

SECRET

DD/P 6.2.702

20 June 1966

MEMORANDUM FOR: Assistant Deputy Director for Plans
SUBJECT : Fred Z. LAUNAGS' Efforts to Repatriate
to Latvia

1. Subject is a forty-six year old naturalized U.S. citizen of Latvian origin who was employed as a contract agent by SB Division from 1951 through 1959. On 17 June we learned that he had travelled to Montreal, Canada, apparently with the intent to repatriate to the Latvian SSR. We asked the Royal Canadian Mounted Police to locate LAUNAGS and on 19 June they advised us that he was in the Montreal jail on a minor charge. This memorandum summarizes the background of this case.

2. Subject was recruited in Sweden and brought to Germany where he participated in training of REDSOX agents dispatched into Latvia in 1952. In 1953 Subject and his family entered the U.S. as regular immigrants. In 1953 and 1954 he worked for SB Division as an instructor for two other REDSOX missions into Latvia.

3. From 1954 through 1956 Subject was used for general support purposes by the Baltic Branch of SB Division. In 1955-1956 he spent several months in Spain in connection with CIA-sponsored propaganda broadcasts in Latvian over Radio Madrid. (These broadcasts were discontinued in 1963.) In 1958 he was sent to Frankfurt for Baltic operations run by the German Station but was returned in 1959 when he showed evidence of mental instability. Agency psychiatrists subsequently diagnosed him as ~~acute~~ rapid schizophrenic and he was hospitalized for a short period. A plan was then devised for termination and job placement and Subject was finally terminated in late 1959.

SECRET

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2006

4. In early 1965 LAUNAGS contacted his friend [] (p), a long-time contract agent of Latvian origin currently working for CI Staff. He told [] that he was separated from his wife, that his son was in a mental institution and that he was in financial straits. Further, he was disillusioned with what he considered to be lack of interest on the part of U.S. authorities in the fate of his native Latvia. He gave [] to understand that he was seriously considering returning to Latvia and was trying to accumulate money for the trip. [] reported this to his case officer, and SB Division was apprised by CI Staff of the possibility of Subject's repatriation.

5. After consultation with Agency psychiatrists it was decided that the case should be handled without direct CIA contact with LAUNAGS. Accordingly, we have been working through [] (via the CI Staff) in an effort to assist LAUNAGS and to monitor his situation through several Latvian emigres who know him personally and who have tried to help him. [] has made several visits to New York and has attempted to persuade LAUNAGS to enter a New York public mental hospital, the director of which is a psychiatrist of Latvian origin, but LAUNAGS has declined to comply. [] has also helped him with his personal problems and with his efforts to find employment. LAUNAGS has held a number of jobs but they were usually of short duration as a result of his pronounced instability.

6. In May and again in September 1965 LAUNAGS wrote partially incoherent but slightly menacing letters to the President of the United States, copies of which were forwarded to the Agency. We immediately advised the FBI and the Secret Service of the background of this case, and the Secret Service subsequently sent agents to interview LAUNAGS in New York. Their report indicated that he displayed no tendencies which might be construed as a potential danger to the President, and the Secret Service liaison officer advised us that LAUNAGS was not a sufficient threat to warrant commitment to a mental institution at Government instigation.

SECRET

-3-

7. On 17 June we learned through [] that LAUNAGS had telephoned a mutual friend from Montreal, indicating that he was planning to return to Latvia and stating that he expected "final word from the authorities" by 20 June. A check with Department of State indicated that his earlier application for a U.S. passport had been denied on 25 May as a result of the Passport Office query to the Agency and our reply. We immediately cabled Ottawa asking that the Royal Canadian Mounted Police take steps to locate LAUNAGS. On 19 June they informed our Ottawa Station that LAUNAGS was in a Montreal jail. He had registered at a local hotel, had pretended to belong to a convention party and had run up a bill of over \$300 which he could not pay. The hearing on his case will be held on 20 June and may result in a prison term or in deportation to the United States. We have advised the Alien Affairs Staff of Domestic Contact Service of the current status of the case and will request that they pick up contact with LAUNAGS upon his return to New York in order to help him find employment and to attempt to prevent his repatriation. We may decide that a small weekly dole is indicated.

8. The Latvian REDSOX operations in which Subject was involved in 1952-54 were fully exposed to the Soviets when all of the agents were either killed or captured, and the Soviets later made propaganda use of some of the facts. Thus, Subject would be able to provide primarily confirmatory information on these operations if he were to repatriate to Latvia. He knew a number of SB case officers but most of them in alias. The fact that he assisted in anti-Soviet Latvian broadcasts from Radio Madrid as a CIA agent could be somewhat embarrassing if the Soviets were to publicize this facet of his activities. While the extent of potential damage involved in Subject's repatriation is not excessive, the Soviets would probably seize the opportunity to make maximum propaganda use of this case.

[]
Chief, SB Division

cc: Chief, EUR
CI Staff
OGC
Office of Security
Domestic Contact Service

SECRET