

Conversation with Brundner 22 July 1955

1. Examination of the reporting of Albert to Gehlen since mid-1952 reveals the following information:

a. Albert received regularly reports from one Heinrich SCHMITZ, Kriminalrat a.D., of Schulstr. 1 in Schlangenbad. ~~SCHMITZ~~ ^{and the} ~~SCHMITZ~~ reports concerned his service with a U.S. intelligence office headed by a Col. fm THOMAS, described as being 205cm tall and very husky, but not fat. According to SCHMITZ' information, this office was gathering information on the following ~~targets~~ targets: The Friedrich Wilhelm HEINE case, Amt Blank, Abt VI (Public Safety) of the Federal Ministry of Interior, Gehlen Organization, Kaiser Ministry, BfV, Sicherungsgruppe.

b. ~~The American office was allegedly concerned with the security of these various offices.~~ The reports which SCHMITZ submitted contained a variety of personality information on members of these offices, internal gossip, personal feuds etc. Much of the material ~~consisted~~ consisted of mere squibs relating to the residence, office of employment and character of the subject and were no more than 3 or 4 lines long, in short OB information.

c. ALBERT transmitted to Gehlen selected excerpts from these reports. To these he added information concerning ^{"Col. Thomas"} ~~the American~~ office itself which he had obviously obtained from SCHMITZ orally, since they were not contained in any documents found in ALBERT's home, where he kept his voluminous files.

d. ^{"CIA office"} ~~The office~~ was allegedly first in Bad Godesberg from 1952 until sometime in 1953 when it moved to Frankfurt. Late in 1953 SCHMITZ indicated to Albert, who passed it on to Gehlen, that the office was transferred to the direct control of the CIA office in Paris.

e. The specific BEI which "Col Thomas" gave to SCHMITZ were all passed on to

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Albert, thence to Gehlen. The FBI showed in some measure the degree of success this American office was having in its operation. It became apparent, for example, that SCHMITZ had sources in ~~the~~ most of the assigned target areas. For example: his source on the HEINZ case was the Wiesbaden lawyer Inu KILCH, who has virtually abandoned his practice in order to get to the bottom of the HEINZ matter. KILCH had ~~represented~~ ^{represented} the Dutchman HIND, who was involved in a ~~major~~ ^{similar} suit against HEINZ, and also represented Fraulein SCHOTT, HEINZ's ~~former~~ ^{former} secretary.

SCHMITZ' sources in the Sicherungsgruppe were Theodor SAEVECKE (a personal friend and unwitting informant) and Paul LERCHHOFF, variously member of the Chancellor's Begleitkommando, the Schutz- und Sicherheitskommando and finally the ^{SG} teletype central. It appears that SCHMITZ also had informants in the BfV, the Ministry of Interior and the Amt Blank, though these have not been identified.

(source LERCHHOFF),
f. ~~SAEVECKE~~ ~~SAEVECKE~~ Albert, through Schmitz, was informed of the SG roundup of 2-4 July 1955 soon after it happened, although the details ^{did} not ~~appear~~ ~~appear~~ appear in the report which SCHMITZ passed to Albert.

g. SAEVECKE informed SCHMITZ about ~~the~~ the disciplinary action being carried on against him (SAEVECKE) and passed remarks re his personal opinion of the way the Sicherungsgruppe was handled. This information apparently did not go on to Gehlen.

h. SCHMITZ asked his American chief for a raise from 800 to 850 DM per month and a separation allowance of 220 DM monthly since his work forced him to live apart from his family.

2. SAEVECKE was interrogated in Karlsruhe on 19 and 20 July 1955 as a witness, not as an accused. His story ~~which~~ contained the following allegations:

a. S knew SCHMITZ from his police days and they became good personal friends. S knew that SCHMITZ, who made no secret of it, worked for

an American intelligence office. When ^S was charged with war crimes during his service in Italy, he turned not only to OCA, which provided some material favorable to him, but also to SCHEITZ, since he did not know how effective the OCA material would be in exonerating him and felt that the more testimonials he could get the better.

b. In the course of his relations with SCHEITZ, he also discussed his opinions of what was wrong with the leadership ~~with~~ ^{of} the Sicherungsgruppe.

c. When he returned from Karlsruhe on 20 July, SCHEITZ was waiting for him at his (SAWECHEK's) home and asked what he knew about the death of ALBERT. SCHEITZ, who was a close family friend of ALBERT, had allegedly learned of the death from Frau ALBERT.

d. SAWECHEK knew ALBERT from 1934 when he was an instructor and ALBERT a student at the Kolonialschule. They were not personal friends and had kept no steady contact since, although they had seen each other on infrequent occasions.

3. Paul LERCHHOFF was interrogated in Karlsruhe on about 19 July. He denied having furnished SCHEITZ with any information. The following day after he had returned home, he called the OBA in Karlsruhe and said he would like to talk to him and make some changes in his previous statement. The subsequent interrogation, conducted on 21 July contained briefly the following information:

a. He had known SCHEITZ and one Richard SCHWEIZER during the war. Schweizer like LERCHHOFF was a Volksdeutscher from Lithuania. They met in Bad Godesberg in 1951 by accident and the three had a pleasant reunion. SCHEITZ revealed he worked for an American intelligence office and after numerous meetings asked L to assist his office in filling in some gaps in its information. This L claimed to be unable to do as he was only a member of the Chancellor's Begleitkommando and as such had access to no information of interest. He did, however, supply some items of a gossip nature which SCHEITZ received gladly. Before long, SCHEITZ

was paying L 200 B⁺ per month for his information.

b. L was ^{and} transferred two or three times between the Berleithkommando ~~and~~ the Schutz- und Sicherungskommando, which did not improve his ability to provide important information, although he was able to obtain squibs through talking to his colleagues.

c. Sometime in 1954, L ^{and} was transferred to the teletype central of the SG and then began to be able to furnish more interesting information, although still only brief reports, since detailed reports were always pouched.

In early July, SCHMITZ ^{and} allegedly approached L and said his (S⁺) office had information that a large roundup of espionage agents was to take place, and could L ^{and} supply some information on it. From earlier experience, L maintains he believed SCHMITZ' office or at least some U.S. offices were receiving information officially from the SG and other security organizations, so he did not see any reason why he should not accede to SCHMITZ' request. He accordingly reported (and this report was found in ALBERT's files) that a prisoner who had been confined in Koenigswinter and was then removed to Linz a/R, had proffered information which had led to the preparation by the SB of a roundup under the name of Aktion Weimar, that BRUECKNER was known to have visited Karlsruhe recently, possibly in connection with this roundup and that Gehlen had visited the SG with another man on 17 June 1955, possibly also in this connection. L ^{and} claimed to have received the information on BRUECKNER and Gehlen movements from colleagues of his in the course of informal chats.

d. SCHMITZ, SCHWEIZER and LERCHHOFF met frequently in various cafes and talked about the S⁺ information. (Note: It is not clear whether SCHWEIZER also worked for Col. Thomas directly, or whether he was merely a subsource of SCHMITZ.)

e. Shortly after the arrests on 2-4 July, SCHMITZ ^{and} asked L if he could find out if a Ludwig ALBERT or Albert LUTWIG had been arrested in the roundup.

It is our impression that
I believe L^{erchhoff} was able to confirm to SCHMITZ that ALBERT had been

arrested.

f. L^{erchhoff} learned that THOMAS was to have met SCHMITZ in Bonn on 18 July.

4. BRUECKNER had the following comments to make on the above:

a. None of the information which SCHMITZ passed to ALBERT from the Col. Thomas office contained any state secrets. The material was largely gossip, rumors, dissatisfaction and "Beamtensklatsch" in general.

b. SCHMITZ has not yet been interviewed, nor has SCHWEIZER. BRUECKNER felt that there was a good possibility I was identical with Col. Thomas and wanted to put it up to me first. *[Comment: Since SCHMITZ was registered in Bad Godesberg, Schlangenbad and had a brother in Wiesbaden, and since the information had first become available only a few days before, the SG had not actually had time to locate the men.]* I believe I convinced B that this man was not a CIA agent and that I was not involved.

c. B had not discussed this case with any other U.S. agencies and will regard us as his middlemen in any inquiries of other agencies. He understands that we stand in a command relationship to no military agency, and can therefore not be responsible for any evasive action that may be taken. *He agrees to take no action to find Schmidt or Schweizer until he hears from us.*

d. He concedes the possibility that SCHMITZ may have been warned or removed by Col Thomas for any of the following reasons:

- (1) knowledge of ALBERT's arrest may have alarmed SCHMITZ, though it is not known whether or not Col. Thomas was aware of the connection.
- (2) the SG interviewed SCHMITZ' former landlady in Bad Godesberg, but in such a way that she would not connect it with police interest and so that it would probably not filter back to him;
- (3) LERCHHOFF may have warned SCHMITZ either after his first interrogation or after his second, despite the fact that he signed a secrecy agreement after his confession. *He is at present on leave status*

from the SG.

B therefore realizes that his having revealed the facts of the case to me

need have nothing to do with SCHEITZ' disappearance ^{in case} he is gone when they finally get the clearance to go after him.

- e. B was not sure that we did not have the power to arrest and try SCHEITZ for having betrayed our trust. He knows now. He said that if we prefer to interrogate SCHEITZ in the presence of an SG representative that is perfectly all right, but we should not do so without the benefit of the evidentiary material they have in their possession.
- f. B has discussed his belief with both Gehlen and the OBA in Karlsruhe that I may be identical with Col. Thomas. He assures me he did not have any such thought at the time he arranged the appointment with BA FISCHER for 26 July.
- g. He hopes the U.S. will acknowledge SCHEITZ if he is their agent, recognizing that no state secrets were passed and merely preparing to put up with the ^{temporary} embarrassment, which B concedes will not improve official relations. He assured me that no matter what the outcome it would not impair our contact.
- hh. He eliminates the possibility that SCHEITZ could have been working for a political party under the guise of an American office, since the only party which would have been interested is the SPD and they have no need to employ such tactics, having plenty of party members in the target installations. If this is not a U.S. affiliation, it can only be part of a large eastern net. (Comment: It is not clear how he arrived at this latter conclusion.)
- i. Other than information on Col. Thomas, no other members of the American office have been identified, nor is the precise location of the office known. (Comment: It seems doubtful that the BfV is aware of the Col. Thomas angle, since they could doubtless conclude it was Tom Dale of CIE who has worked with them. Alternatively, they may have recognized it and informed either Benjamin or Tom Hughes, in which case Schmitz has already disappeared.)