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13 March 1953

MEMORANDUM FOR:

SUBJECT : Current Status of the CADOST Complex

I. Present Status of the Organization: The purpose of this paper is to summarize recent developments in both the BDJ and the Apparat in order to present an accurate picture of the current organization and bring to light any residual problems.

A. Bund Deutscher Jugend. Following Paul Lueth's resignation as chairman of the BDJ in October 1952, it was decided to elect a completely new Central Committee (Vorstand). Herbert Roemer was chasen First Chairman, Wolfgang Knoll, Second Chairman, Detlev Schott, Third Chairman and Helmut Voight Fourth Chairman. Shortly after the selection of this new Executive body the Frankfurt police conducted an extensive raid on the BDJ headquarters in Speicherstrasse and confiscated the records and office equipment still remaining in that location. Immediately thereafter the Federal Executive of the Central Committee moved to Mainz in the Rhineland Palatinate, from where they announced they would continue operations. On 9 January 1953 the State Government of Hesse banned the BDJ on the grounds that it was intimately connected with a partisan organization in violation of the rules of international and therefore West German basic law. The states of Bremen, Hamburg, Nordahein and Westphalia followed suit Faced with continuing opposition on the part of the SPD and apathy from the Bonn General government, the new BDJ Central Committee dissolved itself. Roemer, the last Federal chairman, resigned his position BECLASSIFIED AND RELEASED BY

dissolved itself. Roemer, the last Federal chairman, resigned his posi BECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCES METHODS EXEMPTION 3822 Market Market Subjected to last the separated from the site of must be subjected to last the separated from the site of must be subjected to last the separated seview,

but announced that he would continue to cooperate with residual BDJ organizations.

Prior to the dissolution of the Central Committee, the Bavarian State BDJ organization announced that it had severed all ties with the national group but would continue its activities under state chairman Helmut Winter. In the Rhineland Palatinate, the former BDJ members resolved to set up a new organization with a new name and revised program. They expressed their intention to cooperate with all democratic parties. The announced Arbeitsgemeinschaft of the BDJ, the apparent successor of the Vorstand, announced on 12 February 1953 in Bonn, apparently has not come to fruition.

PP support of the BDJ ended on 29 December 1952 when Wolfgang Knoll, on behalf of the Central Committee, signed a formal quit claim which is now on file here.

- B. The Apparat. The Technische Dienst, or Apparat Headquarters staff, has been effectively dissolved but there is no evidence here to indicate that the various state organizations have either voluntarily or as a matter of course dissolved themselves. There is no overt indication that the Apparat is continuing.
- C. The Court Trial. Following the BDJ ban in Hesse, Paul Lueth,
 Erhardt Peters, Norbert Hammacher, Heinz Schipplack and Gerhard Bischoff
 were charged with membership in an unconstitutional organization which had
 as its goal the commission of punishable acts. PP spokesmen were assured
 by the Federal Prosecutor that the case would be withdrawn from the Hessen
 courts by 27 February 1953 and would subsequently be *quashed for lack

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of evidence. As far as can be determined here, the case has been withdrawn from the Hessen jurisdiction since Hesse Minister President August Zinn on 7 March 1953 postponed a speech on the BDJ pending thin investigation of Federal Minister Lehr regarding a ban of the BDJ in the Federal Republic. Lehr has requested all states which banned the BDJ to furnish him with the evidence utilized in each state ban. In the interim Zinn has produced a so-called grey book on the "BDJ and its Technische Dienst" which was distributed only to the various state minister of interior and the Federal Minister of Interior. So far as can be determined here the SPD white book on the BDJ has not yet been published although FritzHeine, SPD press chief, prevued the book for PP representatives on 12 February 1953.

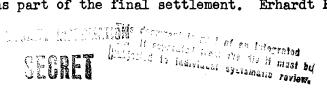
II. Disposition of PP Assets:

A. <u>BDJ</u>: A great deal of the BDJ's office equipment in Frankfurt was confiscated by the police there. The remainder was sold upon the authorization of the German Mission acting through the case officer,

J, in order to meet salary obligations, final termination payments and current expenses during the months of December 1952 and January 1953.

Considerations of security and continuity also weighed heavily in PP's decision to permit the existing organizations to retain PP-owned physical assets. It was feared that a sudden withdrawal of this equipment might lead to further compromise of PP interest in the BDJ.

B. Apparat: The PP-owned physical assets used by the Apparat were, with the exception of [], mixtex
turned over to the agents as part of the final settlement. Erhardt Peters



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SECURITY INFORMATION

valued at DM 30,000 received the house at Waldmittelbach, which was owned only partially by PP. Kleff, Rademacher and Rietdorf shared in the proceeds from the sale of the furniture used in the Waldmittelbach house and the office three Apparat equipment used at Neu Isenberg. Of the frame vehicles one unserviceable auto webside was returned to PP, one was sold illegally by a member of the Apparat, and one was sold and the proceeds also devided among Rietdorff Kleff and Rademacher.

III. Disposition of agents:

A. BDJ employees: The four BDJ agents mentioned above presently involved in the federal inquiry may pose some sort of termination problem. Probably Schipplack, Bischoff and Knoll will be satisfied with a cash payment and resettlement in Germany on the German economy. In the opinion of the field case officer, Paul Lueth definitely represents a disposal problem since he has stated his intention to continue in the fight against Bolshevism and the SPD. The possibility of emigration to the U.S. has been discussed with Lueth by both □ and the present case officer, lueth would prefer to remain in Germany but has expressed 二 willingness to come to the U.S. if necessary. The present case officer believes the extent of Lueth's knowledge combined with his reputation as an American agent make it expedient that he be removed from Germany as soon as possible. the fits it must bu Linear Systematic Teviery

Apparat Agents.

Fourteen of the incarcerated Apparat agents received a total of DM 8100 as a final settlement. Ten quit claims have been received from sensitive agents. Eight others are still outstanding. Richard Topp,

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Apparat leader for Schleswig Holstein, was the spokesman for this dissident group. Subsequently Topp attempted to obtain DM 21,000 as a settlement.

Following two letters which he had addressed to General Truscott, Topp was summoned to Frankfurt, where he was severely reprimanded but permitted a cash settlement of DM 260 for legitimate expenses. In the letters to Truscott, Topp expressed a desire to continue the work of the Hamburg section of the Apparat and advanced several new proposals looking toward that end. In view of his record as an extreme right-winger, it is believed that he may continue such activities on his own initiative. Erhardt Peters, former chief of the Apparat, now the owner of a cosmetics firm in Coburg, has expressed the desire to return to his business as soon as possible.

Apparently he will pose no further settlement problem. The possibility that other Apparat or BDJ agents will make attempts to extort further sums from HICOG or the German Mission cannot be discounted.

At least two of the incarcerated agents, Otto Rietdorf, whoses family is residing in the East Zone of Germany, and Friedrich Kleff, whose family resides in and about New York City, have expressed a specific desire to emigrate to the U.S. Efforts have been made by the German Mission to assure that these men will not face discrimination because of their roles as faithful members of the Apparat.

No final word regarding Edelwald Huettl, former Bavarian state leader of the Apparat, has been received. Since Huettle is, however, a prominent leader in the Bavarian BHE and has many excellent political connections, it is not believed that he will be a disposal problem or would further compromise PP interest since such action would be adverse to his own political welfare.

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IV. Future of the Complex.

B. The Apparat. Doubtless men such as Topp will continue some sort of para-military program on their own initiative. From the information available here, it is possible to evaluate the remaining state leaders from the viewpoint of motivation and their desire to continue "the active struggle against Bolshevism." Isolated units of the Apparat doubtless will maintain their structure and may cast about for any sponsors or form alliances with secret right-wing groups.

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