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Security Information

23 December 1952

LEP Row L

MEMORANDUM FOR: DEPUTY DIRECTOR (PLANS)

SUBJECT: , Disciplinary Action

REFERENCE: Memorandum for DD/P from Chief, I&R, dated
17 December 1952, Subject: Bund Deutscher
Jugend Apparat Project

1. As chief of the Frankfurt PP sub-station, was primarily responsible for the Bund Deutscher Jugend Apparat project from the time of its inception in August 1950 until its transfer to the Paramilitary staff in Frankfurt in April 1952.

2. During this period the project was so poorly developed, run and guided that an assessment of the operation by the paramilitary section in April 1952 resulted in no alternative but to liquidate the entire effort. The field case officer was directly responsible for many of the project deficiencies. However, a general lack of supervision over the entire project and the absence of firm guidance over the activities of the case officer by contributed substantially to the collapse of the project.

3. Specifically demonstrated lack of appreciation of security practices by ordering , a "deep cover" agent, to attend weekly staff meetings in the Frankfurt PP sub-station, by employing 's wife at the Frankfurt PP sub-station, and by approving the cash purchase by , a young "antique dealer", of a house and car. was derelict in his supervisory duties in failing to ensure that adequate cover was established for the training site and for the indigenous personnel in the project, and for failing to see that the cover corporation which he requested be approved by headquarters was established on a sound and workable basis. He also failed to require sufficiently detailed operational reports from the case officer to provide himself with a realistic inventory of the assets being developed or to point up mistakes being made in the development of the project.

4. forwarded inadequate and sometimes vague reports to headquarters with respect to the organization and strength of the Apparat. By interlinking projects under his control and by assigning leading members of the Apparat to other projects he unnecessarily compromised or jeopardized the security of many independent activities. By failing to separate effectively the

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overt and covert phases of the BDJ organization, [] increased the security risks to both and necessitated withdrawal of U.S. support from the overt political organization when the covert paramilitary effort collapsed.

5. [] also displayed poor judgment by ordering [] to send leaders of this clandestine paramilitary staybehind organization to Berlin in an attempt to liberate one FLADA, a German Catholic youth, from an East Zone prison. On another occasion he apparently used these individuals for running a surveillance on one GREISMAYER, who had been suspected of instigating a tax investigation on the BDJ. Other incidents reflect []'s failure to appreciate the need for security in covert operations. The principal agent of the BDJ, Paul LUETH, was chosen for a sensitive position, in which he had full knowledge of the Apparat, in spite of his previous connections with the Communist Party. A recent dispatch from the field reports that German Intelligence files revealed in 1950 that the high esteem which LUETH has "for writers who are well known for representing and spreading communist ideologies leads one to the conclusion that LUETH has the same, at least a very leftish political attitude." (EGQA 4902/b). In spite of this, and of newspaper articles on Apparat activities, arrests in June 1951 of twenty (20) East Zone members of the Apparat by the East Zone police, and other incidents, [] as late as May 1952, "emphatically rejected" a headquarters proposal for a CE check of the BDJ. A recent report indicates that the chief of the Hesse branch of the BDJ has been discovered to be a Communist agent.

6. Certain mitigating factors exist with respect to []'s poor performance in supervising the Apparat project. [] had been assigned to conduct political-psychological activities. The paramilitary organization was assigned to him over his objections. He was also directly responsible for a great many (approximately 25) projects and could not devote adequate time to details of these operations. He was not informed by headquarters of []'s poor record with the Far East Division nor of the derogatory statements made in five (5) of his training reports. On the contrary, [] accepted []'s characterization of himself as an experienced officer, having five years with the Agency and experience in clandestine work in the Far East. [] also failed to receive the detailed guidance from headquarters which he might reasonably have expected.

CONCLUSIONS

1. [] failed to supervise and control the Bund Deutscher Jugend Apparat project for which he was responsible to the extent of culpable negligence. In addition he directly violated and tolerated violation of generally accepted security practices.

2. Certain mitigating circumstances justify less severe disciplinary measures than would otherwise be called for.

RECOMMENDATIONS

It is recommended that:

1. [] be reduced in grade and pay from GS-14 to GS-13 and made ineligible for an increase in grade or pay for a period of eighteen months.

2. [] be reprimanded in writing for his failure properly to supervise the Bund Deutscher Jugend Apparat project and that his reprimand be made a part of his personnel record.

[]
Chief, Inspection and Review

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MAY 1959
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