

OFFICIAL DISPATCH

VIA: AIR #891
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DISPATCH NO. OFPA- 5251

CLASSIFICATION

FEB 5 1954

TO Chief, SE thru Chief, WE
DATE:
FROM Chief of Station, KUPIRE [initials]
INFO: WE
SUBJECT: GENERAL SHEKEL
SPECIFIC SHEKEL Exploitation of Allied Support

Reference: OFPW-2805, 28 January 1954

1. The danger of SHEKEL exploitation of Allied support for political ends is indeed a factor to be considered in our use of SHEKEL agents, and we concur fully with para 4 of reference dispatch. From the beginning it was pointed out to FALLIBLE and the SHEKEL Committee that our operational activities with them in no way reflected Allied support or sanction of their organization, and if they attempted to make political ammunition of this collaboration, it would cease immediately.

2. Prior to the Bucharest trials there was practically no evidence of bad faith in this respect on the part of the SHEKEL Group and they constantly maintained that only FALLIBLE and the SHEKEL Committee were aware of our joint activities. Although we were hesitant to believe that at the time, we are now inclined to believe that our collaboration was known to a very restricted group of the agents themselves and the Committee. This conclusion was reached because of the nearly universal surprise in the SHEKEL rank and file when the Bucharest radio informed them that the SHEKELs were working with the Allies, and, later, the written results of the trials could leave no doubt of it. At least in Paris we have learned through independent sources that the local SHEKELs were as surprised as our independent sources at this fact.

3. Although FALLIBLE alleges to exercise a dictatorial control over his followers, we are convinced that he does have difficulty with some of the more hotheaded of his followers such as Vasile MAILAT (see reference). It is not known how soon after the trials were made public that FALLIBLE issued orders (if he did so) to his followers in Germany and Austria not to attempt to exploit the information. FALLIBLE has also admitted to us that it was only when the rank and file SHEKELs became aware of our joint operations that dissention began to grow because SHEKEL had not received official Allied recognition and FALLIBLE himself was alleged to have been at fault for not insisting on this prior to dispatching agents.

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5 February 1954

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4. We believe that FALLIBLE and the Committee are still abiding by their agreement not to exploit the Allied support for political purposes since a change of this agreement was one of the main points of his discussions while in Paris. Although the discussions in Paris were abruptly terminated before any decision had been reached, FALLIBLE realizes he has nothing to gain by breaking the agreement since he still hopes that we will change our minds on the subject, at least to some extent. FAJO still remains the only channel through which FALLIBLE and his organization can gain access to "respectability."

5. Although we grant that when any member of SHEKEL vaunts of its connection with the Allies, whether he made his deductions from radio and press reports, or whether he was informed of this collaboration by the SHEKEL Committee, the results are equally bad. We believe, however, that since attempts to exploit this collaboration have come to our attention only since the trials, it is indicative that the SHEKEL security has been better than we imagined it. We trust the SHEKEL Committee will be able to keep their followers in line and we will emphasize this point at our next meeting.

6. A detailed report on FALLIBLE's trip to Paris is presently being typed.

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