rents and Utility Services			
.06 Printing and Reproduction Services			
.07A Other Contractual Services--Admin.			
.07B Other Contractual Services--Compensation			
.07C Other Contractual Services--Subsidies and Proprietary Projects			
.07D All Other Operational Contractual Services		[ ]	[ ]
.08 Supplies and Materials			
.09 Equipment			
TOTAL	[ ]	[ ]	[ ]

INSTRUCTIONS:

1. Lines .01 through .09 equal TOTAL; Column 3 plus Column 4 equal Column 2.
2. The basis for each estimate in Columns 3 and 4 must be provided. For example, a statement of the necessity for the number and types of personnel in the field for which the funds are estimated on line .07B, Column 3.
3. Use a separate form if the estimate extends beyond the fiscal year indicated above.
4. The OPC Budget Officer will assist in the preparation of this form upon request.

Prepared by

WPK

Date 4 January 1950

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32-CMGFG

30 November 1950

SUBJECT: Contact with Curtis F. Freel<sup>+</sup>

TO: Chief, VLKiva  
Frankfurt, Germany

INFO: Chief, VLKiva  
Washington, D. C.  
ATTN: [ ]

Chief, VLKiva  
Heidelberg, Germany

Reference: 1592-CWUFG

1. On 25, 26, and 27 November [ ] conducted a series of meetings with Curtis F. Freel to determine what potentialities there are for establishing and maintaining contact with any underground organization which may exist in FJKHAKI.

2. The first meeting was devoted almost exclusively to a general discussion of the emigre political situation among FJKHAKIs abroad and to a discussion of ways and means of assisting BGENGINE in its efforts to unify exile FJKHAKIs and to continue to put before world public opinion its concept of the necessity for a continued fight against the TPSTALL occupation of FJKHAKI. Freel states that the great bulk of emigre FJKHAKIs is presently situated in either HBCHEST or SGCIDER with a number of those from the latter country presently in HTCURIO, IDENTITY (1) or IDENTITY (2) DP emigration. He feels that the best elements of the emigration are those in HBCHEST. The reasons behind this are stated to be the fact that those FJKHAKIs who went from FJKHAKI to SGCIDER were largely deported laborers or individuals who were in sympathy with and collaborated with the SGCIDERS during the time that they occupied the country. He feels, on the other hand, that of the approximately 25,000 to 30,000 who made their way from FJKHAKI to HBCHEST on the occasion of the second TPSTALL occupation of the country the majority were independent and self-reliant FJKHAKIs of democratic tendencies unwilling to remain in the country in the face of a new TPSTALL occupation and that this very independence and self-reliance makes for a better quality in the emigration. This opinion, Freel states, has been borne out by the actions and attitudes of the various emigre groups since the TPSTALL occupation. There was little political activity or emigre unity among FJKHAKIs in SGCIDER. On the other hand, the emigres in HBCHEST have constituted a democratically composed coalition group in BGENGINE, and this group is supported by voluntary monthly contributions from the approximately 4,000 members of the IDENTITY (3). Freel maintains that there is no substantial dissension among these emigres. He is much concerned, however, about the activity of a small group which he claims is deliberately attempting to undermine the unity of IDENTITY (3) and to spread nihilist and defeatist ideas among the emigration. He claims that this opposition can be effectively

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countered by the publication of a pamphlet or tract setting forth the "truth" of the situation, provided such a pamphlet has the support of some public authority other than his own committee. It seems that he discussed this matter with Hambley<sup>†</sup> on the occasion of their last meeting and that Hambley concurred in his estimate of the situation. Freel accordingly requests that a letter be transmitted to Hambley with a request that Hambley write a short letter subscribing to the views expressed above, which letter Freel wishes to use in facsimile and in translation as a foreword to his pamphlet. Freel's letter is being transmitted separately, and it is requested that, if possible, a letter from Hambley be obtained.

3. Another matter of great interest to Freel is the publication by some well-known press of an ZRCROWN-language translation of an FJKHAKI anthology. Freel feels that the presentation to the public of such a book would serve a very useful purpose in putting before the public the feeling and spirit of pre-occupation FJKHAKI literature. It seems that a ZRCROWN professor has translated the anthologh and that the translation is considered by FJKHAKI poets to be a very good one with a real feeling expressive of FJKHAKI literature. Freel is most anxious to arrange with some publisher to have this volume printed. Whichever publisher undertakes this issuance should be one who habitually publishes works of this nature in order that the volume may receive wide critical review. He asks that we put him in touch with a suitable publisher and states that the BGENGINE is in a position to guarantee the purchase of a certain number of copies which they would then distribute, presumably as propaganda material. As I understand it, the BGENGINE feels that it has sufficient funds on hand to be able to make an arrangement with the publisher which will guarantee no financial loss to the latter. If you have no channel which might be used to further such a project, it is suggested that perhaps the writer on behalf of BGTENTS might approach a relative of his in the publishing business in an effort to receive an introduction to a poetry editor. Such an effort would seem to be in line with BGTENTS activities. Please advise.

4. Freel expressed great interest in endeavoring to put FJKHAKI-language broadcasts on the air, either through IDENTITY (4) or IDENTITY (5). This matter was also discussed with Hambley, who apparently indicated that since IDENTITY (4) was a QKCIGAR<sup>†</sup> station and since the QKCOAST<sup>†</sup> still have diplomatic representation in HTCURIO, there would probably be great difficulty in doing anything with IDENTITY (4). In view of this, the IDENTITY (3) through IDENTITY (6) wrote to QKIVORY<sup>†</sup> expressing interest in making some connection with QKIVORY which would permit FJKHAKI broadcasts to be put out over IDENTITY (5). Apparently, their answers have been evasive and the matter has not progressed very far. When questioned as to whether the BGENGINE and other QKCOAST emigre political groups would be interested in membership in QKIVORY, Freel stated that they would be so interested. He expressed a strong preference for individual membership but indicated that if this were not possible for whatever reason, they would be receptive to the idea of joining QKIVORY as a group. I think, therefore, that if it is your intention to

promote such

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promote such an affiliation, it can be done with considerable ease. In connection with the matter of putting FJKHAKI-language broadcasts on the air, Freel proposed a young FJKHAKI journalist now resident in IDENTITY (7) as editor for such material.

5. The three matters discussed above comprised the total of Freel's apparent interest in talking with us. I then turned the discussion to questions of underground activity within the country and endeavored to find out if his group had any connections with any underground or was attempting to make any such connections. Freel denied any present connection and stated that his last information on the existence of any organized group in the country dated back to 1948, when he was informed by a your PBCHUTE recently escaped from PBCHUTE of a tenuous contact between the PBCHUTE and JBCLLOUD<sup>N</sup> underground with news filtering through the JBCLLOUDS to the effect that some underground activity was being carried on within FJKHAKI. Freel's initial attitude toward attempted contacts with any FJKHAKI underground which may exist was predicated on a very evident feeling that the only sensible attitude for the people of FJKHAKI is to remain very quiet and endeavor to husband their forces until such time as the country is liberated from without. He has a habit of speaking of persons as possessing "sane views" or "rash views" on this subject. Apparently, anyone with "sane views" will sit back and wait, while the younger element among the compatriots in HBCHEST who are anxious to make an active effort are considered by him to be in some degree "rash." He indicated that one or two seaborne attempts at infiltration had been attempted two or three years ago but had failed. A suggestion that it might be more satisfactory to attempt a new contact by parachuting an agent or group of agents was met with an awakening enthusiasm, and he readily entered into a discussion of ways and means of implementing such an attempt. After some hedging back and forth on the desirability of having anyone do anything which might conceivably cause a repercussion from the TPSTALL side, he agreed that it would be desirable to train thoroughly a small group of his "rash" youngsters and to send them into the country for the purpose of determining whether any organized resistance existed, and if it did not, to attempt to set up a decentralized cell-type resistance organization. Freel will furnish the necessary personnel but does not wish to have any knowledge of the specific details because of security considerations. He will also keep all knowledge of this operation to himself. He will inform only those persons who will of necessity take part in either the operation itself or in the selection of personnel for the operation. The latter will be told only enough to permit their effective participation in the process; they will have no knowledge of the sponsor, the preparation area or the specific nature of the operation. This determination to keep the matter completely private was effected, or at least was strengthened, when I informed him that apparently word of his impending meeting with us had been received by HBCHEST BGHIVES.<sup>o</sup> He was at a loss to explain how this could be so but was deeply impressed with the necessity of not even informing his close associates on BGENGINE. I outlined our personnel requirements in

such an operation,

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such an operation, stating that we would require him to furnish us with an operations chief possessed of extensive knowledge of the country and people of FJKHAKI and also with sufficient stature and reputation to act as leader of the group to be trained for dispatch into the country. I stated also that we would require an initial group of approximately six persons to be trained and dropped. I requested further that either one of the six or some other person with technical radio knowledge and ability to act as a W/T instructor be furnished. At this point our first meeting was terminated.

6. At our second meeting Freel gave me his analyses of three individuals from among whom he proposed to choose the operations chief. All three are ex-general staff officers of the army. All three are reputed to have reputations of integrity and ability as well as leadership among the emigres. For various and sundry reasons we decided eventually on an individual who is approximately fifty years of age, enjoys a very high reputation among the younger members of the emigration (particularly ex-soldiers and officers), and is considered by Freel to be the best leader among the three. This person was during the period of SGCIDER occupation of FJKHAKI in charge of FJKHAKI civil defense and all indigenous police activity. He has an extensive knowledge of the country and a greater knowledge of potentially useful contacts within the country than either of the other two. He was also for a long time in the IDENTITY (8) and consequently has knowledge of clandestine operating techniques. Freel feels that this individual is the best qualified for the job of commanding and training the agents to be sent in, as well as planning for their activities once inside the country. Freel will have available a complete curriculum vitae on this man by 15 December, at which time we will get it from him via cut-out in FJROWDY. Should this be impossible, we can get it from him on the occasion of a projected trip to HTOXIDE about 10 January. In the meantime he will be canvassing the younger ranks of his group for prospective trainees as well as for a radio instructor. I told Freel that it would be necessary for his operations chief to appoint a second in command who would remain in HECHEST until such time as we have brought to SGCIDER the entire group to be trained. This deputy must be the last to leave HECHEST, for it will be necessary for him to handle the details of the transfer of personnel at that end. Freel states that it is not too difficult for members of the FJKHAKI emigration to receive stateless passports from HECHEST authorities which will permit them to travel and also to return to HECHEST. If these documents are not obtainable in all cases, we will have to arrange for the trainees to leave HECHEST either through IDENTITY (9), which is possible without a passport, or as seamen on an FJKHAKI vessel which they will leave at some mutually agreeable spot for further transportation to SGCIDER without documents.

7. During the entire discussion Freel made no demands on the direction or control of our prospective infiltration. He does not wish to be informed, other than in very general terms, of the progress of the operation and apparently is willing to wait until a successful contact is established before

even asking

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even asking any specific questions as to the status of affairs within FJKHAKI. I asked whether his group maintains any sort of intelligence section devoted to the compilation of material describing conditions within FJKHAKI. Only then did he state that he had a disabled ex-major whose job it was to compile what information could be gotten from FJKHAKI and TPSTALL broadcasts. He stated that the activities of the major had been curtailed because of lack of funds, and I promised him \$250 monthly to reactivate this activity. With this amount he proposes to support the major and two other persons who will scan all available newspapers published in FJKHAKI (very few are available) and extract from radio broadcasts all possible information on the situation within the country as on personalities, etc. Freel was very grateful for this modest aid and will, I think, do everything possible to see that the material compiled is of some value.

8. I also asked that he give us information on any FJKHAKIs in SGCIDER or HTCURIO who might be potentially useful to us. He will prepare such a list and give it to us at the next opportunity.

9. As stated above, there will be material to be picked up from Freel in FJROWDY on 15 December, and I shall therefore appreciate your earliest advice as to the status of the cut-out being arranged in FJROWDY for ZRLYNCH who could conceivably also be used for this project.

ATTACH: 1-separate cover

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## Identities for 32-CMGFG:

- A. August Rei
- B. Estonia
- C. ENR (Estonian National Council)
- D. Soviet
- E. Sweden
- F. Germany
- G. United States
- H.
- I. British
- J. U. S. Government
- K. Baltic States
- L. National Committee for Free Europe
- M. Lithuania
- N. Latvia
- O. Intelligence
- P. Stockholm
- Q. London

## Identities:

- 1. Canada
- 2. Australia
- 3. Estonian Information Centre
- 4. VOA
- 5. RFE
- 6. Mrs. Purre, Ed. of Newsletter from Behind Iron Curtain
- 7. Copenhagen
- 8. Estonian Deuxieme Bureau
- 9. Denmark

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