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PROJECT OUTLINE

Project Cryptonym of Subject: LCCASSOCK

Renewal and redocumentation for Fiscal Year 1958

Originating Division: EE

a. Division Chief:	James H. Critchfield L	1	Ext. 3288
b. Branch Chief:	L	3	Ext. 3311
c. Case Officer:	L	1	Ext. 3904

Target Area: East Germany

Type of Project: Psychological and Political Warfare

Financial Mechanism: Subsidy

Funds Requested: \$L 1 for Fiscal Year 1958

CURRENT STATUS: This project was originally approved 12 February 1954 and last approved 3 May 1957 for Fiscal Year 1957 for \$L 1. This redocumentation is submitted solely because of operational changes which have developed in the project; there is no change as concerns Fiscal Year 1958 LCCASSOCK funds as included in the approved EE Division operational program.

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1. OBJECTIVE

To sustain and encourage popular East German resistance to the Communist regime of East Germany and to hinder the spread of Communist philosophy in East Germany.

2. ORIGIN AND POLICY GUIDANCE

- a. Origin - NSC 160/1 (Supplement dated 12 September 1956) "U. S. Policy Toward East Germany, Para 29. Related Mission Directive for Germany. Priority B Objectives 2 and 3 Operational Program for EE Division, Fiscal Year 1958
- b. Whence proposed - The project originated in the field.

3. SITUATION

a. East Germany is a Soviet-controlled area with strict control of information media. Therefore, covert Western propaganda and news is needed to substitute for a free press and to keep alive the spirit of resistance among the East German population. Among the media available for this purpose, LCCASSOCK publications have proven particularly effective because each one is designed for distribution via a mailing operation to specific target groups. This advantage has enabled LCCASSOCK to add a specialized propaganda and dissemination mechanism to the German Station psychological warfare facilities.

b. From the time CIA first became interested in LCCASSOCK (February 1954) until early 1956 this organization specialized in falsifications of official East German media and mass interest publications. As a result of the development of the political situation in East Germany, LCCASSOCK discontinued to all intents and purposes falsifications, but continued to prepare what might be aptly called semi-falsifications (that is items that appear similar to, but are not identical to East Zone publications). The three publication series presently handled by LCCASSOCK are as follows:

a. CARDINAL publications - a group of four regularly appearing publications, one of which appears each month (each publication appears three times each year).

b. CABESTOW publications - Documentary publications of speeches, reports, etc. on an irregular basis.

c. TARGETED LETTER Series - a group of publications appearing irregularly, produced and distributed in a limited number of copies and targeted at special interest groups in the target area.

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c. Distribution of LCCASSOCK items was originally largely through distribution nets run out of Berlin. As a result of evidence that these nets were not performing as they reported, distribution from January 1956 on has been confined mostly to mail distribution from West Berlin and Germany, hand-outs along the borders of West Berlin and by sale for nominal amounts to East Berlin and East German residents visiting West Berlin. (Money obtained through these sales is retained by the newsstand dealers who handle these publications.) Some hand distribution still continues including infiltration of letters for mailing within Soviet Zone. Indications of accomplished distribution and effectiveness of the propaganda content are received in the form of letters from East Zone readers, articles in the East Zone press, intelligence reports, questionnaires and debriefings of refugees.

d. Supplementary to printed publications, editors attempt to influence opinion leaders in East (editors, youth functionaries, professional people, etc.) by corresponding with them via letter. Individual targets include reader correspondents and others selected because of their influence in a community.

4. PROPOSAL

It is proposed that CIA continue to provide financial support and editorial guidance to LCCASSOCK for the production and distribution in East Berlin and East Germany of propaganda items such as pamphlets, newspapers, and magazines to include falsification of highly selected items on a limited scale.

5. OPERATIONAL OUTLINE

a. Sub-proposals

The primary task of the LCCASSOCK organization will be to produce and distribute propaganda aimed at special groups within East Germany. A secondary task for LCCASSOCK, on a selective basis, will be the production and distribution of falsifications of East German information media and the falsification of East German correspondence for the purpose of administrative harassment.

b. Key personnel

CADRIER (OA #JG-3641, dated 11 January 1955), the principal agent of Project LCCASSOCK, is the director and organizer of the LCCASSOCK production staff and distribution set-up. Formerly a free-lance journalist, he has been engaged in propaganda activities directed at the East Zone of Germany since 1950. An indigenous

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agent residing in West Berlin, he was first contacted by a CIA staff officer in the fall of 1950, but was not utilized actively until April of 1952.

c. Indigenous groups

1) The LCCASSOCK Production staff is located in West Berlin. The staff is currently composed of the Principal Agent, three editors, one editorial assistant, one security specialist, three administrative assistants, two printers and five typist/stenographers. The principal agent and the four editorial workers who write, edit, and make up the material for distribution have journalistic backgrounds and have had personal experience with conditions in the East Zone. In addition to this permanent staff, free lance journalists with specialized knowledge of East Zone affairs are employed on an irregular basis. Tot. 16

2) The LCCASSOCK mailing and distribution apparatus is located in separate offices in West Berlin. Included in this apparatus are a chief of distribution (who is responsible to the principal agent), three administrative personnel, seven clerks, one evaluator, and one specialist on mailing. Tot 13

d. Target groups

LCCASSOCK propaganda publications are targeted at various population groups in East Germany. Among present target groups are: women, the intelligentsia, upper and middle class tradespeople, dissident members of the East German Communist party, and the general populace.

e. Duration

The project is designed to continue for an indefinite period of time.

f. Graphic Illustrations

Not applicable.

6. SECURITY

a. Cover

1) The physical cover of one of the two LCCASSOCK production staff offices is that of an advertising and public relations firm registered with the West Berlin city administration with offices in

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West Berlin. The former father-in-law and close friend of the LCCASSOCK principal agent is a wealthy West German industrialist who contributes a considerable amount of his income for charity and political purposes. In the event of tax inquiries concerning LCCASSOCK financial matters, the father-in-law is prepared to state that he has financed this firm without claiming tax deductions, a practice which is not uncommon.

2) The physical cover of the second LCCASSOCK production staff office is that of a publishing firm with offices in West Berlin. At present, proceedings are under way to legally incorporate this publishing house. Funds for this venture are provided by a notional group in the United States (See Section 9b below for details of funding).

3) Distribution operations are run from a building and office completely separated from the facilities mentioned above.

4) All meetings between the field case officer and project personnel are held in a safe house so that the field case officer does not rely on "cover" for these meetings. The field case officer is known to the principal agent as a representative of the U. S. Government.

5) As additional protection, the principal agent maintains contact with friendly municipal and federal authorities in order to obtain advance knowledge of any possible investigations of the financial matters of the individual offices.

b. Knowledgeability

1) The principal agent and the security officer are aware that they are dealing with official representatives of the United States Government. It may be assumed that they presume that the organization involved is CIA. It is assumed that all other LCCASSOCK personnel are aware of United States Government interest in the LCCASSOCK organization.

2) Project LCCASSOCK has been revealed as a United States sponsored operation to key officials of the West German Government, including officials of the "Ministry for All-German Affairs" and the West German intelligence service. The LCCASSOCK organization was subsidized on an irregular basis by the Ministry for All-German Affairs from May 1950 to the summer of 1951. At that time the subsidy was put on a regular basis and provided for the production and distribution of 20,000 copies each of two falsified East German newspapers monthly. The principal agent's operation on behalf of the Ministry for All-German Affairs was suspended in May 1952 as a

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result of personality conflicts. The operation was resumed in May 1953 when the Federal Government supported the production of one regular issue per month but was again terminated in October 1953.

c. Operational Security

1) All meetings between Case Officer and project personnel are carried out in accordance with normal tradecraft practices.

2) Due to the amount of attention being shown by Communist authorities to Western psychological warfare activities, security consciousness in the LCCASSOCK group is maintained at a high level. Special instructions in operational security have been given to all key LCCASSOCK personnel.

3) Insofar as possible, compartmentation is maintained between the various LCCASSOCK offices and those few East German distributors used by LCCASSOCK.

4) The editorial offices are overt and contain no sensitive files or information, while the mailing and distribution office is covert and removed from the actual editorial offices. No East German distributors are aware of the existence or location of the LCCASSOCK mailing and distribution office. True ?

d. Risks

Because project LCCASSOCK produces and disseminates anti-Communist propaganda in East Germany, it is believed that the repercussions in the event of a compromise would not be very great, either in the United States or West Germany, particularly since key West German officials have been briefed regarding United States support for the project. The primary risk of embarrassment in this operation continues to be the ~~defection or~~ kidnapping of the principal agent or other key individuals in the organization.

e. Personnel Disposal

It is not believed that disposal of personnel will constitute an abnormal problem either during the life of the project or at the time of termination.

f. Disaster Plan

Transfer of individuals and the destruction of incriminating materials in the event of a hot war will take place in accordance with the German Station War Plan.

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7. COORDINATION

a. Relation to other projects

LCCASSOCK conducts a certain amount of liaison with Federal Government agencies and with other revealed PP operations in Berlin. All liaison and coordination between LCCASSOCK and other projects is monitored by the respective case officers.

b. Significance within over-all program in the area

Project LCCASSOCK constitutes a valuable PP asset in that it is the only Berlin based operation that does not depend on ballooning to achieve distribution, relying solely on mail, hand-sales, and hand-distribution. It promotes the spirit of resistance by providing highly specialized propaganda tailored to specific target groups and by following up reactions from individuals in these targets with direct letter correspondence to exert further influence, particularly on opinion leaders.

c. Extent of Coordination

- 1) Coordination with other government agencies is not anticipated.
- 2) This project has been coordinated with all appropriate staffs and divisions within CIA.
- 3) Coordination with West German "Ministry For All-German Affairs" on LCCASSOCK matters and general policy guidance is conducted by Berlin Base personnel on a day-to-day basis and by German Station personnel as required.

8. CONTROL

a. Nature of

Berlin Operations Base exercises direct control by means of full financial subsidy and by editorial guidance. Pre-publication editorial control is maintained on each issue of publication.

The principal agent is required to render on a monthly basis a complete accounting of all CIA funds used in the approved activities of the project.

b. Administrative Plan

The administrative plan was revised to permit funding as covered in Section 9e and 6a (2) and was approved on 12 July 1957.

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c. Reports

In addition to the normal progress reports, the principal agent is required to make monthly financial and operational reports and any other special reports requested by the field case officer.

9. BUDGET DATA

a. Total over-all funds required for Fiscal Year 1958:

\$ 100,000 (see attached financial breakdown)

b. Availability of Funds required:

LCCASSOCK was included in the amount of \$100,000 in the EE Operational Program for Fiscal Year 1958.

c. Non-CIA Funds

No non-CIA funds will be required.

d. Foreign Currency

Any funds that will be passed by the field case officer to the principal agent for approved activities will be in German Marks supplied by the German Station Finance Division to Berlin Operations Base. Other funds for approved activities will come to the Principal agent in the form of German Mark Drafts supplied through Monetary Branch of Finance Division.

e. Funding

Funds will be advanced to the project through the use of a cleared lawyer in the United States and a funding channel provided by Monetary Branch of Finance Division. (For details see Administrative Plan LCCASSOCK.) The project principal agent will provide monthly accountings to the field case officer showing how the money was utilized. Upon receipt of these accountings the Finance Officer of the German Station will write off the obligated funds as an expenditure. All funds will be accounted for in accordance with the Administrative Plan and appropriate CFR's.

f. Financial History

In February 1952 an arrangement between the HICOG Office of Public Affairs and CIA was effected on the basis of which a HICOG grant of \$100,000 per month was made available to CIA to finance the LCCASSOCK operation for a period of nine months beginning 1 April 1952. (The project is listed in HICOG files as Project CF-75 PUB)

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Contingency Fund.) Headquarters, on 19 December 1952, authorized the field to obligate up to \$E 1 of ZRCANDY funds (ECA counter-part funds turned over to CIA) to carry LCCASSOCK through the third quarter of FY 1953. On 2 April 1953 the field was authorized to spend up to \$E 1 ZRCANDY funds for the fourth quarter of FY 53. During FY 1954 the field was authorized to spend up to \$E 1 of ZRCANDY funds. During FY 1955 the project obligated CIA funds in the amount of \$E 1 out of an approved budget of \$E 1. During FY 1956 the project obligated CIA funds in the amount of \$E 1 out of an approved budget of \$E 1. During the FY 1957 CIA funds in the amount of \$E 1 out of an approved budget of \$E 1 were obligated.

g. Future Requirements

It is anticipated that funds of \$E 1 will be required for FY 1959.

10. SUPPORT DATA

a. Total CIA Personnel

Total CIA personnel necessary for the project will be one field and one headquarters case officer on a part-time basis. This personnel is presently available.

b. Training

No training requirement exists for CIA or agent personnel involved in project LCCASSOCK.

c. Material

NA

d. Communications

No additional communications facilities beyond those presently available to the CIA German Station will be required.

e. Other CIA Support

NA

f. Support from other United States Agencies

No support from other United States agencies will be required other than that which is presently available to the German Station.

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11. GENERAL CONSIDERATIONS

a. Current Status

Project LCCASSOCK has been operative as a CIA venture since February 1954. Although originally intended to produce falsifications, conditions in the area of operations has forced a realignment of production that resulted in a discontinuance of falsifications as the primary task and has resulted in the present setup of three distinct types of propaganda. Differences of opinion between the field and headquarters during the past year as to the value of certain of these propaganda items has resulted in a healthy review by field and headquarters alike of LCCASSOCK production. At the present time the review is continuing and although there may be a change in content or format of particular propaganda items there is no intent to change the basic propaganda approach of stratified propaganda aimed at specific target groups. During the 1956 calendar year LCCASSOCK produced and distributed an average of approximately 40,000 propaganda items per month.

b. Commitments

The principal agent has been promised assistance to himself and his family and to four members of his staff in the event of the necessity for evacuation.

c. Effectiveness

The effectiveness of the project has been demonstrated by distribution reports, letters from East German readers, special questionnaires issued to East German readers through normal distribution channels, analyses of refugee debriefing reports, and an analysis of counter-measures taken by East German security forces. These sources of information have shown that LCCASSOCK material has been distributed to the target groups at which they are aimed and that there is a demand for further editions of LCCASSOCK material. Reaction in the East German press and analysis of East German counter-measures indicate that the East German regime considers almost all of the LCCASSOCK material as detrimental for further development of the Communist East German State.

d. Anticipated Results

The efforts of the Principal agent and his staff are being directed toward continuing the improvement of content of each of the LCCASSOCK publications and the improvement and expansion of the mail distribution facilities used by LCCASSOCK. It is expected that the activities of this project in reaching an ever increasing number of East German readers will aid materially in the encouragement of popular East German resistance to the Communist Regime.

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e. Evaluation

See effectiveness above. Evaluation of propaganda content is made by the field case officer, German Station personnel, and Headquarters review of produced material. Consumer evaluation of the content is achieved as a by-product through the use of testing techniques developed to determine effectiveness of mailing operations. Evaluation of distribution facilities is accomplished through as many different techniques as is possible under existing conditions.

f. Policy Questions

NA

g. Congress

NA

h. Extra-Agency Action

NA

i. Proprietary Companies

NA

j. Special Considerations

NA

k. Liquidation

No special termination problems are anticipated.

l. FI Annex

NA

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LCCASSOCK Financial Breakdown (monthly)	U.S. Dollars
Printing	\$ 3,500
Fees, Pictures and Information	1,000
Salaries	4,000
Operating Expenses (Travel etc.)	500
Distribution	
Hand	300
Mail	1,200
Overhead	1,000
	<hr/>
	\$11,500