

9 October 1952

The history of these two cases is as follows:

A. [ ] and PL-507 (Stefan Horak) were two of nine Ukrainians recruited out of the Cassowary organization\* for P/A training. They were brought to the United States by covert aircraft on 10 January 1952.

B. Soon after their arrival at the training school, both men became morale problems.

C. [ ] had been characterized by the psychologists before his recruitment as "a very disturbed personality" and was not recommended by them. The field, after full consideration, decided to accept him because the Cassowary organization argued strongly for his recruitment. The organization felt it would be helpful to them politically and that with proper handling he would prove to be a definite P/A asset.

D. [ ] was also considered "a serious risk for successfully carrying through the ELOPE program" because of his difficult and inflexible personality. He was finally accepted, however, as a "calculated risk" because his intellectual background, motivation, military knowledge, and physical agility seemed to outweigh his deficiencies.

E. Upon arrival at the school, it became apparent that [ ] was very disturbed emotionally and he immediately insisted on seeing his wife who was living in Philadelphia. The school staff considered him on the verge of a nervous breakdown and completely unmanageable.

F. Upon arrival at the school, PL-507 also immediately demanded to see his wife who was living in Detroit, Michigan. Upon being told that it was impossible to grant this request, he became obstreperous and insubordinate. A staff member at the school considered him "a liar", "contemptuous of the United States", and "using the school only as a springboard for his own future".

\*Of the nine Ukrainians referred to above, two others were returned to Germany for medical reasons, and the other five completed the training course which ended 30 September 1952.

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G. Because of their lack of cooperation, their bad effect on the morale of the other students, the security risk involved if they were to attempt to see their wives, and their unsuitability for P/A work, it was agreed by the school staff, EE, SR, and IAS that both subjects should be returned to Germany.

H. These students were flown back to Germany by covert aircraft on 12 February 1952 after a full explanation of the situation had been cabled to the field. These cables included recommendations for field handling of the matter.

I. Before leaving the United States, the two disposeses were briefed substantially as follows:

1. They understood and agreed before coming to the United States to abide by the training conditions which would not permit them to see their wives in this country. Upon arrival they did insist on seeing their wives and thus caused difficulty to all concerned. Regrettably, we then had to return them to Germany.

2. We would make every reasonable effort to assist them with rehabilitation, including assisting them with employment in Germany. We would also investigate the possibilities for their legal entry into the United States at some future date. We made it clear that any bad faith or misbehavior on their part would mean at the very least they could not obtain entry into the United States.

J. Subjects were returned for disposal by the emigration organization on the basis that since they had been recommended by a member of the organization that that group should be given responsibility for their security. We suggested to them that the whole situation should be handled in a fair but firm manner. In the interests of maximum security, ZRELOPE was authorized to provide a total of \$3,000 for one year, which money could be used by the organization to create or obtain jobs for these men if necessary.

K. The field replied in a Munich cable of 10 February that a member of the emigre organization agreed to accept responsibility for control of [ ] and 507. The cable added that ZRELOPE would obtain additional secrecy oaths from the two men and inform them that any security breach would result in voiding any chances they might have in emigrating to the United States and might result in prosecution by United States courts in Germany. They would then be turned over to the organization representative who would reiterate the security warnings and who would use moral persuasion and appeal to their patriotism and loyalty to the emigre movement and its leaders. The representative would then offer to assist

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in their rehabilitation, ostensibly because the individuals were still useful to them. The cable further stated that the emigre organization's rehabilitation offer was designed to forestall blackmail, to provide for continuing contact and prevent their leaving the United States zone of Germany. The organization representative would also endeavor to maintain a continual watch on the subjects through trusted contacts. It was also stated that through the organization representative they would attempt to provide for eventual emigration to the United States.

L. On 24 April 1952 a report covering the initial disposal and debriefing of subjects was received from Munich. This report described their arrival in Germany and the dissatisfaction and bitterness displayed by both these men. They had many complaints about the unjust treatment they had received at the school. These complaints were similar to those that had been previously stated by them prior to their return to Germany, and as the field stated in their dispatch, were composed of "facts, fancies and opinions".

M. Upon their return to Germany, the two disposeses were paid as follows:

1. [ ] employment contract was effective 21 December 1952 and was terminated as of 21 February 1952. He was paid DM 480.00 as final payment by the finance officer in the field. This was the balance due as subject had been advanced DM 100.00 on 22 February 1952 and DM 50.00 from a case officer. A total of DM 630.00 was paid as salary for two months at the rate of \$75.00 per month, which included \$25.00 monthly dependent allotment. 53<sup>2</sup>

2. PL-507's employment contract and its termination were effective as of the same dates. DM 430.00 was paid as final payment. This was the balance due as subject had been advanced DM 100.00 on 22 February and another DM 100.00 by another case officer. A total of DM 630.00 was paid as salary for two months at the rate of \$75.00 per month, which included \$25.00 monthly dependent allotment.

N. To provide for their rehabilitation, the organization representative arranged for their employment as correspondents for the organization's newspaper. They were assigned to cover the Bonn area, were provided their rail fares, departed for Bonn on 28 February 1952, and as of 24 March were residing at 25 Niebuhr Strasse, Bonn, Germany.

O. The organization representative had them cleared with the local police and they were to register with the police wherever they settled. The representative was to keep in contact with them to give

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from their assignments and report on them to Munich at least once a week. Security was to establish local mail and telegraph surveillance as soon as they became established.

P. At the time of their dispatch to Bonn, no definite pay scale had been agreed upon. The organization representative stated that normally correspondents received about 300 DM per month but since living costs at Bonn are high, they might have to be paid about 500 DM per month for a decent standard of living.

Q. The field report continued by saying that they expected [ ] and 507 to comply with their secrecy agreement, which they signed in the presence of the organization representative because of their strong loyalty to him as their agent. The report continued, however, that their bitterness about the alleged outrages and unjust treatment they had received had not been mollified and should the organization representative be displaced that his successor would have more difficulty keeping them in line. The report concluded with the statement that their attachment to the organization is not strong enough to deter them from divulging their experiences if they felt they could hurt the Americans.

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