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ROUTING AND RECORD SHEET /0041 42536 0041

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FROM:				DOCUMENT NUMBER EGBA-42536.	
				DOCUMENT DATE 17 JUL 1951	
TO		DATE		OFFICER'S INITIALS	
		RECEIVED	FORWARDED		
1.	RIHAN EE/G E/4 (2005) 18 JUL 1951			[]	<p>NOTE: If a copy or attachments are removed from the attached document, note the location of the copy and/or attachment hereon. If this RECORD COPY is to be retained in the files at the Desk, call the Central File Section for permanent loan.</p> <p>CC: DTLINEN BASIL PAPERS OBS ISI</p> <p>2 to 3: My ?s are to indicate what I feel should be changed. Otherwise a good report which perhaps FWI would like to read.</p> <p align="center">DECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCE METHOD EXEMPTION 3B2B NAZI WAR CRIMES DISCLOSURE ACT DATE 2007</p> <p align="right">for</p>
2.	EE/G/E			[]	
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DTLINEN - Develop & Plans					
FILE NUMBER					
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ENCLOSURE				ABSTRACT	
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VIA AIR
(Specify Air or Sea Pouch)

DISPATCH NO. EGBA-42586

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CLASSIFICATION

TO Chief, EE
THRU: Chief of Station, Germany
FROM Chief of Base, Berlin

DATE 26 June 1957

INFO: COS

SUBJECT { **GENERAL** Operational/CADORY
SPECIFIC DTLINEN Project Renewal Request

RE: A. EGQA-88546, 18 April 1957
B. EGQW-32476, 26 April 1957
C. EGQW-21572, 10 January 1955

As noted in info...

NOTE: We are forwarding herewith a draft DTLINEN Project Outline which presents, we believe, an accurate picture of the organizational structure, personnel assets and activities of the DTLINEN operational mechanism. We assume that this Outline, coupled with the following additional comments, will provide COS and EE with sufficient documentation to initiate DTLINEN project renewal procedures.

1. Current Status. The DTLINEN propaganda production/distribution assets currently are approaching, if not reaching, optimum output capabilities. The project has weathered the massive 1955 West Berlin, West German anti-DTLINEN campaign and has regained and/or exceeded pre-attack output levels in most phases of project activity. The major exception to this general resurgence of activity involves the production and mailing of DDR governmental, party and industrial harassment letters. Severely criticised in the 1955 attack, this aspect of project activity was cut back radically in late 1955 and early 1956. Current output of administrative harassment material generally does not exceed a dozen letters a month and, in view of the fact that the land to land courier system initiated by the DDR economy to counter the DTLINEN harassment effort is still in operation, it is not believed that re-emphasis of this program on a mass scale would yield satisfactory returns at this time. However, we hope to step up these activities after the September 1, 57 West German elections.

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APPROVED: *[Signature]*

Distribution:

1 - Chief of Base, Berlin
1 - Chief of Station, Germany
1 - Chief of Base, Berlin

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By: _____

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2. Production and Soviet Zone distribution of regularly appearing project media was increased significantly early in 1957 with the addition of new monthly publications. These regular media, i.e., Der Kämpfer, Der Partiarbeiter, Elternhaus und Schule and Geist und Leben, have a combined total monthly distribution of 70,000 copies and, along with Die Wahrheit, give DTLINEN a total monthly brochure output of ca 170,000 copies. No increase in output of regular media currently is envisaged. Leaflet production and distribution is reaching an all time high. Since the beginning of the year, DTLINEN has produced and distributed 10 separate leaflets exploiting various aspects of the DDR political, military, economic and social fabric, e.g., the MFS, SED, labor politics, elections, etc. Distribution has not been less than one million copies for any one item. A series of four leaflets has been prepared to exploit the DDR communal elections taking place on 23 June. Combined distribution on these four items alone will reach 9,500,000 copies. DTLINEN also recently produced for Western consumption and distributed 11,000 copies of a brochure containing factual data on the organization, personnel assets and activities of the MFS. The brochure was based upon material provided by CABARN and CABASAE, two former MFS staff officers who defected to the West through DTLINEN. It is probable that this is the most factual expose of the MFS yet produced.

3. Project P/A Charles E. Newham continues to perform in a satisfactory manner although some difficulties have been encountered with him due to recurring problems out of the past which still upset him. An LCFLUTTER test administered to him in May upset him considerably and required a tactful follow-up to once again set his mind at ease. Deputy P/A [] continues to perform in an outstanding and dependable manner in his capacity as head of the project's covert section. (Note: We hope to complete and pouch to Headquarters new reassessments of Newham and [] within the next few months.) Staff turnover continues to be low and morale satisfactory although normal pay raises are indicated. We currently are considering pay raises for Newham, [] and other key staffers. All staffers either currently have KUEARK Operational or Proprietary Approvals or are being cleared. Co-worker turn-over has been low and arrests rare, only one co-worker having been arrested in the past 12 months. The West German mailing apparatus is functioning satisfactorily and each month mails more than 20,000 envelopes containing 50 to 100,000 PP items into East Germany.

4. Relations with Fedrep and West Berlin officialdom are satisfactory and/or possibly improving. The CAWASH recommendation to drop Newham contained in the Raquete report has not recently been discussed and it is

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probable that at least [] has changed his attitude toward Newham and is not now actively seeking his ouster from the top DTLINEN job. Relations with other cold warrior groups also are satisfactory and/or improving. On 28 May, in response to a VOS invitation, Newham met with leading members of the VOS to discuss methods of establishing a closer working relationship between the two groups. The meeting, which was held in Bonn, resulted in the establishment of a working relationship whereby the VOS will coordinate its West German speaker activities with DTLINEN and DTLINEN will process VOS search service requests. This also will entail the transfer of appropriate VOS file material into the DTLINEN central files thus not only increasing DTLINEN's search service effectiveness but also making voluminous additional personality information available for KUBARK's use and/or exploitation. DTLINEN's contacts with [] LCPAGAN and [], although not regular and formalized, are numerous and are conducted in a satisfactory manner. Although currently there is no contact between DTLINEN and LCCASSOCK, we are attempting to bring Newham and CADRIER together and to develop regular contacts between them.

5. DTLINEN's handling and use of PEPRIME funds is adjudged to be in KUBARK's best interests. Monthly project accountings are prepared in accordance with exacting German business standards. The organization's business head, [] is an experienced administrator and apparently is conscientious to the point of annoyance to insure proper use of and accounting for organizational funds. Although KUBARK case officers obviously cannot control every pfennig of project funds, it is believed that the DTLINEN organization more than adequately meets every requirement of the project administrative plan. Each project monthly balance sheet is read and notarized by DTLINEN's lawyer who is a well known West Berlin attorney.

6. DTLINEN currently is involved (as it always has been) in numerous litigations pending before the West Berlin States Attorney, is subject to a massive, continuing MFS attack and is the object of attack of various left wing, fellow traveling and/or disgruntled West Berlin and West German elements. The most noteworthy of the pending litigations is the [] Prozess which involves, as is already well known to Headquarters, the trial of CATTIVO on charges of falsification of documents (see EGBA-41201). The Ratzek Prozess also is still being investigated (see BRLN 1053 and related traffic). Although the potential within opposition elements to embarrass and/or compromise DTLINEN continues to be aggravating, we believe that our position in Berlin coupled with effective and improving liaison relationships with West Berlin and West German officialdom indicates that we can continue the DTLINEN operation for the foreseeable future with minimum difficulties.

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7. Accomplishments/Effectiveness. We have outlined elsewhere in this dispatch and its attachments the nature and volume of current DTLINEN PP output, special project activities and the project's capabilities for balloon and mail distribution. These elements comprise the hard core of DTLINEN as a KUBARK CADORY mechanism. Indications of effectiveness of DTLINEN material infiltrated into the Zone, always encouraging, are currently increasing at an impressive rate and it appears not only fair, but accurate and realistic to state that at this writing DTLINEN is operating at a peak of effectiveness. This is particularly so when "carry-over" effectiveness also is included, e.g., the continued existence of the DDR hand to hand courier system instituted to combat DTLINEN's harassment program (see below). Specific indications of DTLINEN effectiveness may be categorized as follows:

A. Official DDR Reactions

(1) Approximately two years ago the DDR established an official hand to hand mail courier system for the delivery of governmental, party and business correspondence to protect itself from the DTLINEN harassment campaign. This system, which undoubtedly costs the DDR considerably in terms of funds, personnel assets and time, is still in operation.

(2) The DDR maintains special crews of investigators who are called upon to investigate every Western PP activity uncovered in the Zone which possibly could have originated with DTLINEN. These individuals are referred to as "DTLINEN investigators" by the DDR press and apparently have no other assignment than the follow-up of DTLINEN activities.

(3) Regularly appearing DDR press articles attempt to condemn and/or counter arguments against the Regime contained in DTLINEN media. Several recently appearing articles have been particularly striking because they have utilized material extracted verbatim from DTLINEN publications. Note: We are currently assembling copies of appropriate DDR press items which we will pouch to Headquarters as a part of our report of DTLINEN effectiveness in connection with the 23 June DDR elections.

(4) In spring 1957 the DDR published a 270 page book presenting a historical "expose'" of the DTLINEN organization. Although we cannot estimate the number of copies produced, it is clear that the production of this book cost the DDR substantially in terms of expenditure of funds, personnel assets and time. (We estimate an absolute minimum cost of DM 250,000.00 to the DDR for printing alone.) Although the book was given wide distribution in West Berlin, to our knowledge it was not mentioned nor reviewed in even one West Berlin paper.

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B. Popular DDR Reactions

(1) Letters sent to DTLINEN by East Zone residents have increased from an average of six to eight per month in fall 1956 to a high of 111 in May 1957. The letters, which generally are in response to DTLINEN material found and/or sighted in the Zone, are openly hostile to the Regime and appear to be far more outspoken in content than similar letters received a year ago.

(2) Hundreds of DDR residents continue to visit DTLINEN each month although they realize that if they are uncovered they will be arrested immediately by DDR authorities. These individuals freely and willingly provide DTLINEN with information on happenings in the Zone.

C. Western Reactions

(1) During the past year DTLINEN has received considerable, favorable coverage in the West German and, to a lesser extent, West Berlin press. Timely DTLINEN press releases on happenings in the Zone are regularly picked up by numerous Western papers.

(2) The West German speaker complex, originally founded by DTLINEN and still receiving DTLINEN guidance, appears to be having significant success in educating the West German population concerning the true motives of Russia and her East German satellite. The speakers, who are warmly received whenever and wherever they speak, held over 1300 meetings in 1956 before a total of 140,000 persons.

The DTLINEN Project also has accomplished numerous other tasks which, although not directly related to its PP objectives, have been of considerable value to KUBARK. NIS defectors [] and [] for example, not only provided much of the material for DTLINEN's NIS brochure but also provided the BOB/CART section with valuable leads to other possible CART operations. Additionally, DTLINEN deputy I/A [] spent long hours debriefing these two individuals thereby rendering valuable assistance to the CART staff. The DTLINEN Project also flushed numerous double agent operations via, although not in themselves of outstanding interest, provided the CART section with additional information on NIS methods and techniques. DTLINEN's monthly production of by-product intelligence reports regularly contribute names of at least eight to ten persons who have been named as NIS staffers or informants by visitors to DTLINEN. The by-product intelligence reports also have resulted in the dissemination by KUBARK of numerous DTLINEN reports which have been rated as of value by customer agencies. DTLINEN East Zone co-workers have delivered DDI documents and/or publications which have been of general support value to the local intelligence

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community. DTLINEN was able, for example, to obtain a copy of the 1957 DDR Fahndungsbuch which was photographed by BOB and distributed to all appropriate I.S. units in Germany. Finally, DTLINEN's voluminous card files are available and regularly used by BOB for name tracing purposes in appropriate cases.

9. Future Planning and Needs. We do not anticipate any major alteration of the DTLINEN organizational mechanism in the immediate future. We believe current output levels probably are optimum and that any attempt to increase current distribution would result in diminishing returns. We do feel, however, that a reorganization of the DTLINEN headquarters elements may result in increased efficiency and possibly permit a staff reduction. There are various and serious potential problems which could evolve from our attempting to force a reduction at this time and we feel that any progress possible along these lines can only be made slowly and with great care. We are faced, for example, with the relative positions of Newham (organization chief) and [] (covert section chief) within the project and the delicate task of not usurping the prerogatives of either one of them in connection with a staff reduction. Newham currently is quite sensitive to the fact that [] controls the largest single group of individuals within the organization and exercises some influence over the others. [], on the other hand, possibly is somewhat overly security conscious (as well he might be) and on occasion has been suspicious of other staff members on the basis of speculation rather than fact. We also are faced with the very difficult task of attempting to implement a reduction in force within one of the "hottest" political/resistance groups in West Berlin. We could experience some nasty reactions if a staffer we select for termination should react negatively and "go East" for consolation. We therefore will proceed with considerable caution.

10. We do not anticipate any changes in the co-worker group or in the West German mailing apparatus. Turn-over in the co-worker group has been encouragingly low with only one co-worker having been lost due to arrest during the past 10 months. Although we hope to build up co-worker coverage in Thuringia somewhat, we do not intend to increase the total number of co-workers much beyond 100. We have discussed this with [] who agrees that 100 co-workers well located in all parts of East Germany are sufficient to meet DTLINEN's needs. During the remainder of 1957 we hope to increase KUTUBE exploitation of the co-worker assets thus continuing an effort that was initiated well over a year ago. We presently are double checking available information on current co-workers and evaluating their potential to provide information of value in fulfilling current EOP intelligence requirements. It should also be noted that BOB source [] KRAUSE, who currently is supplying valuable information about various aspects of the DDR government and the SED, was a walk-in to DTLINEN and is still being run exclusively by [].

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11. We expect that the budget requested by EE for support of the project during FY 1957 will be sufficient to cover line item expenses and to maintain current output levels of regular media. We shall continue to need QKDEMON funds for production of special and/or one time items. We anticipate a salary increase for Newham and possibly a few other key staffers but we feel that these increases can be absorbed within current budget levels.

12. DTLINEN's current election leaflet program will fully absorb the project's production/distribution capabilities throughout June. Depending upon election results and reactions, we may put out a follow-up leaflet in two to three million copies in July. Otherwise, we shall soft pedal leaflet production until the end of the DDR vacation cycle and renew leaflet efforts in September.

13. In conclusion we feel that DTLINEN will remain in effective operation during the foreseeable future. We anticipate and expect continued massive MfS opposition, serious security problems and sticky West Berlin, West German political and/or personal attacks against the DTLINEN organization and its principals. We do not currently foresee, however, any problems which can not be effectively neutralized through the use of current BOB/COS operational and liaison channels and assets.

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PROJECT DTLINEN

I. Objectives

- a. To harass and weaken the Soviet puppet government of the East German State and the East German Communist Party (SED).
- b. To maintain and increase the spirit of resistance of the captive East German people.
- c. To uncover, attack and expose before the eyes of the East German population and the non-Communist world in general the dictatorial, unscrupulous and enslaving methods utilized by the East German government to maintain control over the population.
- d. To provide the East German people with truthful, factual news reporting on significant current political and/or other appropriate events through the medium of regularly appearing, responsibly prepared propaganda media.
- e. To encourage and assist, insofar as DTLINEN organizational capabilities and personnel assets permits, other West European anti-Communist organizations, groups and individuals whose objectives parallel PBPRIME interests and whose continued participation in the cold war effort is helpful to PBPRIME's overall cold war effort.

II. Targets

- a. The population of East Germany and East Berlin and, to a lesser extent, West Germany and Western Europe.
- b. The East German Communist Party (SED), its chairman, leading functionaries and members.
- c. The East German government, its leading representatives and office holders.

III. Tasks

- a. To exercise effective control over and, through the provision of adequate financial, security, liaison and other intelligence support, maintain the DTLINEN organization as a massive KUBARK FP instrument in West Berlin.
- b. Utilize the DTLINEN organization for the preparation, production and distribution of propaganda, harassment and political media capable of fulfilling the assigned project objectives.

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c. Maintain a staff of personnel with relatively expert knowledge of clandestine PP operations and techniques to serve as the basic element of the DTLINEN organization and provide these individuals with sufficient clerical and other help to successfully implement their assigned tasks. DTLINEN currently has 73 employees of whom 15 to 20 are senior staffers. (See Attachment B).

d. Maintain a group of co-worker (agent) personnel who are East German residents, are able to visit the DTLINEN West Berlin office regularly, are capable of hand distributing and/or mailing DTLINEN propaganda material in East Germany and who can provide the DTLINEN organization with timely and accurate reporting on East German conditions/developments thus insuring that the DTLINEN propaganda material will be appropriate, accurate, effective and timely in terms of the objectives which are being sought. This group must also be capable of performing numerous additional tasks, e.g., assembling accurate address lists in support of mailing operations, obtaining copies of official East German government and Communist Party correspondence in support of harrassment operations, undertaking neighborhood checks of other co-worker personnel in support of project security, etc. DTLINEN currently has 66 active co-workers in the Soviet Zone. (See Attachment C).

IV. Organizational Mechanisms

a. The DTLINEN West Berlin Headquarters (Stammhaus). The DTLINEN organization is a widely known, generally accepted anti-Communist resistance organization. It is a legally established, overt organization which maintains its general offices in a large house in an easily accessible quarter of West Berlin. It is visited by over 1,000 persons a month who come seeking one of the various services rendered to East Zone residents, refugees and/or former prisoners by the several specialist staffs. Many persons visit DTLINEN's Stammhaus and volunteer information which has come to their knowledge in the belief that it will assist the DTLINEN organization in pursuing its anti-Communist objectives.

b. DTLINEN's Specialist Staffs. DTLINEN maintains numerous specialist staffs and offices which implement the tasks of the project. A number of these - the "Reporting Office" at the Marienfelde Refugee Camp, the refugee aid service, search service and social service - are maintained to serve refugees, former prisoners and other visitors who come to DTLINEN seeking assistance. The remaining organizational units, excluding Administration (Abteilung II) and the Political Committee (Abteilung IV), are directly involved in the prosecution of DTLINEN's East German propaganda, harrassment and intelligence support tasks. These units assume direct responsibility for the preparation and production of DTLINEN's six regularly appearing propaganda publications. The press and political affairs section

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carries out a major portion of DTLINEN's West Berlin and West German liaison responsibilities in connection with government officials, news media and other resistance organizations. It also releases DTLINEN news items for pick-up in the Western press and maintains a close watch on both Western and Eastern newspapers for items of interest. The central carding section maintains a massive card file, built up over the years through debriefing refugees, which is the mainstay of the search service. The files, which include about 500,000 cards, are also a valuable asset to the project's security as well as a productive source of personality information available to LOB generally. The central carding section has the additional responsibility of handling DTLINEN's voluminous correspondence with official German agencies and other resistance groups in connection with requests received by DTLINEN for personality information. (See Attachment D.)

c. DTLINEN's Propaganda or Covert Section (Abteilung VII). The covert section is responsible for the maintenance of a capable, secure co-worker group (see Section III, d above), an effective West German mailing organization and a skillful, dependable ballooning apparatus which, together, can effectively distribute DTLINEN propaganda, harassment and other PW items throughout East Germany. The covert section also assumes responsibility for the production of all DTLINEN one-time (leaflet) and spot (psychological, administrative and personal harassment letters, confusion operations, etc.) operations. These operations appear to be the most infuriating to the East German regime, regularly result in significant press and other reactions in East Germany and often cause negative reactions from weak-kneed or fellow traveling West Berlin politicians and/or functionaries. P/A Newham works closely with covert section chief CAELVES in the production of the leaflet and harassment media. During the first six months of 1957 numerous hard-hitting DTLINEN leaflets exploiting the SED, MfS, Volkarmee, labor politics, etc. have been produced and distributed in volume. The covert section currently is engaged in the production and distribution of a highly effective leaflet series exposing the farcical nature of the East German elections being held on 23 June. This series involves the production of four separate leaflets and a total distribution of 9,500,000 copies in a seven-week period. Through our direct contact with CAELVES, we also use the assets of the covert section to provide operational support to various ROB operations.

2. West German Political Committee Office. DTLINEN maintains a unit composed of three staff employees who are located in Hannover in West Germany and provide DTLINEN with contact to West Germany and Western Europe. The Hannover office provides P/A Newham with a base of operations from which he can contact various members of the Fedrep government and various leading members of the West European cold war effort. The Hannover officer also serves to coordinate the activities of a West German propaganda speaker team which originally was established by DTLINEN but which is now run in conjunction with CAWASH and various other West German official and private resistance groups. The speaker team is composed of capable, professional cold warriors who recant, address doctors, educators, students and other

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public and private West German and/or other groups on issues and themes of the cold war. Their combined total monthly audience ranges between 10,000 and 15,000 persons. Reports of speaker team activities reaching KUBARK indicate that the speakers are warmly received whenever and wherever they speak.

e. Additional Specialist Activities. DTLINEN maintains six offices (Referate) which specialize in various aspects of the politico-socio-economic life of the DDR. They are charged with the responsibility of developing and maintaining a body of knowledge in their specific fields which can be utilized profitably for the preparation of effective propaganda. They are also responsible for developing themes and articles which can be used in DTLINEN's regularly appearing publications. Much of the information accumulated by these staffs is derived from interviewing visitors and/or defectors who come to DTLINEN seeking guidance. DTLINEN offices falling into this category are the following: 1) the MfS advisory office which specializes in MfS affairs and which interviews between 40 and 50 people each month who have information to report concerning the MfS; 2) the office for youth affairs; 3) the Vopo-East German Army office which accumulates data on the East German armed forces and which interviews between 35 and 50 people a month who offer helpful information; 4) the office for scientific/economic affairs; 5) political parties office; and 6) prisoners affairs office.

Note: The term "office" has been arbitrarily used to describe these special DTLINEN units. Since, for the most part, these units are composed of one DTLINEN staff specialist with a secretary/clerk helper, the term "office" can be misleading as used in the foregoing context.

V. Media

a. DTLINEN currently produces six regular two to four page DIN A-6 propaganda brochures which appear monthly. Although they all share a similar format, they each have a specific purpose and each is written in a manner best suited to the realization of its own end. These items are:

1) Die Wahrheit (The Truth), which carries a sub-heading indicating that it is the newspaper of the DTLINEN organization, is one of the older regular publications and has been appearing for over two years. It concentrates on presenting the Western viewpoint on major news items of current interest and is written in a manner to interest the

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broad mass of the DDR population. It is distributed mainly by mail from West Germany. Distribution: 100,000 copies monthly. Printing Cost: DMW 4,500.00.

2) Der Kaempfer, as the name would indicate, is directed toward members of the DDR armed forces. It concentrates, therefore, on the presentation of military, naval and air news with a western twist. It presents favorable news coverage of the progress being made in building the West German armed forces and at the same time attacks the Red Army as the representative of Soviet imperialism. It currently is in its second year of publication. Distribution is mainly by mail from West Germany. Distribution: 20,000 copies monthly. Printing Cost: DMW 750.00.

3) Der Parteiarbeiter (The Party Worker) is designed for the consumption of the functionaries of the SED (Communist) Party of East Germany. The articles contained therein, therefore, concentrate on the presentation of German and world-wide news coverage of Communist Party affairs. Coverage of these items is not only negative and belittling but also expository and argumentative, the objective being to explode the myth that the Communist Party does in fact live by the principles which it assigns to itself. Considerable coverage is given to the naked policy about-faces regularly undertaken by the Russian and East German Communist bosses. Der Parteiarbeiter first appeared in the beginning of 1957. Distribution is mainly by mail from West Germany. Distribution: 20,000 copies monthly. Printing Cost: DMW 700.00.

4) Geist und Leben concentrates on news coverage of items relating to East German cultural affairs. It exposes the numerous maneuvers used by the East German government to suppress and/or control church and other spiritual activities in East Germany. Interest in this type of item is widespread and a large audience for it is assured. It first appeared in the beginning of 1957. Distribution is mainly by mail from West Germany. Distribution: 10,000 copies monthly. Printing Cost: DMW 700.00.

5) Elternhaus und Schule concentrates on news of special interest to parents and students and other persons involved in pedagogical life. Through its pages it attempts to expose the methods and measures used by the Communists in controlling the schools and selling Communism to the student body. It first appeared, along with the two preceding brochures, early in 1957. Distribution is mainly by mail from West Germany. Distribution: 20,000 copies monthly. Printing Cost: DMW 700.00.

2. / 6) DTLINEN Archiv: The "Archiv" is DTLINEN's major regularly appearing publication designed specifically for Western consumption. In general, it can be described as a collection of DTLINEN editorial comment on the prevailing situation in East Germany and other cold war developments which affect East German policies. When DTLINEN has been exposed to criticism motivated by erroneous and/or provocative material, the "Archiv" has also been used to present DTLINEN's position and to expose the falacious material. The "Archiv" has been identified with DTLINEN for several years. It is distributed almost exclusively by mail to West Berlin - West German political leaders, organizations and offices. Distribution: 10,000 to 20,000 copies monthly. Printing Cost: DMW 1200 to DMW 1400.

b. DTLINEN's main effort is concentrated in the leaflets, harrassment letters and other media which are produced at irregular intervals to exploit specific developments and/or activities in East Germany. These undertakings account for the major portion of DTLINEN's monthly East German distribution of from three million to five million separate pieces of propaganda. So far in 1957 DTLINEN has produced ten separate leaflets exploiting various aspects of East German political and/or social life. Two of these leaflets were directed at East German laborers and concentrated on the formation of East German worker committees and the introduction of the 45 hour week. We have good reason to believe that these items have been particularly effective and feel that they have influenced, to some degree, current East German labor policies. DTLINEN currently is producing a series of four leaflets devoted to the exploitation of the DDR elections scheduled to take place on 23 June. This operation also is expected to have considerable effect. In addition to leaflet operations, DTLINEN produces and sends out a number of administrative and psychological harrassment letters each month. Two years ago DTLINEN's harrassment program was so successful that it caused the East Germans to initiate a hand courier system to circumvent the falsifications. This courier system is still in operation.

c. In addition to the above, DTLINEN also produces the DTLINEN Dienst, a monthly summary report of conditions in the Zone and other cold war developments. It is distributed in approximately 500 copies to West Berlin, West German government officials and offices, newspapers, press services and other interested persons. We obtain copies for USSEN's Eastern Office in Paris and for IATTA in Frankfurt. A few of these copies are sent to Frankfurt as that the Dienst is one of the best sources of information on developments in the Zone currently available.

VI. Radio

DTLINEN utilizes the services of a radio station in East Germany to produce propaganda, harrassment and other PW radio broadcasts. This station is known as DTLINEN's radio PW material, and is distributed to

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regularly appearing and one time publications, is based upon information provided by KUEARK, gathered by project East Zone co-workers, obtained through visitor debriefings and extracted from available overt media. DTLINEN's written propaganda can be broken into two general categories: 1) Propaganda material, i.e., material designed to influence the attitudes and/or actions of the population in general in connection with specific events and/or conditions; and 2) harassment material, i.e., material designed to impede the progress of the East German government and/or Communist Party through confusion and/or provocation. Examples of this latter method are the production and introduction into East German mail channels of falsified DDR government, Communist Party and/or business correspondence which rescind directives, change the party line and place orders (or cancel orders) for goods and services. This method also includes the production of personal harassment/provocation letters which are mailed to selected DDR government, party and/or security functionaries.

b. Distribution. DTLINEN distributes material into East Germany through its balloon teams, its East Zone co-workers and its West German mailing apparatus. One balloon launching site is maintained in West Berlin; three additional sites are located in West Germany. Approximately 1,000 DTLINEN balloons are flown into East Germany each month. DTLINEN's zonal co-workers pick up production material during their periodic West Berlin visits and mail it upon return to East Germany. The West German mailing apparatus is composed of upwards of 25 persons who mail over 20,000 envelopes containing propaganda items into East Germany each month. Mailing is done from various cities throughout West Germany. All material is prepared for mailing at DTLINEN's Stammhaus in West Berlin. Members of the mailing apparatus are compensated on a performance basis only and have no other contact to the DTLINEN organization.

c. Other. Newham's political committee, the activities of the speaker team and the Archiv, taken together, represent an active, although relatively small, West German propaganda operation. Although generally designed to provide DTLINEN with effective "rear area" support, these activities also provide a stimulus to other West German and West European cold warriors.

VII. Security

a. KUEARK Contact with DTLINEN. KUEARK control over DTLINEN is exercised through regular meetings with principal agents Charles E. Newham and []. All standard measures of contact security are utilized to protect these meetings from hostile observation. They are held in a FOB safehouse reserved exclusively for meetings with high level West Berlin agent personnel. Both Newham and [] are regularly reminded that they must always be alert to the possibility of hostile surveillance and/or kidnapping.

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b. DTLINEN Staff. All members of the staff, including janitorial, kitchen and other help, are fully traced through KUBARK channels and receive Operational and/or Proprietary Approvals. KUBARK maintains dossiers on these individuals which are periodically reviewed. Additionally, DTLINEN security chief CAELVES regularly monitors the activities of all staff personnel and keeps KUBARK advised of developments. MFS approaches to staffers, which are frequent, are promptly reported to KUBARK.

c. DTLINEN Co-workers. All co-workers, both prospective and active, are fully traced through KUBARK channels, the names are carded in BOB's central registry and dossiers containing available information are maintained by the project case officer. DTLINEN staffers who handle co-workers are regularly briefed by [] concerning effective and secure handling techniques.

d. Physical Security. Over the years an intricate protection and alarm system has been developed for the DTLINEN Stammhaus. The property is surrounded by a secure fence and all outside entrance doors are connected with a central alarm system. Internal doors leading to and from more sensitive areas also are connected with the central alarm system. These doors are of reinforced construction and are secured with dependable hardware. The area is patrolled during non-working hours by two watchmen who have direct contact with the West Berlin police. As an additional security measure, the organization maintains a check room for all visitors thus relieving them of any packages they are carrying before they enter the main offices of the building. Staff employees are instructed not to ride the S-Bahn and are constantly warned not to make themselves easy targets for kidnapping.

e. Hostile Service Activities. DTLINEN is constantly harassed by the MFS. Staff members regularly receive provocation and/or defection letters which include offers of money and guaranties of protection. Pressure also is exerted by the MFS upon relatives, friends and/or neighbors of staff employees living either in West Berlin or the East. The MFS additionally harasses DTLINEN employees by using their names to place orders with various West Berlin service type businesses, e.g., caterers, flower shops, department stores, etc. Another gambit regularly used by them is to telephone a staffer and frighten him with a story that a personal tragedy has befallen a member of his family, his home is on fire, etc. Although constant annoyance to DTLINEN staffers, none of these efforts have as yet provided the MFS with any significant results.

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f. Western Opposition. There is a certain amount of opposition to DTLINEN noticeable in left wing and/or fellow travelling circles in West Berlin. Some of this opposition is directed at Newham personally and probably had its origin in his break with the SPD. The remainder appears to be generated by a belief within these opposition circles that DTLINEN operations are too provocative and tend to prevent successful negotiations with the Russians and/or East Germans. Persons within these circles have managed to gain access to a few disgruntled former DTLINEN employees and are attempting to use these individuals to attack DTLINEN, e.g., the [redacted] case. We also are aware that at least one current staff employee (© BARTH) is in contact with these opposition elements. Although we know © BARTH maintains these contacts, we currently are reluctant to fire him because we do not have sufficient grounds for dismissal which would be acceptable to a West German labor court. © BARTH is 64 years old and has been with DTLINEN for six years. We therefore cannot let him go on the basis of a reduction in force; particularly if he were to be the only one released. Regardless of what grounds we use, BARTH's age and his length of service with DTLINEN will give him a strong case before the court. (We obviously cannot use information obtained through CALLIKAK before the labor court.) The BARTH case is an excellent example of how our hands can be completely tied due to the fact that DTLINEN is an overt organization and is subject to all legal controls. We do hope to acquire information through [redacted] channels to force his dismissal by 30 September 1957.

VIII. Personnel

a. Charles E. Newham. Newham is the head of the DTLINEN organization and KUBARK's P/A for the project. He has been in direct contact with BOB since 1949 and has served the base faithfully and generally enthusiastically since that time. He has been the top man in DTLINEN since 1951 when he was brought in as a replacement for Boudreau. Newham, who once studied for the ministry, is a serious man with a deep sense of moral righteousness. He is sensitive to criticism and at times appears to find it difficult to rationalize the necessity for clandestine operations and the clandestine approach. In flap situations these qualities can and have caused handling problems. Newham has on occasion more or less "blown his top", threatened to resign, etc. He was particularly difficult to deal with during the massive West Berlin, West German press attack against DTLINEN in 1955. He has since calmed down considerably and it is believed that our working relationship with him can be continued in a profitable manner. He is highly knowledgeable on political questions of the cold war and a truly devoted enemy of Communism. He also has numerous important contacts within West Berlin and in West Germany which contribute significantly to the success of the project. He would be difficult to replace.

b. [] [] is the deputy P/A and project security officer. He also heads the covert section which is responsible for the maintenance of the co-worker group, the mailing apparatus and the balloon teams. He was brought into DTLINEN in 1951 by Newham and has headed the covert section since that time. Prior to his recruitment by DTLINEN he was head of the American sponsored German Criminal Investigation Service which operates in the American Sector of West Berlin. [] does not have the education or the political aptitude of Newham, nor does he have Newham's psychological shortcomings. Essentially he is a simple man with a talent and love for clandestine operations. He is extremely hard working and sets a pace which not many men could duplicate. He holds a tight (at times possibly too tight) rein on the employees under him in the covert section and constantly impresses upon them the need for good security. His success in this direction may be indicated by the fact that DTLINEN has had only one co-worker arrest in the past eighteen months.

c. DTLINEN Staff. We are attaching a list containing the names and positions of DTLINEN's staff employees. Of this group CAEMBED should be given special mention. He is DTLINEN's chief of administration and assumes responsibility for all organization, personnel, and accounting. He appears to have done an excellent job in keeping the DTLINEN administrative section in an effective operating condition. Although not currently in contact with KUBARK case officers, [] was used as an alternate contact in 1955 and could again be used in this capacity if the situation warranted it. [] special assistant to DETERS also has been in contact with the American case officers. Although contacts with DETERS occur only infrequently, he also is available for emergency contact if required.

IX. Budget.

a. <u>FY 1957 Allotment</u>	<u>FY 1956 RR Budget Request</u>
DTLINEN []	DTLINEN []

b. All BUDARE funds, including both those originating from the project budget and those provided by one-time QKDEMON grants, allotted for use in FY 57 already have been passed to the project and will, for the most part, actually be expended during FY 57. A relatively small residual balance maintained by the DTLINEN organization will be carried over into FY 58. DTLINEN's auditing, accounting, receipts and other fiscal procedures are governed by the terms of the project's approved Administrative Plan.

c. We are requesting an additional [] QKDEMON allotment to defray a portion of the cost of the DDR election exploitation operation currently being implemented. If this amount is approved, it too will be for DTLINEN's expenses.

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d. The \$205,000.00 DTLINEN FY 58 budget requested by BE should be sufficient to cover project line item expenses. We shall continue to request OKDEMON allotments for use by DTLINEN to finance one-time operations.

X. Funding

DTLINEN currently is directly funded by the KUBARK case officer who draws a monthly subsidy for the project from the BOB finance officer and passes it to DTLINEN deputy P/A [redacted]. Negotiations currently are underway to develop a funding channel for DTLINEN which will eliminate direct transfer of funds in Berlin. Two systems presently are under investigation: 1) Direct funding from PBPRIME through use of a cleared lawyer using the cover story that the funds originate from donations by PBPRIME residents who wish to support DTLINEN cold war activities; and 2) funding from West Germany by use of a Foerdergesellschaft. It is expected that a funding channel for DTLINEN will be firmly in place before the end of 1957.

XI. Hot War Annex

In the event of a hot war, every effort will be made to transfer Newham and [redacted] out of Berlin and continue using them as KUBARK principal agents. Both are outstanding KUBARK operational assets and could be effectively utilized in a number of areas and in various ways. If time permits, we shall also attempt to assist in resettling other key staffers on the basis of the merits of each case. Soviet Zone assets will be reviewed as to their staybehind potential and their adaptability for wartime use.

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