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LC Prowl - Handled by WMP - approved by MCV
Delivered to GPC (misc) SRB
on 24 Feb 54

MISSION:

- A. **OBJECTIVE:** To stimulate resistance to Communism among the youth of both East and West Germany and to build strong youth support for U. S. objectives in Germany.
- B. **TARGET :** Youth of East and West Germany.

ACTION: A newly organized West German youth organization, founded to fight Communism, was subsidized and developed by CIA. With CIA guidance and financial support, the organization expanded its overt membership to 7,000 members established active groups throughout West Germany for conducting political action and propaganda activities, and developed covert propaganda assets in East Germany.

Following the outbreak of the Korean war, at the request of the Defense Department CIA also organized and developed a clandestine paramilitary apparatus, separate from but affiliated with the youth organization, which was intended to engage in sabotage and other retardation activities in the event of Soviet military aggression against and occupation of West Germany.

RESULTS: During a two year period the overt youth organization proved a dynamic and effective CIA instrumentality for conducting mass West German propaganda programs against Communism and in support of European political and military integration, and the clandestine apparatus expanded rapidly. However, in 1952, following a CIA decision to terminate the clandestine apparatus as insecure and less necessary militarily, the paramilitary apparatus was investigated

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and exposed by German provincial authorities, who gained evidence of U. S. official sponsorship. Subsequently following German legal action against the German leaders of the apparatus and political exploitation of the episode by an important political party, the overt youth organization was largely discredited in the eyes of the German population. CIA support for the youth organization was subsequently terminated. CIA support for the paramilitary apparatus had been terminated previously. Following the exposure of the paramilitary apparatus and the attendant adverse political implications, CIA reassessed all German PP and PM operations, weeded out those that were potentially insecure, and tightened operational procedures.

ANALYSIS OF FAILURE: Failure in this instance was mainly due to poor compartmentation between the overt propaganda organization and the covert, and much more controversial, paramilitary apparatus. When the latter was publicly exposed as a result of a police penetration by a disgruntled ex-member of the apparatus, the overt organization was implicated. The exposure of the paramilitary apparatus was due, in turn, mainly to too rapid expansion and attendant poor planning in consequence of the sense of military urgency. The overt youth organization had also been too rapidly expanded ^P(in order to fill the West German anti-Communist propaganda void ^{and} with ^{provisions lead to} inadequate ^{cover}) for the introduction of CIA funds, [which engendered widespread suspicion of the organization and increased the adverse impact of the exposure of the apparatus.]