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Reinhard Gehlen and the United States

Timothy Naftali

THERE COULD BE NO MORE AMERICAN an event. It was the sixth and final game of the 1951 World Series. The New York Yankees, who came into this game leading the Giants three games to two, would ultimately win the championship, 4-3. Years later, sports fans would refer to 1951 as "the season of changes." This was the year that Joe DiMaggio, the Yankee Clipper, decided to retire. And it was also the season that introduced a new generation of ballplayers led by future hall-of-famers Mickey Mantle and Willie Mays.

There were 61,000 individual stories in the stands that day. Most of the men were World War II veterans. The women cheering alongside them might well have worked in a factory to keep the bombers flying and the ammunition dumps overseas filled. Some had lost loved ones in the war; indeed, there was probably no one at the game who did not know a family who had experienced a death. All were grateful that the war was over and that they were now sharing some peacetime prosperity.

Not everyone who saw DiMaggio play his last game had fought on the same side in the Second World War. Wearing tinted glasses and feeling somewhat uncomfortable at his first baseball game was a trim, well-dressed, middle-aged man of average height sitting with a group of similarly well-dressed middle-aged men. His visa indicated that he was a German businessman who specialized in international patent issues. What it did not say was that seven years earlier, Adolf Hitler had promoted this man to generalmajor (brigadier general) for his intelligence work on the eastern front. His documents also did not record that he was in the United States as the guest of the CIA, which for over two years had been subsidizing him in the expectation that he would one day become the first chief of a centralized West German intelligence service.

Reinhard Gehlen would never again be as anonymous as he was at Yankee Stadium in October 1951. The next year, his name began appearing in some Western newspaper accounts, which revealed his ties to U.S. intelligence and his ambitions for the future.¹ These first Western reports were merely the prelude to a massive Soviet propaganda campaign that would make Gehlen the poster

child of an alleged postwar alliance between the NATO powers and the military leadership of the collapsed Third Reich. Even after his retirement from West German intelligence in 1968, Gehlen continued to inspire some fascination as Europe's greatest mystery man of the postwar period. To this day, his name is linked with neo-Fascist movements, Nazi war criminals, and even the KGB.

Beginning with those newspaper reports in the 1950s, there has been no lack of information about Gehlen in the public domain. In the 1970s, these reports were supplemented by books and a memoir by Gehlen himself.² Over a decade ago, researcher Mary Ellen Reese used materials declassified under the Freedom of Information Act and some expert interviewing to paint the first detailed picture of how Gehlen came to be employed by the United States, as well as why and under what circumstances Washington decided to reconstitute German intelligence using veterans of the Nazi era. Reese did a superb job, but there were serious gaps in the information she received.³ Recently, Gehlen's CIA case officer, James Critchfield, published his memoirs of the eight years he worked with the German spymaster.⁴ That book offered a very personal look at the development of the relationship between Reinhard Gehlen and the United States, but important questions remained unanswered.

Materials released by the CIA and the Defense Department under the Nazi War Crimes Disclosure Act of 1998 permit a thorough analysis of the origins, implications, and results of the U.S. government's postwar sponsorship of Reinhard Gehlen and of the organization that became the Bundesnachrichtendienst (BND), the West German Secret Service, in 1956. Four broad conclusions emerge from the thousands of pages of new documentation, which will be explored in this chapter. First, despite being the principal source of funding for Gehlen's activities for close to eleven years, the U.S. government never achieved the control over Gehlen's operations that it had expected, sought, or should have had. Second, Reinhard Gehlen often acted in bad faith in his dealings with the United States. He deceived a generation of U.S. intelligence officers about the details of his operations and violated the basic agreements that were designed to undergird the system of cooperation. Third, a substantial number of former members of SD Foreign Intelligence, the Gestapo, and the Waffen-SS were recruited into the organization when it was being funded by the U.S. government. Gehlen's recruitment of these individuals was not done at the behest of the U.S. government; however, after Washington learned about Gehlen's use of war criminals, it opted to do nothing about it. Finally, the CIA did not hold Gehlen and his organization in high regard as intelligence assets. The Agency's major goals in the Gehlen affair were to facilitate U.S. penetration of a future West German intelligence community and to ensure that neither Gehlen nor any of his subordinates turned their highly nationalistic and secret organization against the West.

Gehlen's recruitment of SD and Gestapo officers is a particular focus of this chapter. From the U.S. Army's sponsorship of Gehlen in July 1945 through the

end of CIA supervision in April 1950 (when it was turned over to the BND), war criminals were employed by the U.S. government in a way that was unprecedented. The Gehlen Organization was known to have recruited a great many more war criminals than the U.S. Army's Simpson, who successfully ferreted out a few who received U.S. sponsorship, was probably more—of his first staff. But it has never been clear whether the Gehlen Organization numbering four thousand was a source of malevolent precision was the extent of U.S. knowledge.

Newly released information from the CIA and the Defense Department assess the extent of Gehlen's recruitment. It turns out that it was widespread and agents had served with the SD in Germany. The percentage of the Gehlen Organization that were war criminals was probably significantly higher.⁶ Although the percentage of the Gehlen Organization that were war criminals was the worst atrocities committed by the Nazis in postwar positions of authority. In the new materials also paint a compelling picture of the moral and security issues surrounding the U.S. occupation of Germany.

Gehlen and German Military Intelligence

Reinhard Gehlen was a professional soldier who had been commissioned in the small army of the Weimar Republic in World War I. He served as a colonel in the German Army's General Staff just before the war and, after the war, it seemed, with the knowledge of the chief of the Fremde Heere Ost (FHO), the German analysis unit that studied the Soviet Union, that he would hire in the early postwar period as an analyst with no operational authority. With the dissolution of the Abwehr, the intelligence service he had collected by the Abwehr, the intelligence service he had time acquired direct responsibility for.

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end of CIA supervision in April 1956 (when Gehlen's organization was brought into the open as the BND), war criminals on Gehlen's payroll were technically employed by the U.S. government. Since the Heinz Felfe scandal of 1963—in which a former SD officer turned out to be a KGB mole in the BND—the Gehlen Organization was known to include at least a handful of former SD and Gestapo officers, and over the years it has been suspected that there were a great many more war criminals associated with this operation. Christopher Simpson, who successfully ferreted out the stories of several Nazi war criminals who received U.S. sponsorship, wrote in 1988 that “at least a half dozen—and probably more—of his first staff of fifty officers were former SS or SD men.”⁵ But it has never been clear whether these were isolated cases. With the Gehlen Organization numbering four thousand people at its height during the period of U.S. sponsorship, it seemed an open question whether these few bad apples constituted a source of malevolent influence, a systemic problem, or were simply the result of a few stupid decisions in the field. Equally unknown with any precision was the extent of U.S. knowledge of these recruits.

Newly released information from the CIA and the Army make it possible to assess the extent of Gehlen's recruitment of former officers of the SD and Gestapo. It turns out that it was widespread. At least one hundred of Gehlen's officers and agents had served with the SD or the Gestapo, and the number may in fact be significantly higher.⁶ Although these recruits did not represent a significant percentage of the Gehlen Organization, some of those hired had participated in the worst atrocities committed by the Nazi regime, and a couple of them reached postwar positions of authority. In addition, the evidence strongly suggests that Reinhard Gehlen himself knew the background of many of these recruits. The new materials also paint a complex picture of U.S. neglect and acquiescence, raising questions about the U.S. Army's and then the CIA's handling of the moral and security issues surrounding this experiment in institution-building in occupied Germany.

Gehlen and German Military Intelligence

Reinhard Gehlen was a professional military officer, who, in the 1920s, was commissioned in the small army permitted Germany by the Versailles powers after World War I. He served as a company commander and then joined the German Army's General Staff just before the outbreak of World War II. Excelling at staff work and endowed, it seemed, with inexhaustible energy, Gehlen rose to become chief of the Fremde Heere Ost (FHO), or Foreign Armies—East, a research and analysis unit that studied the Soviet armed forces. Unlike some of the men whom he would hire in the early postwar period, Gehlen was largely a manager and analyst with no operational authority. The FHO wrote reports using intelligence collected by the Abwehr, the intelligence service of the German armed forces. With the dissolution of the Abwehr in mid-1944, however, the FHO for the first time acquired direct responsibility for intelligence gathering on the eastern front.

Gehlen was promoted to generalmajor later that year, but his service as a general in the Third Reich did not last long. In April 1945, he was fired for exhibiting a defeatist attitude.⁷

Despite Reinhard Gehlen's meteoric rise in the German General Staff and his reputation for knowledge about the Soviet armed forces, it would take a remarkable series of events to explain how the U.S. government ever came to repose any confidence in him. Arguably, at the end of World War II, senior officials in the Allied intelligence community knew more about the personalities and capabilities of Nazi intelligence than any combatant has ever known about an enemy in the history of warfare. Thanks to the weakness of German communications security and the ingenuity of British code breakers, by 1944 the Allies were reading thousands of German intelligence messages a week, primarily the communications of the Abwehr. This intelligence triumph, commonly known as Ultra, set up the possibility of identifying, capturing, and subsequently turning into double agents most of Germany's spies in areas under Allied control.⁸ By the end of the war, the Allies determined that they had controlled all but three of the principal spies reporting to German military intelligence.⁹ With most of German intelligence under Allied control, the Nazis fell prey to deliberate military deception on both the eastern and western fronts.

Postwar analyses of captured German records confirm that Gehlen's FHO performed only marginally better than the average German intelligence unit in World War II. Its reports on the strength and composition of Soviet forces—so-called order of battle information—was quite good; what Gehlen and the FHO lacked was strategic imagination. FHO analyses of Soviet intentions, for example, showed a tendency to believe in German superiority. In his assessments of the battle of Stalingrad, Gehlen guessed wrong about the line of attack that the Soviets would take, consequently underestimating the precariousness of the position of the German 6th Army. In 1944, he predicted "a calm summer" because he believed the Soviets lacked the tactical ability to attack the two largest German army groups in the center and the north of the front. Yet on June 22, 1944, the Soviets launched their largest offensive of the war.¹⁰

To understand how the U.S. government found itself in the position of championing the cause of a barely mediocre intelligence chief and his second-rate intelligence service, one must look at the politics of U.S. intelligence as World War II ended. From the moment the last shot was fired, the U.S. military and the Office of Strategic Services (OSS) entered into a competition for authority in occupied Germany that the OSS and its successor organization, the Strategic Services Unit (SSU), lost.¹¹ Until 1949, the U.S. Army was solely responsible for administering the American occupation zone. Accordingly, the military determined the operating conditions for rival intelligence services, favoring its own G-2 and Counterintelligence Corps (CIC). The SSU, which retained a corps of officers who had participated in the fabulously successful Anglo-American wartime counterespionage campaign, was denied a significant operational role.

Decisions about the nature and shape made by newly deployed U.S. military Ultra and had no idea how incorrect World War II. As a result, they were more respect than their wartime re-

Combined with this misperception was a real ignorance about Soviet intelligence—the OSS as much as the Army and Navy—had very little information policy, enforced with conviction from the Soviets during World War II by the breakers of the U.S. Army had cited they had little to show for their effort itself up in knots over whether to counterintelligence service, X-2, for collection project at the insistence

When veterans of the Allied counterintelligence tried their way into the CIA after 1947, counterintelligence trying to revive the woeful German counterintelligence these professionals would try futile experiment. It was bad enough operational security or reports as briefed about the weaknesses of his how bad German intelligence had problems of operations and operations

Gehlen and Major Boker

At some point in early 1945, Gehlen He directed his staff to prepare eight them to various secret depots in Soviet did so with the express purpose of preparing in the inevitable war against the Soviet that he, as a German nationalist, was Staff. Gehlen was captured by the Army Group Interrogation Center

A month later, Captain John interrogator in the U.S. Army, was the European war had been won the United States and the Soviet then protecting a group of German photographs of Soviet strategic inhibited by matters of rank, he seemed was not to waste the intelligence p

something about the Soviet Union. "Now was the ideal time to gain intelligence of the Soviet Union if we were ever going to get it," he later recalled.¹⁴ Nosing around the camp for Soviet experts, Boker made a point of interviewing Gehlen, who was known in the camp to have been the head of the German military intelligence service that dealt with the Soviets.

Gehlen warmed to the American, who apparently wasted no time in sharing with the German general his own belief that a clash with the Soviet Union was inevitable.¹⁵ Gehlen revealed to Boker that he had placed key FHO files in safekeeping with the goal of eventually transferring them to the conquering Americans. Having already successfully schemed to protect the documents of the German air force intelligence officers, Boker knew exactly what to do. He told Gehlen to say nothing more to anyone else about the documents while he sought support from a higher authority to find Gehlen's former assistants and reconstitute the FHO's files.

The chief of the USFET (U.S. Forces European Theater) intelligence center at Wiesbaden, Colonel W. R. Philp, was as important as Boker in the initial creation of a relationship between Gehlen and the U.S. government. Philp had supported Boker's work with the German airmen, and he understood that Gehlen might be an even more productive source. To prevent the Soviets or the British from asking after Gehlen, Philp removed Gehlen's name from the list of POWs in U.S. custody. He also permitted Boker to track down Gehlen's key associates outside the regular channels for locating POWs. Sometime in the summer of 1945, Boker and three American colleagues moved into a separate house in Wiesbaden, where Gehlen was also permitted by Philp's order.¹⁶

By mid-July, Boker and his team had recovered seven of the eight batches of documents hidden by Gehlen's people.¹⁷ In the same period, they were able to locate and bring to Wiesbaden all of Gehlen's key members and staff. Even at this time, Boker and Gehlen were discussing a much broader operation. Gehlen told Boker that he had been able to establish contact with Oberstleutnant Hermann Baun, who ran the intelligence networks on the eastern front (known as Walli) that had fed reports to FHO during the war.¹⁸

Boker and Philp sold the idea to the U.S. Army that Gehlen and his former staff could write useful historical studies for the U.S. Army, so in August 1945, Gehlen and his associates were flown to the United States along with many of their documents to work with a Pentagon team that was writing a history of the Soviet-German war.¹⁹ Baun stayed behind in Germany. The U.S. military intelligence chiefs intended to use him to see what could be recovered of the Walli wartime intelligence networks.

This effort by a group of determined U.S. Army officers in Wiesbaden initially escaped the notice of the OSS and the SSU. In October 1945, however, the team working with Baun approached the chief of the SSU's German mission, requesting advice on improving the security of this new operation.²⁰ Astonished by the U.S. Army's audacious quest to reconstitute the German intelligence

service's lines into the East, and the SSU viewed the Army's operation

Concern in the field about this OSS. The Army's own counterintelligence was briefed about Boker and Philp's agents carrying U.S. documents to the CIC—whose job it was to arrest them to let these men go free because of

Rusty

Gehlen returned to U.S.-occupied Germany to reconstitute the FHO, including the Walli networks together.²² From the moment Gehlen's Army was his principal sponsor. The code name "Rusty" and grew from remnants of the Walli networks to agents.²³ Rusty's operations, which spilled out from the eastern zone to occupied Austria, Italy, and Soviet

Newly released documents showed exponential growth in Rusty's activities. Officers assigned to monitor the activities, such as it was, in the field and financial transfers to Gehlen. Chocolate, women's cosmetics, gas, and a market for additional operational funds were traded at a profit for the still-used money.²⁶

What did the United States consider the Gehlen Organization? It was a stopgap measure for a U.S. intelligence force that was untrained and understaffed. Gehlen's Soviet armed forces in what would be the Kremlin or the Soviet military but effective techniques to build up the network loitered along key rail lines, watching the serial numbers of equipment. Uniforms also gave away the force of these, too, were added to the German speakers or people with the U.S. Army could not replicate at his fingertips.²⁸

the ideal time to gain intelligence on it," he later recalled.¹⁴ Nosing out a point of interviewing Gehlen, the head of the German military

not only wasted no time in sharing the cash with the Soviet Union but also had placed key FHO files in their hands, bringing them to the conquering Americans to protect the documents of the FHO. He knew exactly what to do. He talked about the documents while he was with Gehlen's former assistants and

the Theater) intelligence center at Wiesbaden. As Boker in the initial creation of the organization, Philp had supported the idea. He understood that Gehlen might be able to get the Soviets or the British from the list of POWs in U.S. hands. Gehlen's key associates outside Germany came to him in the summer of 1945, and he had a separate house in Wiesbaden,¹⁶

and seven of the eight batches of the same period, they were able to get the members and staff. Even at this early stage of the operation. Gehlen told the U.S. Army with Oberstleutnant Hermann Gerdorf (known as Walli)

by that Gehlen and his former U.S. Army, so in August 1945, the U.S. Army along with many of the officers that was writing a history of the German military. The U.S. military could be recovered of the Walli

officers in Wiesbaden initially. In October 1945, however, the U.S. Army of the SSU's German mission, a new operation.²⁰ Astonished to see the German intelligence

service's lines into the East, and miffed at not having been told before, the local SSU viewed the Army's operation warily.

Concern in the field about this operation extended beyond the veterans of the OSS. The Army's own counterintelligence service, the CIC, had also not been briefed about Boker and Philp's project. Increasingly, former Nazi intelligence agents carrying U.S. documents were caught by the CIC. In each case, the CIC—whose job it was to arrest former German intelligence officers—were told to let these men go free because they were working for the United States.²¹

Rusty

Gehlen returned to U.S.-occupied Germany in July 1946 with authorization to reconstitute the FHO, including the Walli networks that Baun had been pulling together.²² From the moment Gehlen returned through July 1, 1949, the U.S. Army was his principal sponsor. In this period, the Gehlen project acquired the code name "Rusty" and grew from a few hundred veterans of the FHO and the remnants of the Walli networks to encompass about four thousand officers and agents.²³ Rusty's operations, which Baun continued to supervise for Gehlen, also spilled out from the eastern zone of Germany to the French zone of occupation, to occupied Austria, Italy, and Soviet-controlled Poland and Romania.²⁴

Newly released documents from this period indicate that, despite the exponential growth in Rusty's activities and payroll, the number of U.S. Army officers assigned to monitor the organization remained at two.²⁵ United States supervision, such as it was, in effect meant U.S. control over the logistical and financial transfers to Gehlen. His U.S. minders took care that he had the chocolate, women's cosmetics, gas, and cigarettes needed to barter on the black market for additional operational money and the U.S. dollars that would also be traded at a profit for the still-used Reichsmark. As for operational control, there was none.²⁶

What did the United States get in return? The U.S. Army in Germany considered the Gehlen Organization their "most dependable and prolific source of information on Russian military intentions and strength."²⁷ These Germans were a stopgap measure for a U.S. military intelligence system that was poorly trained and understaffed. Gehlen offered continuous tactical coverage of the Soviet armed forces in what would become East Germany. Lacking any agents in the Kremlin or the Soviet military headquarters, Gehlen relied on mundane but effective techniques to build a picture of the enemy's force. Gehlen agents loitered along key rail lines, watching for the movements of Soviet troops and noting the serial numbers of equipment and weapons. The patches on Soviet uniforms also gave away the formations that were in the area. Descriptions of these, too, were added to the mosaic until a pattern emerged. Having few German speakers or people with deep knowledge of German cities and towns, the U.S. Army could not replicate the tactical team that Gehlen appeared to have at his fingertips.²⁸

Besides this basic information on Soviet deployments in eastern Germany, the Gehlen Organization made itself useful by providing coverage of Soviet radio communications, especially transmissions of the Soviet air force. In the difficult fiscal climate of the early postwar period, the U.S. military had limited resources to mount a signal intelligence campaign against the Soviets. The U.S. Army, for example, would not establish a radio listening station of its own in West Germany until the mid-1950s. Until that time, the U.S. Army relied on the British for high-level cryptographic work and on Rusty for the day-to-day listening on radio frequencies used by Soviet pilots, tankers, and grunts. The latter traffic was lightly encoded if at all, but in the event of a major offensive careful listening might pick up hints of what was to come.²⁹

This arrangement suited Gehlen very well. The Army increased its demand for reports from the Germans and left Gehlen alone to expand and recruit as he saw fit.³⁰ Although Gehlen's principal minders in the U.S. Army asked him whether he had any war criminals at headquarters, they did not require that he submit biographical data on his field personnel and the agents they recruited. Gehlen refused to volunteer the real names of his employees, and he had them register for U.S. gas coupons and food rations under assumed names.³¹

Under these lax conditions, Gehlen was able to employ a sizeable number of Nazi war criminals without U.S. interference. He hired much of the SD's Balkan network, including the leadership of the Iron Guard, the Romanian Fascists whom the SD had protected in exile. The leader of these Balkan operations (which carried the code name "General Agency 13") in the Gehlen Organization was Otto von Bolschwing, who would later become a notorious employee of the CIA after Gehlen dropped him for incompetence.³² Bolschwing was himself a war criminal, having served in the SD's anti-Jewish office with Adolf Eichmann in the 1930s and as an SD advisor in Bucharest during the anti-Jewish pogroms of 1941. Among Bolschwing's agents when he worked for Gehlen was Horia Sima, the former chief of the Iron Guard who had inspired the anti-Jewish pogrom, and former SS Romanian experts Kurt Auner, Ernst Schlandt, and Joachim Vacarescu.³³

Gehlen also turned to SD and Gestapo officers to create a counterintelligence service, headquartered in Karlsruhe. Newly released CIA materials confirm that there were at least eleven former SD or Gestapo men who worked for this section, known initially as "Dienststelle [substation] 114," then as GV-L.³⁴ For example, Herbert Boehrsch, whom Gehlen used as a contact to German-speaking expatriates from the Sudetenland, had been with the SD in Prague; Walter Otten had been an SS-Sturmabführer working in the SD office in Bremen; and Otto Somann, with the exalted rank of SS-Oberführer, had served as Inspekteur of the SD and Sicherheitspolizei (Sipo) office in Wiesbaden before being seconded to the Gestapo. Personal participation in wartime atrocities might have been difficult to prove for some of these men, though they all belonged to criminal organizations. But the criminal behavior of Emil Augsburg, who joined GV-L in October 1948

(when it still had the cover name) who fancied himself an expert on Sipo unit for "*spezielle Aufgaben*" (western USSR in 1941. *Spezielle* teams that killed Jews and suspects

Remarkably, the more criminal Romanian operation nor in GV-) an office that organized penetrations material reveals that a number of worked for Gehlen in Dienststelle a deputy to SS-Brigadeführer Will the occupied Netherlands.³⁶ Dept of over 100,000 Dutch Jews to be responsible for executing Soviet p The chief of Dienststelle 12's Berlin who had been a Gestapo officer in office was Obersturmbannführer F in Rome before the German invasion Hauptsturmführer who served in the SS Totenkopf (Death's Head) regiment unit in the Baltics.³⁸

The man with the most blood was perhaps Konrad Fiebig, who Einsatzgruppe B in the Belorussian deaths of 11,000 Jews.³⁹ Before entering in the Sondergericht judicial system enemies. Despite his past, Fiebig was and worked for West German intelligence the only Einsatzkommando veteran been in Einsatzgruppe D in 1942. scheme for sabotage and assassinations of political commissars in Russian veteran of an Einsatzkommando, was the Race and Settlement Office in for recycling the clothing and other camps. Doloezalek was a case office to be placed on a Gehlen emergency been with the Gestapo in Cracow and

It is impossible to know whether the Federal Republic of Germany was aware of the backgrounds of the men who had established a decentralized recruitment Gehlen did not change. The files of

ployments in eastern Germany, providing coverage of Soviet radio and Soviet air force. In the difficult situation the U.S. military had limited resources in the Soviet zone. The U.S. Army, for its part, relied on the British for the day-to-day listening on radio intercepts. The latter traffic was lightly processed, while the Soviet zone required careful listening might pick

up the Army increased its demand for to expand and recruit as he saw the U.S. Army asked him whether it did not require that he submit the names of agents they recruited. Gehlen agreed, and he had them register for their names.³¹

to employ a sizeable number of men hired much of the SD's Balkan Guard, the Romanian Fascists (under the cover of these Balkan operations 3") in the Gehlen Organization. He was a notorious employee of the Gestapo.³² Bolschwing was himself a Gestapo office with Adolf Eichmann during the anti-Jewish pogroms of 1941. For Gehlen was Horia Sima, who inspired the anti-Jewish pogrom, Ernst Schlandt, and Joachim

to create a counterintelligence. Released CIA materials confirm that the Gestapo men who worked for this unit [Dienstadt 114," then as GV-L.³⁴ For his contact to German-speaking men in the SD in Prague; Walter Otten in the SD office in Bremen; and Otto von Ziemer had served as Inspekteur of the Gestapo before being seconded to the Gestapo. It might have been difficult to get men assigned to criminal organizations. Gehlen joined GV-L in October 1948

(when it still had the cover name Dienststelle 114), is beyond doubt. Augsburg, who fancied himself an expert on Slavs and the eastern front, was detailed to a Sipo unit for "*spezielle Aufgaben*" ("special duties") in Poland in 1939-40 and the western USSR in 1941. *Spezielle Aufgaben* was a euphemism for the execution teams that killed Jews and suspected Communists.³⁵

Remarkably, the more criminal elements of Rusty were neither in the Romanian operation nor in GV-L, but belonged to Dienststelle 12 or GV-G, an office that organized penetrations of the Soviet zone through Berlin. CIA material reveals that a number of men who had played roles in the Holocaust worked for Gehlen in Dienststelle 12. The chief of GV-G was Erich Deppner, a deputy to SS-Brigadeführer Wilhelm Harster, the SD and Sipo commander in the occupied Netherlands.³⁶ Deppner at the very least witnessed the deportation of over 100,000 Dutch Jews to extermination camps. He also was personally responsible for executing Soviet prisoners of war interned in wartime Holland. The chief of Dienststelle 12's Berlin station was another SS man, Ernst Makowski, who had been a Gestapo officer in southwestern Germany.³⁷ Also in the Berlin office was Obersturmbannführer Karl Guse, who had been chief of the Gestapo in Rome before the German invasion in 1943, and Werner Krassowski, an SS-Hauptsturmführer who served in Poland as a concentration camp guard with an SS Totenkopf (Death's Head) regiment in 1939-41 and then served with an SS unit in the Baltics.³⁸

The man with the most blood on his hands in the Gehlen Organization was perhaps Konrad Fiebig, who had served with the Einsatzkommando 9 of Einsatzgruppe B in the Belorussian town of Vitebsk and was later charged with the deaths of 11,000 Jews.³⁹ Before ending his Nazi career, Fiebig was named a judge in the Sondergericht judicial system, which was used by the SS to kill political enemies. Despite his past, Fiebig was hired in 1948 as a Rusty courier in Stuttgart and worked for West German intelligence into the early 1960s.⁴⁰ Fiebig was not the only Einsatzkommando veteran in Gehlen's organization. Walter Kurreck had been in Einsatzgruppe D in 1942.⁴¹ He had worked on Operation Zeppelin, a scheme for sabotage and assassinations behind Soviet lines and for the executions of political commissars in Russian POW camp. Equally tainted, though not a veteran of an Einsatzkommando, was Alexander Doloezalek, who had worked in the Race and Settlement Office in Poznan and Lodz.⁴² His office was responsible for recycling the clothing and other property taken from Jews deported to death camps. Doloezalek was a case officer for Dienststelle 62 and was important enough to be placed on a Gehlen emergency evacuation list in 1959. Friedrich Frank had been with the Gestapo in Cracow and later with Harster in the Netherlands.⁴³

It is impossible to know without access to intelligence materials from the Federal Republic of Germany whether and in which cases Gehlen himself was aware of the backgrounds of the men his subordinates had hired. Hermann Baun had established a decentralized recruitment system at the start of Rusty, which Gehlen did not change. The files of personnel, including their real and assumed

names and a biography, were kept at the field station that hired them. They were not sent to Gehlen's headquarters; this material was also not collated at the Dienststelle level. Gehlen later explained that the system would prevent Soviets from rolling up all of his networks in the event they captured his headquarters.⁴⁴

What's more, Gehlen's headquarters may not have known about some of the worst recruitments because a number of these war criminals attempted to conceal their wartime pasts. Fiebig, for example, was retired by the BND in 1962 for having falsified the autobiography that he submitted when he was hired.⁴⁵ But there can be little doubt that Gehlen knew the background of the man he chose to be the head of his organization's Combined Reports, Translation and Editing Office. Erich Ulich Kayser-Eichberg was a psychologist who had spent his professional career until 1945 deploying his scientific training on behalf of the SS.⁴⁶ While professor of psychology at the University of Danzig, Kayser-Eichberg was seconded as an SS-Sturmabführer to the Race and Settlement unit in the Waffen-SS Alpenland in 1942–43, and then to the Race and Settlement department of the Higher SS and Police Leader's office in Bohemia in 1944. Besides Kayser-Eichberg, Gehlen certainly knew the truth about Emil Augsburg, whom he promoted to a very high position as an advisor on Soviet intelligence because of his experience on the eastern front. And he must have known the backgrounds of Erich Deppner and Otto von Bolschwing, who ran two of his key operational units in the Soviet Bloc.⁴⁷ Years later, once the BND was established, Gehlen would demonstrate the consistency of his lack of concern for hiring war criminals by making a section leader out of the notorious Franz Six, who had overseen Einsatzkommando work on the eastern front before directing an anti-Semitic SS think tank.⁴⁸

Gehlen's comfortable relationship with the U.S. Army lasted two years. By the end of 1947, new constraints emerged that threatened to impose limits not only on Gehlen's ability to recruit whomever he wished, but also on his ability to recruit in general. The first constraint came in the person of Colonel Willard K. Liebl, whom the U.S. Army named in the fall of 1947 to supervise the Rusty operation. Unlike his predecessor, Liebl was determined to force Gehlen to turn over the names of his hires. In his memoirs, written after he retired, Gehlen explained his disagreement with Liebl as a struggle to defend West German sovereignty: "The disputes with Colonel L— finally culminated in my flatly refusing to obey an order he issued in March 1948, since it would have cost the organization its hard-won independence."⁴⁹ Gehlen later recounted that he did not feel bound to accept any orders or suggestions from his U.S. supervisor unless "they would serve the mutual interests of Germany and the United States."⁵⁰

Gehlen easily won this battle. Liebl's message was much stronger than the messenger himself. Liebl's wife and some of his associates were implicated in black market dealings, evidence of which Gehlen used to force Liebl to return to the United States.⁵¹ Gehlen got a new U.S. commander.⁵² It was his old friend Colonel Philp.

The other constraint involved the German currency reform arranged by the U.S. Army. The reform was to sharply reduce the price of goods, and the price level was funded in U.S. dollars, and Gehlen's salary was to be reduced 40 percent within one year without

Despite winning the battle of the currency, the money issue and lingering military intelligence provoked Gehlen's demand for changes in the U.S. national security policy. It was the development of a new concept of national security in 1947. The CIA, Gehlen felt, would be more effective. He hoped that the CIA would not be any better than the U.S. Army had, but

CIA: The Reluctant Patron

Given the rising costs of Rusty, as the U.S. Army pushed these expenditures on to the tactical intelligence Gehlen, the U.S. Army \$42,367 in cash and 100,000 cigarettes or about half a million dollars a year. They believed that short of receiving the full potential for intelligence collection, the U.S. Army suggested a cost-sharing arrangement with the Gehlen Group (CIG), which had acquired

The Army's offer of Rusty to the U.S. Army's Veterans of the counterintelligence and his organization. The sense of the U.S. Army's offer extended beyond the CIA to General Hoyt S. Vandenberg, though the German organization alone. The Army's lax attitude toward Gehlen's organization might have been perceived as highly undesirable, "a large-scale U.S.-sponsored intelligence operation on semi-autonomous conditions."⁵⁷ The Gehlen Organization represented the greatest assets available to U.S. in the United States as a nation is trying to reach people throughout the world," wrote the U.S. Army in 1946.⁵⁸ For those who were preparing for intelligence operation, there was no evidence whatsoever, "it was a matter of time into any political or economic box

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The other constraint involved was money. Liebl's arrival had coincided with the German currency reform arranged by the three Western powers. The effect of this reform was to sharply reduce the purchasing power of Gehlen's U.S. subsidies. Rusty was funded in U.S. dollars, and Gehlen saw the street value of this money plummet over 40 percent within one year without an increase in the U.S. Army's appropriations.

Despite winning the battle over giving his officers' real names to the U.S. Army, the money issue and lingering suspicions about the competence of U.S. military intelligence provoked Gehlen to seek a new U.S. sponsor. He was aware of changes in the U.S. national security community. Of special interest to him was the development of a new centralized intelligence service in Washington in 1947. The CIA, Gehlen felt, would be a much better patron for his organization. He hoped that the CIA would not only understand the needs of his organization better than the U.S. Army had, but that it would also be willing to pay for it.⁵³

CIA: The Reluctant Patron

Given the rising costs of Rusty, as early as 1946 the U.S. Army was looking for a way to push these expenditures onto another organization without losing access to the tactical intelligence Gehlen produced. The Gehlen Organization cost the U.S. Army \$42,367 in cash and the equivalent of \$5,000 in rations per month, or about half a million dollars a year.⁵⁴ The Germans were asking for much more. They believed that short of receiving \$2.5 million a year, they could not reach their potential for intelligence collection in Europe.⁵⁵ In the fall of 1946, the Army suggested a cost-sharing arrangement to the newly formed Central Intelligence Group (CIG), which had acquired the assets of what was left of the OSS.⁵⁶

The Army's offer of Rusty stirred a debate within the fledgling CIG. Veterans of the counterintelligence campaign were especially wary of Gehlen and his organization. The sense that the U.S. Army might be offering a Trojan horse extended beyond the CI experts. In a review prepared for CIG director General Hoyt S. Vandenberg, the writers outlined various reasons for leaving the German organization alone. First, there was the concern that, due to the Army's lax attitude toward Gehlen's rapid recruitment and expansion, the entire organization might have been penetrated by the Soviet intelligence services. "It is considered highly undesirable," a CIG reviewer wrote to headquarters, "that any large-scale U.S.-sponsored intelligence unit be permitted to operate under even semi-autonomous conditions."⁵⁷ There was also the sense that participation in the Gehlen Organization represented an unnecessary moral compromise. "One of the greatest assets available to U.S. intelligence has always been the extent to which the United States as a nation is trusted and looked up to by democratic-minded people throughout the world," warned the SSU's report on Rusty in October 1946.⁵⁸ For those who were prepared to risk moral tarnish for the sake of a good intelligence operation, there was even doubt that Rusty would pay off. "There is no evidence whatsoever," it was argued, "which indicates high-level penetration into any political or economic body in the Russian-occupied zone."⁵⁹

The supporters of acquiring Rusty refused to give up, however. They successfully convinced General Vandenberg to send an officer to do a more in-depth field study of the network.⁶⁰ In March 1947, Samuel Bossard, an OSS veteran who had worked in the counterintelligence branch X-2 and had used Ultra materials alongside the British in London, was given the mission of determining which, if any, components of Rusty should be acquired by the CIG and which should be left with the Army or disbanded. This survey represented the first time in the two-year U.S. relationship with Gehlen that anyone with sufficient knowledge of Germany's wartime intelligence networks was given the task of evaluating this effort at reconstituting German military intelligence.⁶¹

Bossard's message was that the CIG had to take the Gehlen Organization very seriously. "The magnitude of responsibility either to continue or liquidate has not been exaggerated," Bossard cabled to Washington in April 1947 in advance of his report.⁶² Unlike the U.S. Army, which emphasized Rusty as a producer of information, the CIG had to be concerned with the political implications of what Gehlen had managed to create under U.S. military sponsorship. "Operation Rusty," Bossard concluded, "has become less a clandestine intelligence operation directed by American authorities than a *potential resistance group* supported and fed by the U.S. Government."⁶³ Numbering about three thousand people in the spring of 1947, the organization was loosely organized, secretive, and widespread. Its agents extended from Stockholm and Paris to Prague and Rome and could easily be spread to the Middle East, the Far East, and the Western Hemisphere.

Bossard believed that the Germans were preparing to fight against the Soviet occupation of their country. Nevertheless, he advised Washington not to assume that this secret organization would inevitably act in the interests of the United States. He described the leadership as anti-Communist and anti-Soviet. The alliance with the United States was a matter of convenience, undertaken because "they consider [the United States] their most effective champion."⁶⁴ However, if the United States should abandon the Gehlen Organization, "this group could constitute a source of political embarrassment to the U.S. Government and a security menace to American overt as well as covert activities in Germany." Bossard discovered that already the Gehlen people had "plans for camouflage which can provide the personnel with an opportunity to continue their operations independently of American support."

Although Bossard identified the risks of losing control of the Gehlen Organization, he was just as emphatic about the potential rewards in trying to take it over. He accepted the U.S. Army's judgment that the Germans were producing "high-grade tactical intelligence."⁶⁵ And though a CIG analysis of the counterintelligence information produced by Gehlen was very negative, Bossard wrote with respect of "the full potentialities of this German intelligence machine."⁶⁶

Bossard believed that the insecurity of the organization had been exaggerated. "There is no evidence to show that any section of the operation has suffered

penetration, defection or compromise," he wrote. He did not explain the reasons for his confidence. The refugees from the Soviet Union included seven hundred Georgian, Ukrainian, and Polish operational groups and another group under Gehlen's command. The Germans whom Gehlen had recruited had anything in the records of any German section of the operation. The chief of operations, Baun had received intelligence, the Abwehr. Bossard had not been able to see. He "outlaws" from among the anti-Soviet, though Bossard did not note an exception once the CIG took over Rusty, it was on a case basis. He believed that no one should be employed above the level of a sergeant as a safeguard of the best American intelligence. The unity and idealism of those with professional qualifications, and the

The explanation for the fact that the wisdom of taking Rusty yet away from Reinhard Gehlen. The CIG officer he found was "in every way the best" and cleverly shifted U.S. suspicion and any responsibility placed in him to the Baun suspicions to Bossard. He made Rusty strictly align with "the blame Baun for all of the organization was behind the plans for a Europe that could operate eventually with the fanatical anti-Soviet with little said this explicitly, Bossard probably by the organization. In comparison. "[E]very effort should be made to allow G[ehlen] to dominate the situation." He concluded. "G is more the state interests while B, the professional of a high-level operator with little

In part due to this confidence in the CIG should take the entire organization to keep and which to liquidate.

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penetration, defection or compromise from a hostile agency," he wrote.⁶⁷ He did not explain the reasons for his confidence. Rusty had extensive recruits among the refugees from the Soviet Union. In his report, Bossard noted that there were seven hundred Georgian, Ukrainian, Polish, and White Russian agents in one operational group and another eight hundred White Russians in yet another group under Gehlen's command. Bossard was also not worried about the types of Germans whom Gehlen had hired: "I have been unable thus far to discover anything in the records of any of the German operating personnel or in any German section of the operation which for security reasons would eliminate them from consideration for future employment."⁶⁸ Bossard noted that, as Gehlen's chief of operations, Baun had recruited heavily among veterans of German military intelligence, the Abwehr. Bossard also noted that there were people whose files he had not been able to see. He believed the organization had probably recruited "outlaws" from among the anti-Communist refugees and even former SS officers, though Bossard did not note any in leadership positions. He recommended that once the CIG took over Rusty, these "outlaws" should be evaluated on a case-by-case basis. He believed that no former member of the Nazi party or the SS should be employed above the level of field agent. "Not only is such a policy a necessary safeguard of the best American interests," Bossard explained, "but it will preserve the unity and idealism of those individuals who have clean political records, high professional qualifications, and the same motives."⁶⁹

The explanation for the fact that Bossard could be both confident of the wisdom of taking Rusty yet aware of its acute dangers lay in his assessment of Reinhard Gehlen. The CIG officer was favorably impressed with Gehlen, whom he found was "in every way the Prussian Staff officer."⁷⁰ Gehlen charmed Bossard, and cleverly shifted U.S. suspicions to Baun. Giving him his "word of honor that any responsibility placed in him will not be betrayed," Gehlen confessed a mistrust of Baun suspicions to Bossard. He mentioned that, unlike Baun, he intended to make Rusty strictly align with "American interests." As a result, Bossard came to blame Baun for all of the organization's darker characteristics. It was Baun who was behind the plans for a Europe-wide, anti-Communist resistance movement that could operate eventually without U.S. financial support. It was Baun who was the fanatical anti-Soviet with little interest in American values. Although he never said this explicitly, Bossard probably also blamed Baun for the hiring of any outlaws by the organization. In comparison with Baun, Gehlen looked like a reasonable client. "[E]very effort should be made on the part of the American authorities to allow G[ehlen] to dominate the organization at the expense of B[aun]," Bossard concluded. "G is more the statesman, and can become a spokesman for American interests while B, the professional intelligence man, should be reduced to the status of a high-level operator with little, if any, executive power."⁷¹

In part due to this confidence in Gehlen, Bossard wrote that he believed that the CIG should take the entire organization over and then determine which elements to keep and which to liquidate. Despite the lack of thorough supervision by the

U.S. Army, Bossard concluded that Gehlen had run his operation very effectively. "[A]t present the purposes and needs of G-2 [U.S. Army] intelligence are so well comprehended," he wrote, "that the operation can be said to 'conduct itself' to the satisfaction of G-2 Frankfurt with a minimum of direct operational guidance from that headquarters."⁷²

Bossard's recommendation that the CIG seriously consider replacing the Army and taking control of Gehlen landed with a thud in Washington. The spring of 1947 had been a busy time for U.S. intelligence. By the provisions of the National Security Act of 1947, the new Central Intelligence Agency replaced CIG. Vandenberg was gone, and the CIA's first director, Rear Admiral Roscoe Hillenkoetter, disliked the idea of taking over Gehlen.⁷³ Bossard's report had some effect nevertheless. His interpretation of Gehlen's importance planted a seed at CIA headquarters. Bossard's immediate superior, the director of the Central European Desk of the Office of Special Operations, Richard Helms, disagreed with Hillenkoetter's decision to keep Rusty outside the Agency's control.⁷⁴

DECLASSIFIED
NND 750 122
By LJS NARS, Date

SECRET
BASIC PERSONNEL RECORD
(Allied Enemy or Prisoner of War)

F. P. O. * _____

Height 5 ft. 8 in.
Weight 128
Eyes Blue-gray
Skin Fair
Hair Blond
Age 43
Distinguishing marks or characteristics None

Reference * _____
INVENTORY OF PERSONAL EFFECTS TAKEN FROM INTERVIEW
1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____

The photo is correct: *Reinhard Gehlen*
(Signature of Interviewer)

(Date and place where processed (Army enclosure, naval station, or other place))

RIGHT HAND				
1. Thumb	2. Index finger	3. Middle finger	4. Ring finger	5. Little finger
LEFT HAND				
6. Thumb	7. Index finger	8. Middle finger	9. Ring finger	10. Little finger

W. D. P. M. G. Form No. 2
11 Feb 1945

Note Amputation in Proper Space

Reinhard Gehlen's Personnel Record, created when he was interrogated by the U.S. Army as a POW in August 1945 (NA, RG 238, National Archives Collection of World War II War Crimes Records, entry 160, Interrogation Records, microfilm publication M 1270, roll 24, Gehlen, Reinhard, box 26).

Less than a year later, Helms operation, this time by James C in the U.S. Army who had fou new recruit in the Agency. Time this responsibility—so Critchfield and survey his operation. As wo to get a real feel for the nature c nevertheless produced a long do

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ORD F. P. C. *

... In. Reference *

INVENTORY OF PERSONAL EFFECTS TAKEN FROM INTERVIEW

1. _____

2. _____

3. _____

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5. _____

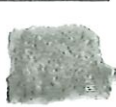
6. _____

7. _____

8. _____

9. _____

The above is correct: *Reinhold Gehlen*
(Signature of Interviewee)

4. Ring finger	5. Little finger
	
9. Ring finger	10. Little finger
	

SECRET

interrogated by the U.S. Army as a collection of World War II War Crimes documentation M 1270, roll 24, Gehlen,

Less than a year later, Helms authorized a second assessment of the Gehlen operation, this time by James Critchfield. Critchfield was a celebrated colonel in the U.S. Army who had fought in North Africa and France and was now a new recruit in the Agency. Time was a factor—the Army was eager to get rid of this responsibility—so Critchfield was given only a month to visit with Gehlen and survey his operation. As would later become clear, this was not enough time to get a real feel for the nature of Gehlen and his organization. But Critchfield nevertheless produced a long document by mid-December 1948.⁷⁵

In much the same way as Bossard had eighteen months earlier, Critchfield argued that the U.S. government had no choice but to contend with the Gehlen Organization. Critchfield knew how starved the U.S. government was for continuous tactical information from the closed Soviet zone, and he was impressed with Gehlen and with the intelligence potential of his organization. He also saw the political advantages of supporting Gehlen and his organization. Like Bossard, Critchfield was impressed with Gehlen's apparent commitment to American goals. Gehlen, he wrote, was motivated by the "conviction that the time of nationalism is past and [that the] only hope lies in [a] Western European and Atlantic Union."⁷⁶ By the fall of 1948, Gehlen had won his bitter struggle with Baun. Baun had been sidelined into strategic planning and was no longer a major factor. Gehlen was master of his own house.⁷⁷

Gehlen allowed the American to visit some of his field stations. Critchfield was then carefully introduced to members of the stations and shown biographical data on them. Critchfield later recalled asking about the recruitment of former SS men and being told that there were none in Rusty. "I was told this in November 1948 by Gehlen, by several of his top associates," Critchfield wrote in 2002, "and by Captain Eric Waldman of the G-2 staff in Pullach."⁷⁸

The newly declassified documents neither confirm nor contradict Critchfield's recollection. Unlike Bossard, who addressed in 1947 the problem of SS men in the Gehlen Organization, Critchfield did not discuss the matter in his long report of December 1948. His investigation, however, had brought him very close to some of Gehlen's SS men. He visited Dienststelle 114, which had four hundred people and eight field stations and was home to quite a few former SS men.⁷⁹ The month before Critchfield's visit, Emil Augsburg had been hired by this counterintelligence unit and given the alias Dr. Alberti. In his report on Dienststelle 114, Critchfield said that he was permitted to see the "agent control" or personnel records for the group, but he mentioned nothing about Augsburg or any other former SS men on the payroll. The possibility exists that the Gehlen Organization provided the CIA investigator with a carefully selected group of agent biographies to satisfy his curiosity.⁸⁰

Although Critchfield may not have met with former SS men in Dienststelle 114, he did encounter and would later write about a Gehlen officer with a criminal background. Paul Hodossy-Strobl was chief of the *Tschardas* (Hungarian group) in Dienststelle 114. Hodossy-Strobl, who had originally been recruited by

the CIC from a POW camp in 1947, had been selected by the Nazis as the chief of the Hungarian state police, the Gendarmerie, following the German invasion in March 1944. Although Critchfield noted for Washington that the work of this Hungarian group had come under suspicion within Dienststelle 114, he did not raise a flag about the political or moral problems of the CIA associating with Hodossy-Strobl. Two years later, Critchfield described Hodossy-Strobl, who tried to emigrate to the United States in 1950, as having "a dubious and somewhat odious background." In 1948 he said nothing.⁸¹

Critchfield did make note of some problem areas. He noticed that Gehlen's operations far exceeded the terms of the operational charter established in October 1948 between the U.S. Army and Rusty. According to that agreement, Gehlen was not to undertake any intelligence operations within the Western zones of Germany. Outside of Germany, Gehlen was to restrict any counterintelligence operations to those specifically designed to protect Gehlen's ongoing spying. Inside or outside the country, Gehlen was also not supposed to mount any penetrations of the Communist Party of Germany (KPD) lest lines get crossed with the U.S. Army's Counterintelligence Corps, which had the KPD as one of its principal targets. Critchfield discovered that in one way or another Dienststelle 114 managed to violate all three of these prohibitions. Gehlen had instructed his men to spy on the activities of the West German Communist Party and to keep an index of all "known Communists" at his headquarters in Pullach.⁸² Despite the breach of trust that these violations implied, Critchfield recommended that Washington consider how the CIA might benefit from these operations anyway.

There was more skepticism about Gehlen in Washington, even among advocates of a takeover by the CIA. Richard Helms wrote that Rusty was "at best a controversial intelligence package" about which the CIA did not know a lot.⁸³ Helms overruled Critchfield's request that assessments of Gehlen's operations be made in the field by a future CIA liaison unit with Rusty. Helms wanted Washington, with its access to better information, to be making the call about which of Gehlen's operations would be kept.⁸⁴ Helms and his own boss, Assistant Director for Special Operations Donald N. Galloway, insisted that the CIA would first have to discover "detailed characteristics of the organization for which it is assuming responsibility . . . Without being able to run traces on the personnel and examine specific details of the operations with Army assistance and personnel, we might well lay [the] CIA open to wholesale penetration by the Rusty organization."⁸⁵ Despite this note of caution, Helms at least remained confident that if handled correctly, the Gehlen group "should be a great intelligence producer."⁸⁶

Helms and Critchfield together planned the CIA takeover. The CIA would have to establish its authority over Rusty early on. The organization would be treated as a subordinate unit within the CIA. It would be stripped of all intelligence operations that might conceivably represent a threat to U.S. interests or which might prove more productive under direct CIA control. Gehlen was

to be given a fixed budget for his work in Germany and such programs. Helms and Critchfield had confided in eastern Germany, they agreed to limit on the number of operations he would conduct and the level of penetration.⁸⁷ As for Rusty, he wanted stringent controls to go into effect on only Gehlen's activities in the Soviet zone operations, on a project-by-project basis. After Washington after scrutiny of agencies involved in each operation. Given that half of the operations produced per month for the Army in eastern Germany, the CIA was in a position to take over Gehlen's work.⁸⁸ Hopeful that Gehlen would "give us a degree of control that had been non-existent in the past."⁸⁹

Beyond Helms, however, most of the Army's German intelligence remained in the CIA. Yet in their belief that the United States had discredited German intelligence since the war, not going to be much help in the future, critics reminded the CIA leadership that his colleagues represented the "good" side of Germany, the anti-Gehlen lobby in the Army.

[T]he general consensus is that the former German officers, a good number of them in the German general staff. Since they have been through extensive funds, they are in a position to provide safe haven for the CIA from the standpoint of a future democratic government.

By early 1949, however, the CIA was taking responsibility for Gehlen. Two factors were in favor. First, the international situation had been in 1947 when Hillenkoetter had decided the CIA take Gehlen over. In the interim, overland communication to West Germany had been an eleven-month air-supply operation. In the Berlin airlift, the Allies had found that the Western European situation was not as bleak as they had feared. In this atmosphere, their makeup, were welcome. The U.S. Army, which in the midst of

elected by the Nazis as the chief following the German invasion of Poland. In Washington that the work of Gehlen within Dienststelle 114, he did not want the CIA associating with the disgraced Hodossy-Strobl, who tried to bring "a dubious and somewhat

areas. He noticed that Gehlen's original charter established in October 1945, leading to that agreement, Gehlen was within the Western zones of Germany to restrict any counterintelligence to protect Gehlen's ongoing spying. It was not supposed to mount any lines (KPD) lest lines get crossed which had the KPD as one of its divisions. Gehlen had instructed his staff to keep the Communist Party and to keep headquarters in Pullach.⁸² Despite this, Critchfield recommended that the CIA should not be involved in these operations anyway.

In Washington, even among Helms, Helms wrote that Rusty was "at which the CIA did not know that assessments of Gehlen's liaison unit with Rusty. Helms' information, to be making the call for it."⁸⁴ Helms and his own boss, William N. Galloway, insisted that the characteristics of the organization for being able to run traces on the operations with Army assistance led to wholesale penetration by the operation, Helms at least remained loyal to the Gehlen group "should be a great

CIA takeover. The CIA would not be on. The organization would not be A. It would be stripped of all present a threat to U.S. interests without direct CIA control. Gehlen was

to be given a fixed budget for his overhead and his operations in the Soviet zone of Germany and such programs as had already proved productive. Although Helms and Critchfield had confidence in Gehlen's ability to produce intelligence in eastern Germany, they agreed that Gehlen should be encouraged to cut back on the number of operations he was running there "while attempting to raise the level of penetration."⁸⁷ As for Rusty's operations outside of eastern Germany, they wanted stringent controls to go into effect immediately. The CIA should fund only Gehlen's activities in the Soviet satellite countries, the so-called strategic operations, on a project-by-project basis. Funding decisions would be made in Washington after scrutiny of agent control and other operational materials for each operation. Given that half of the four thousand or so reports that Rusty produced per month for the Army already came from these operations outside eastern Germany, the CIA was intending to scrutinize a significant portion of Gehlen's work.⁸⁸ Hopeful that Gehlen would agree, Critchfield expected that this would "give us a degree of control and an insight into their operations which has been non-existent in the past."⁸⁹

Beyond Helms, however, hostility to the idea of assuming responsibility for Gehlen remained in the CIA. Veterans of the counterintelligence war were loud in their belief that the United States would be hurt by this alliance with the discredited German intelligence service. Besides a sense that these Germans were not going to be much help in the Cold War intelligence struggle, the in-house critics reminded the CIA leadership that there was no guarantee that Gehlen and his colleagues represented the "good" Germans. Before Critchfield was sent to Germany, the anti-Gehlen lobby had summarized its argument in this way:

[T]he general consensus is that Rusty represents a tightly knit organization of former German officers, a good number of which formerly belonged to the German general staff. Since they have an effective means of control over their people through extensive funds, facilities, operational supplies, etc., they are in a position to provide safe haven for a good many undesirable elements from the standpoint of a future democratic Germany.⁹⁰

By early 1949, however, the critics had clearly lost the debate over assuming responsibility for Gehlen. Two factors served to tip the balance in Gehlen's favor. First, the international situation was very different from what it had been in 1947 when Hillenkoetter had rejected Bossard's recommendation that the CIA take Gehlen over. In 1948, Josef Stalin imposed a blockade on all overland communication to West Berlin, causing the start of what would be an eleven-month air-supply operation by Western air forces. In the first months of the Berlin airlift, the Allies had feared the real possibility of a Soviet attack on Western Europe. In this atmosphere, sources on the East, however imperfect their makeup, were welcome. The second factor was some subtle extortion by the U.S. Army, which in the midst of the Berlin crisis announced plans to cut almost

all funding for the Gehlen operation. If the CIA wanted to prevent the untimely collapse of Rusty, it had to act fast. In addition, high-level support existed outside the Agency for the transfer. Both the Chairman of the Joint Chiefs General Omar Bradley and the Secretary of Defense James Forrestal approved of the idea.⁹¹ Convinced by Helms and Critchfield and reassured by Bradley and Forrestal, Hillenkoetter went along with it.

The Zipper Problem

The CIA discovered almost immediately after deciding to take the project over from the U.S. Army that Reinhard Gehlen had a sharply different vision for the new relationship. Difficulties with the German chief of the Rusty project—re baptized “Zipper” by its new sponsor—emerged even before the formal handover. The trouble started in June 1949, when Critchfield informed Gehlen that the CIA would not be increasing his budget for the moment. At that time, Critchfield also explained that the Agency expected Gehlen to eliminate his operations in Austria, Hungary, Bulgaria, and Yugoslavia, as well as those in Scandinavia. In order to proceed with a project-by-project review, Washington wanted to see the true names and operational details for all of his remaining and prospective intelligence projects outside the Soviet zone of occupation in Germany.⁹²

Gehlen balked. Critchfield’s proposals were not news to him. In his months spent flirting with the CIA, Gehlen had vaguely promised to close some of his less productive operations. Now that the CIA was committed, however, Gehlen rejected the budget figure he was given and showed little interest in curtailing his operations as dramatically as the CIA had proposed. Gehlen also performed a dramatic about-face with regard to sharing agent information. While making his field survey in the fall of 1948, Critchfield had been told that the agent control files would be open to the United States.⁹³ Now that the CIA was asking for them, Gehlen’s position changed. In August 1949, he sent a letter to Critchfield explaining that it was impossible for the Germans to hand over the names of their personnel.⁹⁴ Gehlen argued that the CIA would have to earn the trust of his employees before they would be willing to take this risk.

The CIA held its ground and achieved some results. When Critchfield insisted that turning over the names was a precondition for CIA support for any of the 120 operations that Gehlen hoped to maintain outside of eastern Germany, the German relented a little. Gehlen handed over a list of 150 individuals on his headquarters staff.⁹⁵ He also permitted some sharing of minimal information about operations outside the Soviet zone of Germany.

The relationship only worsened as the CIA began analyzing this operational data. When the CIA subjected Gehlen’s strategic operations to scrutiny—something the U.S. Army had lacked the ability to do—it found the entire program amateurish and wasteful. The Gehlen Organization was simply incapable of handling serious intelligence penetrations. Despite Critchfield’s enthusiastic description in December 1948 of the value of the Gehlen Organization, CIA

headquarters concluded in mid-1949 that the operation was quite worthless and recommended its termination.

Gehlen refused to accept this verdict. He was angry at the Americans for assuming that he was a fool. It is quite clear to me that a mechanical work,” he explained, “would depend on the efficiency of the single person who would wait for Washington to approve the CIA’s request, and he hated, not only the officers whom he did not consider his equals, but the past I had full freedom to set up my own experiences,” Gehlen lectured Critchfield on the difficulties—to develop the organization. Gehlen believed that Americans had a very different view of geography had insulated them from the politics, where decisions had to be based on information from imperfect sources. The fundamental principal has always been to act, not acting at all, even if this would mean the end of the world.

Once Critchfield understood the value of the names of his agents, he knew of Gehlen’s desire to seek Gehlen’s removal, which he was determined to do. A program of penetrating Gehlen’s organization was initiated. Critchfield recruited Tom Lucid, a former German agent, both were serving in Austria in 1948. When the CIA acquired responsibility for the operation, it opened the Pullach Operations Base south of Munich where Gehlen had his headquarters. A courtyard in a manorial residence was used as wartime headquarters. To improve the operation, a camera was arranged for a camera to be placed in the building across the street for later identification.¹⁰⁰ The CIA continued this operation, making it difficult for Gehlen to identify any particular agent. Gehlen included as a response to trace request in 1949, the CIA acquired information on officers that were under Gehlen’s control.

The Romanian Operation, known as the Zipper, the first cluster of SS men in Zipper to be identified. Information was not derived from the operation. In the fall of 1949 Gehlen was having trouble with his operations outside of German

wanted to prevent the untimely high-level support existed outside the Joint Chiefs General Omar Forrester approved of the idea.⁹¹ Insured by Bradley and Forrester,

ing to take the project over from a completely different vision for the new of the Rusty project—rebaptized before the formal handover. The informed Gehlen that the CIA did not. At that time, Critchfield also coordinated his operations in Austria, as well as in Scandinavia. In order to get Washington to see the true meaning and prospective intelligence Germany.⁹²

not news to him. In his months he promised to close some of his files, but he committed, however, Gehlen did little interest in curtailing his activities. Gehlen also performed a great deal of information. While making his plans, he was told that the agent control was that the CIA was asking for a list, he sent a letter to Critchfield asking for the names to hand over the names of the agents. He had to earn the trust of his superiors.

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headquarters concluded in mid-1949 that 90 percent of the 120 projects were quite worthless and recommended their disbandment.⁹⁶

Gehlen refused to accept this verdict and sent a harsh letter to Critchfield telling off the Americans for assuming they could teach the Europeans how to spy.⁹⁷ "It is quite clear to me that a mechanical application of American principles to our work," he explained, "would deprive the organization of its principal source of efficiency, the initiative of the single individuals in all fields." He resented having to wait for Washington to approve his projects. He disliked the intrusiveness of the CIA's request, and he hated, most of all, being second-guessed by intelligence officers whom he did not consider his equals. "Only due to the fact that in the past I had full freedom to set up our organization in accordance with our war experiences," Gehlen lectured Critchfield, "I was able—in spite of the known difficulties—to develop the organization to a very high level of efficiency." He believed that Americans had a very naïve view of intelligence. Their history and geography had insulated them from the rough and tumble of international politics, where decisions had to be made quickly on the basis of imperfect information from imperfect sources. By contrast, he crowed, for Germans "the fundamental principal has always been that it is better to act wrongly instead of not acting at all, even if this would result in occasional damage."⁹⁸

Once Critchfield understood that Gehlen would not budge on divulging the names of his agents, he knew of only two ways to solve the problem. He could seek Gehlen's removal, which he was not prepared to do in 1949, or he could begin a program of penetrating Gehlen's organization without the general's permission. Critchfield recruited Tom Lucid, a former CIC officer whom he had met when both were serving in Austria in 1946, to establish a counterintelligence group.⁹⁹ When the CIA acquired responsibility for Zipper in July 1949, Critchfield opened the Pullach Operations Base (POB), a liaison operation in the small town south of Munich where Gehlen had his headquarters. POB and Zipper shared a courtyard in a manorial residence that had served as one of Joseph Goebbels' wartime headquarters. To improve his counterintelligence capabilities, Critchfield arranged for a camera to be placed in the CIA's building so that everyone who entered Gehlen's building across the courtyard could be photographed for later identification.¹⁰⁰ The CIA has not declassified any information regarding this operation, making it difficult to determine with precision when the POB identified any particular Gehlen employee. Using the biographical summaries included as a response to trace requests, however, it is possible to see that, starting in 1949, the CIA acquired information about some of the SD and Gestapo officers that were under Gehlen's protection.

The Romanian Operation, known to Gehlen as General Agency 13, was the first cluster of SS men in Zipper to be identified by the CIA. It is possible that this information was not derived from Lucid's counterintelligence operation because in the fall of 1949 Gehlen was handing over some information to Critchfield on his operations outside of Germany. By whatever means, the CIA knew as of late

1949 that the former SS representative in Bucharest, Otto von Bolschwing; the former chief of the Iron Guard, Horia Sima; and lesser SS-types Kurt Auner, Ernst Schlandt, and Joachim Vacarescu were all being paid as part of Zipper.¹⁰¹

There was no internal CIA policy against hiring Nazi war criminals. SD or Gestapo candidates for CIA employment were judged on a case-by-case basis, following trace requests and police investigations in their neighborhoods.¹⁰² Once a candidate was found to have access to information deemed important for U.S. national security or was believed to have skills of use to the United States, the key question for the CIA was not what the individual had done during World War II, but whose side he or she was on once the Cold War began. The sole exception was that the Agency was unlikely to hire an individual whose Nazi crimes were well known because of the difficulty involved in maintaining a covert existence for that person. Otherwise, even personal participation in the Holocaust was not an immediate disqualifier for employment.¹⁰³

Nevertheless, the CIA had an interest in holding Gehlen to his word about not hiring SS men. The Agency was concerned that SD or Gestapo personnel hired by Gehlen might open the U.S. government to criticism that it was sponsoring a criminal organization in West Germany. These recruits would also complicate Zipper's absorption into the West German civil service later on, once the Federal Republic was fully sovereign.¹⁰⁴

Threatened by the CIA's interventionism, Gehlen did not restrict his reaction to stern letters and firm resistance to U.S. efforts to vet his organization. Just as he had done only two years earlier when he found that he disliked the U.S. Army's requirements, Gehlen went looking for new political allies in the fall of 1949. This time he did not turn to a different part of the U.S. government for help, but instead he sought contacts among the emerging West German leadership. In September 1949, seventy-three-year-old Konrad Adenauer had become chancellor of West Germany. Although not yet fully independent, the Federal Republic of Germany was permitted by the French, British, and U.S. authorities to establish its own government. Gehlen was not personally known to Adenauer, a prewar mayor of Cologne with impeccable anti-Nazi credentials, but this did not stop the German spy chief from attempting to establish lines of communication to the new chancellor and his entourage.¹⁰⁵

Gehlen tried to keep his political lobbying from the CIA. But U.S. sources in the emerging West German political community were reasonably good. By the end of 1949, the Agency was not only well aware of what Gehlen was doing but was actively discouraging him from freelancing.¹⁰⁶ Although the CIA intended that Gehlen should eventually become the chief of West German intelligence, it did not want that to happen before it had thoroughly penetrated his operation. "By official recognition of any individual or element of the [Gehlen] operation before the proper counterintelligence controls were firmly established," the CIA wrote in May 1950, "the Western German government would find itself able to rob us of our intelligence assets and with serious strategic or political consequences

turn them against us."¹⁰⁷ Ironically, because of his lack of dependability, the CIA assigned Gehlen to a post that became the stalwart "Utility."¹⁰⁸

Gehlen ignored Critchfield's warnings about his political ambitions.¹⁰⁹ His efforts were rewarded when he became the leading candidate for the post of head of intelligence service planned by the Federal Office for the Protection of the Constitution (Verfassungsschutz). The office was to have the same duties as the Federal Bureau of Investigation in domestic security or police work. Of Dienststelle 114, which did not exist in the Zipper organization, gave him the post in the Adenauer government, Gehlen was one of the few experienced intelligence men to be chosen by the Americans. The Westerners' selection to head the BfV.

In early 1950, Adenauer summoned Gehlen to a closed-door meeting. Reinhard Gehlen was the leading candidate for the post. The news that Gehlen might get the job was a blow to Critchfield before the BfV job was announced. That Germany needed a service to replace the Zipper organization, which Critchfield had debated this post, was a powerful organization might put Gehlen's name was being put forward. Gehlen's name was being put forward had not listened to CIA advice and was the back of his mind.

The British—who knew very little about Zipper but through their connection with Gehlen—mistrusted Gehlen and wanted to take the job heading the BfV.¹¹² The British vetoed Gehlen's plans. In a May 1950 report, the British said that "from the standpoint of our own security, it was too powerful in his own right to be entrusted to him."

By the summer of 1950, the British were approvingly, the British vetoed Gehlen's plans to take the post instead. The British vetoed Gehlen's plans over the course of 1950 that was the ongoing debate over him in the United States. The CIA was that Zipper operations were really worth U.S. taxpayers' money and that his organization so tightly controlled the blame for the many shortcomings.

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turn them against us."¹⁰⁷ Ironically, at this moment of concern about Gehlen's dependability, the CIA assigned Gehlen a special cryptonym: in CIA cables he became the stalwart "Utility."¹⁰⁸

Gehlen ignored Critchfield's advice about not meddling in German domestic politics.¹⁰⁹ His efforts were much too successful to give them up. Gehlen became the leading candidate to become the first chief of a new domestic intelligence service planned by the Adenauer government. The Bundesamt für Verfassungsschutz (Federal Office for the Protection of the Constitution, BfV) was to have the same duties as the FBI. Although Gehlen had no background in domestic security or police work, the fact that he had overseen the formation of Dienststelle 114, which did counterintelligence and security work in the Zipper organization, gave him some credibility. From the perspective of the Adenauer government, Gehlen was also attractive because he was one of very few experienced intelligence managers from the war who seemed acceptable to the Americans. The Western occupying powers retained the right to veto any selection to head the BfV.

In early 1950, Adenauer surprised the French, British, and Americans by announcing at a closed-door meeting of the Allied High Commission that Reinhard Gehlen was the leading candidate to lead the BfV.¹¹⁰ The CIA reeled at the news that Gehlen might get the job of domestic spy chief. In conversations with Critchfield before the BfV job was a possibility, Gehlen had expressed the view that Germany needed a service that did both foreign and domestic intelligence.¹¹¹ Critchfield had debated this point with him, making the argument that this powerful organization might pose a threat to German democracy. News that Gehlen's name was being put forward for the domestic job signaled that Gehlen had not listened to CIA advice and still had the formation of a super-agency in the back of his mind.

The British—who knew very little officially about the U.S. arrangement with Zipper but through their own sources understood that there was a strong connection—mistrusted Gehlen and wanted their own man, Otto John, to get the job heading the BfV.¹¹² The CIA found it convenient to let the British scuttle Gehlen's plans. In a May 1950 memorandum for the record, a CIA analyst wrote that "from the standpoint of our control of future German intelligence, Utility is too powerful in his own right to be allowed to accept the [BfV] position."¹¹³

By the summer of 1950, as the U.S. government sat back and watched approvingly, the British vetoed Adenauer's candidate and pushed for Otto John to take the post instead. The BfV episode was but the first in a series of events over the course of 1950 that would gradually tip the balance against Gehlen in the ongoing debate over him in the Agency.¹¹⁴ An additional problem for the CIA was that Zipper operations were often turning out to be second rate and not really worth U.S. taxpayers' money. Having eclipsed Baun, Gehlen held the reins of his organization so tightly that it was appropriate that he bore the balance of the blame for the many shortcomings of Zipper.

In an effort to shake up Gehlen and give him a chance to satisfy his critics at the CIA, James Critchfield "bluntly" informed him in July 1950 that though Zipper was "a credible tactical collection and military evaluation agency . . . it was, with some exceptions, definitely second class in [executing] intelligence activities of a more difficult or sophisticated nature."¹¹⁵ Critchfield warned that if Gehlen wanted support for anything other than his low-level tactical intelligence teams in East Germany, he "would have to institute radical changes in personnel, procedures, and attitudes."¹¹⁶

Outwardly Gehlen took the criticism well. Privately, however, Gehlen stepped up his efforts to use the Adenauer regime to create a separate power base for Zipper. In the summer of 1950, he arranged meetings with Adenauer's most powerful assistant, State Secretary Hans Globke. Globke, described by the CIA as the "*eminence grise*" of the Adenauer government, was a shrewd choice.¹¹⁷ Globke and Adenauer were both from the Rhineland, which helped give the younger man the chancellor's ear. Globke was also a severely compromised figure in West German politics. As a civil servant in the Jewish Department of the Interior Ministry he had helped interpret the Nuremberg Laws of the 1930s that eliminated Jewish civil rights. During the war he had repeatedly been in contact with the Gestapo's Adolf Eichmann on Jewish matters in the occupied territories. Gehlen's many compromised employees were less of an issue to Globke than they might have been to a German with a clean past.¹¹⁸

By the end of December 1950, Gehlen felt sure enough of his new alliance with the Chancellor's office that he told the CIA what he really thought of their new guidance. In a dramatic three-hour showdown in Critchfield's office on December 28, Gehlen harangued Critchfield.¹¹⁹ Speaking from prepared notes, he denounced U.S. "interference in Zipper internal affairs." Apparently unconcerned about any U.S. retaliation, he informed Critchfield that he was planning to fire members of his staff who were too pro-American. He also threatened to resign if the CIA continued to tell him how to run his organization.

This outrageous performance by a man who owed his freedom of maneuver in postwar Germany to U.S. goodwill stoked the internal debate within the CIA on the wisdom of the Zipper project. It quickly became apparent that Gehlen had clearly overplayed his hand. A consensus formed at CIA headquarters that Gehlen's declaration of independence was a disaster for the Agency, ensuring that Zipper would never be a secure organization or submit to U.S. control. Washington decided that "we should overlook no opportunity to kick Gehlen upstairs into the service of the Bonn government."¹²⁰ The CIA hoped to remove Gehlen without the drama of firing him. The CIA would instead exploit Gehlen's overweening ambition by maneuvering him into a German defense position where "in all probability [he] would not continue to exert an undesirable influence on Zipper." As for Gehlen's replacement, Washington decided that "the best solution would be . . . a forthright Army general with no political ambitions." Sentiment shifted against Gehlen also within the small U.S. liaison unit at Pullach. Two of

Critchfield's top assistants, Henry . . . office and told him that Gehlen . . .

As is well known, Gehlen was in an unassailable position and Z . . . to a position of equality in its r . . . to saving the day for the embat . . . Chancellor's office, especially Ha . . . hoped that someday Zipper wou . . . of a sovereign West Germany. I . . . brief the West German chancell . . . events had also played a role in . . . the surprise North Korean invasi . . . a noticeable shift in the West (. . . security issues. In the first yea . . . that West Germany would not r . . . however, that the Cold War was . . . to dispense with having an army . . . be helpful in this national emerg

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Critchfield's top assistants, Henry Pleasants and Peer de Silva, marched into his office and told him that Gehlen had to be fired.¹²¹

As is well known, Gehlen was not fired. In fact, by the end of 1951, he would be in an unassailable position and Zipper itself would be the closest it had ever come to a position of equality in its relations with the CIA. Two factors contributed to saving the day for the embattled Gehlen. The most important was that the Chancellor's office, especially Hans Globke, wanted Gehlen to stay in his job and hoped that someday Zipper would become the official foreign intelligence service of a sovereign West Germany. In March and May 1951, Gehlen was invited to brief the West German chancellor on the structure of his organization.¹²² Larger events had also played a role in Gehlen's political survival in Bonn. Following the surprise North Korean invasion of South Korea in June 1950, there had been a noticeable shift in the West German chancellor's thinking on West German security issues. In the first years after World War II, Adenauer had expected that West Germany would not need to rearm. The Korean War convinced him, however, that the Cold War was too dangerous and West Germany too vulnerable to dispense with having an army.¹²³ Gehlen was a proven commodity who could be helpful in this national emergency.

The other factor was the will and energy of James Critchfield, who did what he could to help Gehlen make his case in Bonn. The CIA officer obtained a copy of the U.S. National Security Act of 1947 for Gehlen to use in offering Adenauer possible models for the future German foreign intelligence service.¹²⁴ Critchfield was equally adept at smoothing over the ruffled feathers in Washington, where he reported that Adenauer and Globke supported Gehlen.

Critchfield made a calculated political decision to rescue Gehlen. Although he was well aware that the General had betrayed the trust of the United States, Critchfield believed that the advantages of working with the troublesome Gehlen outweighed the disadvantages.¹²⁵ He viewed the Gehlen matter through the lens of European power politics.¹²⁶ The state system on the Continent had been inherently unstable since Chancellor Otto von Bismarck unified the German Reich in the 1860s-70s. The lesson learned from two world wars was that peace hinged on properly managing the Germans, providing them with a role that accommodated their self-respect without undermining the confidence of Germany's neighbors. Critchfield had analyzed the German Army General Staff. He considered the top 130 to have been criminals and was determined not to see these people play a role in rehabilitating the country as a European power.¹²⁷ But the next tier of German military leaders included many professionals who accepted the importance of tying Germany's future to the Western alliance. Quite a few of these men were consultants to Gehlen and Zipper. Critchfield believed that though Gehlen himself was unreliable and decidedly weak as an intelligence manager, he was a useful bridge to this next generation of German military leaders. In Critchfield's eyes, Zipper was just as important as a laboratory for nurturing this generation as it had been as a stopgap measure for U.S. Army Intelligence in

the early days of the struggle with the Soviet Union. Trying to isolate Gehlen from this emerging German national security elite, therefore, would entail heavy costs, which Critchfield believed unnecessary. "I think it would be politically inept of us," Critchfield wrote in June 1951, "to equivocate in the treatment we give Utility in the United States simply because of our well-documented reservations about him."¹²⁸ While others were pulling away from Gehlen, Critchfield became his champion, inviting Gehlen to the United States to raise his stature within the U.S. government and perhaps soften Gehlen's resistance to U.S. advice.

Gehlen's fate as the CIA's liaison partner was sealed in August 1951, when a high-level officer from the CIA traveled to West Germany to determine for himself the extent of Globke and Adenauer's commitment to Gehlen. The CIA was prepared to dump him, but only if the nascent West German government agreed. At a private meeting, the CIA envoy put the delicate question to Globke: "Is Gehlen acceptable to Adenauer?"¹²⁹ Globke answered affirmatively, in what was reported to Washington as a "direct and emphatic way."¹³⁰ Although doubts remained at the CIA, Gehlen had made too many influential allies in the Federal Republic for the U.S. government to discard him.

The visit by the CIA chieftain paved the way for Gehlen's trip to the United States in the fall of 1951. The chance to see Joe DiMaggio's last game at Yankee Stadium was but one of the cultural stops on a red-carpet tour of the country. Not all was sweetness and light, however. Gehlen received a frosty reception from General Walter Bedell Smith, the Director of Central Intelligence. Smith, who had been Dwight Eisenhower's Chief of Staff at the Supreme Allied Headquarters in Europe, was among those in the CIA who never warmed to the idea of flattering Gehlen's personal and professional ambitions.¹³¹ Nonetheless, symbolic of the Agency's grudging acceptance of Gehlen was the fifteen-minute visit and handshake that Gehlen's boosters arranged with Smith.

After Yankee Stadium

Just as it was for major league baseball, 1951 turned out to be the season for change in the CIA-Gehlen relationship. After Gehlen returned from Washington, the tensions in the relationship noticeably relaxed. The change was not due to anything on Gehlen's part. He would remain as stubbornly committed to keeping the CIA's nose out of his business as ever. But there was a marked change in Washington's handling of the Zipper account. The CIA gradually gave up on its original objective of controlling Gehlen's organization. Over the remainder of 1951 and into 1952, the CIA began to accept Zipper as more of a sovereign organization with which it had a close relationship than as a wholly owned subsidiary. In December 1952, Smith, who only fourteen months earlier had been reluctant to show any favor to Gehlen, wrote the German spy chief of his hope that the West German government would transform Zipper into the official German intelligence service in "the near future."¹³² Smith signaled that, in anticipation of that day, Washington was already prepared to expand the relationship into a

worldwide partnership of equals. Matters can, to our mutual advantage, be explored with Mr. Critchfield to explore with us in areas outside of the framework of intelligence on the Soviet Bloc."

In this new situation, what had passed without creating a stir. The operation was increasingly turning not to hire war criminals, Gehlen men.

Bolschwing and his Romanians were in the process. In 1951, the CIA's counterintelligence section (CIC) produced documents, the first evidence that the fall of 1951, when the CIA's Henry Paul Opitz and Walter Vollmer had been the head of the operation in 1951, it seems, the CIA also operated agent chains in Poland.

As Gehlen drew closer to the CIA, opportunities increased. It appeared that civilian offices of the West German government productive operation involved analysis of Zipper's internal financial affairs. The Army nor the CIA had ever been involved. In 1952, Bonn sent two accounts of the Gehlen Organization so that they could be seen by the West German civil service. Also seen by the CIA. Using the agents painstakingly pieced together a roster filled out. The CIA discovered that Zipper had been hired in 1951.¹³⁷ The CIA also saw the war criminals Emil Augsburg and three, Augsburg was the most prominent. Zipper had selected him to be Zipper's chief of Soviet intelligence services.¹³⁹

With the CIA expecting the end of the war, it was now Agency policy to treat Zipper as an internal German matter. It was not Critchfield at the CIA station who discovered SS men because of the CIA's view of former SS men as likely to be viewed by the Agency's belief in the early 1950s.

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worldwide partnership of equals. "Believing that our cooperation in intelligence matters can, to our mutual advantage, be extended," he wrote, "I have instructed Mr. Critchfield to explore with you our related interests in a number of activities in areas outside of the framework of our present cooperation in the production of intelligence on the Soviet Bloc."¹³³

In this new situation, what might have been a sore point for the two services passed without creating a stir. By the end of 1951, Critchfield's penetration operation was increasingly turning up evidence that, in defiance of his promise not to hire war criminals, Gehlen had been stacking his organization with SS men.

Bolschwing and his Romanians had been found two years before, very early in the process. In 1951, the CIA discovered a much larger cluster of SS men in the counterintelligence section GV-L. As can best be determined from the new documents, the first evidence that GV-L contained SS men arrived at Pullach in the fall of 1951, when the CIA penetration operation picked up information on Henry Paul Opitz and Walter Vollmer.¹³⁴ Both men had been in the Gestapo, and Vollmer had been the head of the Gestapo office in Chemnitz. Sometime in 1951, it seems, the CIA also learned about Cornelius Van Der Horst, who operated agent chains in Poland for the GV-L.¹³⁵

As Gehlen drew closer to the regime in Bonn, CIA counterintelligence opportunities increased. It appears that the CIA had better sources in the civilian offices of the West German government than in Zipper. One especially productive operation involved learning the names of Gehlen agents through analysis of Zipper's internal financial records, which apparently neither the U.S. Army nor the CIA had ever been officially permitted to see.¹³⁶ In the summer of 1952, Bonn sent two accountants to Pullach to begin checking the books of the Gehlen Organization so that eventually its employees could formally join the West German civil service. Some, perhaps all, of what they discovered was also seen by the CIA. Using travel receipts and salary payments, Critchfield's agents painstakingly pieced together Gehlen's widespread organization. GV-L's roster filled out. The CIA discovered that SD men Heinz Felfe and Carl Schuetz had been hired in 1951.¹³⁷ The CIA also learned that Zipper was employing the war criminals Emil Augsburg, Erich Deppner, and Konrad Fiebig.¹³⁸ Of the three, Augsburg was the most prominent because it became clear that Gehlen had selected him to be Zipper's chief specialist on the structure and tactics of the Soviet intelligence services.¹³⁹

With the CIA expecting the Adenauer government to legalize Zipper in short order, it was now Agency policy to consider these politically sensitive recruitments as an internal German matter. There is no evidence of any effort by Washington or Critchfield at the CIA station in Pullach to press Gehlen to fire any of these discovered SS men because of their pasts. By the early 1960s, the CIA came to view former SS men as likely targets for Soviet penetration, but this was not the Agency's belief in the early 1950s. Indeed, in the second half of 1951, the

CIA was itself hiring former SS men for a paramilitary operation designed by the Office of Policy Coordination.¹⁴⁰ Newly released information identifies at least three former SS men—Friedrich Carstenn, Karl Otto Jobke, and Eberhard Tellkamp—who were recruited for this operation. At least two of these men had probably committed crimes against humanity.¹⁴¹ Besides the fact that Jobke and Carstenn were employed through February 1953 and Tellkamp through November 1954, the precise duration and nature of this paramilitary operation organized by the OPC remains classified.¹⁴²

Consistent with its own view that few risks were involved in hiring former members of the SD and Gestapo, the Agency opted to complain to Gehlen only about those SS veterans on whom it had information of a possible Soviet connection. One of those SS men was Wolfgang Paul Hoeher. In June 1952, the CIA warned Zipper that he might be a Soviet agent.¹⁴³

The 1953 Crisis

Wolfgang Paul Hoeher merits a footnote in the history of the Cold War. Hoeher, the head of GV-L's office in West Berlin, disappeared into East Germany on February 13, 1953. Zipper promptly informed the CIA that Hoeher had been drugged and kidnapped across the border into East Berlin. But Hoeher had not been kidnapped. The CIA had been right to question this man's loyalty.¹⁴⁴ He had defected after serving as an East German mole in the Zipper organization. Hoeher's defection, six months after the warning from the CIA, ushered in a year of setbacks for Zipper that postponed legalization by Bonn for another four years and forced Gehlen to take U.S. concerns about security a little more seriously.

In October 1953, the Gehlen Organization was hit by an even more dramatic defection. Hans Joachim Geyer, who had worked for Gehlen since 1952 as an agent handler in East Berlin, defected to the East Germans when he thought the West Berlin police might arrest him. All along Geyer had been a double agent for the East German Security Service.¹⁴⁵ In the immediate aftermath of Geyer's departure, the East German Security Service arrested what has been described as hundreds of alleged Gehlen agents throughout the Soviet zone. Geyer then appeared at a press conference organized by the East Germans to denounce Gehlen. Two weeks later, a man linked to Gehlen was arrested as he tried to lay a communications cable along one of the canals that formed the boundary between East and West Berlin. This was followed by another press conference, where the East Germans showed off the cable layer, as well as Geyer and Hoeher.

The defections and the revelations that followed stung Gehlen. He understood that he could not hold out any longer on revealing to the CIA the names in the compromised GV-L. He needed Critchfield's help with the huge counterintelligence task he faced to ensure that there were no more Communist agents in this group. Cooperation in counterintelligence between the CIA and Gehlen had already intensified after Hoeher's defection, and by the end of the year, as the Soviets began their most concentrated propaganda campaign against

Gehlen, the CIA was quite convinced only moles in Zipper. In December, a list of the officers and agents attached to Zipper as liaison partner that the GV-L was placed under cover as Dienststelle 150. It was learned that Emil Augsburg, the head of the reorganization of the GV-L, participated in "special duties" in the wake of the reorganization of the GV-L as "Dr. Alberti" in the GV-L.¹⁴⁷ Augsburg, the headquarters in Pullach. The CIA ordered Gehlen to fire any of the former members of the GV-L—Augsburg—in the wake of the event.

Even in this moment of self-doubt, incapable of being forthright with his counterintelligence specialists to conduct penetrations, he did not reveal the results of a mole hunt. The SS men in the Zipper network that inspired suspicion had never belonged to a criminal organization. Investigation into what they termed

The U.S. Army vs. Zipper

The U.S. Army's relationship with Zipper was adversarial as Gehlen's relationship with the Counterintelligence Corps reacted. The CIA and Gehlen himself. Zipper and the CIA units at Pullach were more East German or Soviet than American.

In the fall of 1954, the CIC recruited a unit in Zipper. Ludwig Albert, a security representative in the pro-Gehlen Organization counterintelligence unit, was neutralized by the Hoeher case. As his CIC case officer explained, the pressure on General Gehlen directly became an impossible quagmire.

Albert was an excellent source (now Dienststelle 150). In November, people in sensitive positions in the security risks and/or threats, or had been sufficiently clarified to satisfy the CIA. He informed the CIC that within the year, it was the increasing sense that the

paramilitary operation designed by released information identifies at least three, Karl Otto Jobke, and Eberhard von Tschammer und Pongke. At least two of these men were involved in the operation. Besides the fact that Jobke was arrested in January 1953 and Tellkamp through the course of this paramilitary operation.

These men were involved in hiring former SS members who had opted to complain to Gehlen about the lack of information of a possible Soviet agent in the East. In June 1952, the CIA learned of this agent.¹⁴³

The history of the Cold War. Hoehner, who appeared into East Germany on 1 October 1949, told the CIA that Hoehner had been a double agent in East Berlin. But Hoehner had not questioned this man's loyalty.¹⁴⁴ He was a mole in the Zipper organization. In 1953, from the CIA, ushered in a year of change by Bonn for another four years of security a little more seriously. The East was hit by an even more dramatic event for Gehlen since 1952 as an agent of the East Germans when he thought the CIA had been a double agent in the immediate aftermath of Geyer's arrest. What has been described as the Soviet zone. Geyer then went to the East Germans to denounce the East Germans as he tried to lay a claim to the boundary between the East and West press conference, where the CIA learned of Geyer and Hoehner.

Following the arrest of Geyer, Gehlen. He was then on revealing to the CIA the CIA's help with the huge amount of information there were no more Communist intelligence between the CIA and the East, and by the end of the war the propaganda campaign against

Gehlen, the CIA was quite convinced that Hoehner and Geyer could not be the only moles in Zipper. In December 1953, Gehlen finally handed Critchfield a list of the officers and agents attached to GV-L.¹⁴⁶ He also promised his American liaison partner that the GV-L would be "dissolved" and its agents reassigned or placed under cover as Dienststelle 150. (It was likely from this list that the CIA learned that Emil Augsburg, the former Nazi expert on the East who had also participated in "special duties" in Poland and Byelorussia, was the man known as "Dr. Alberti" in the GV-L.)¹⁴⁷ Gehlen informed Critchfield that, as a result of the reorganization of the GV-L, Augsburg would be transferred to Gehlen's headquarters in Pullach. The CIA apparently made no effort to encourage Gehlen to fire any of the former members of GV-L—not even the war criminal Augsburg—in the wake of the events of 1953.¹⁴⁸

Even in this moment of shared concern, Gehlen was constitutionally incapable of being forthright with the CIA. Although he permitted one of his counterintelligence specialists to discuss his concerns about additional Soviet penetrations, he did not reveal to the CIA that the GV-L had itself launched a mole hunt. The SS men in the GV-L had formed a social and professional network that inspired suspicion on the part of those in the organization who had never belonged to a criminal organization. The non-SS men initiated an investigation into what they termed "the SD clique."¹⁴⁹

The U.S. Army vs. Zipper

The U.S. Army's relationship with the Gehlen Organization became more adversarial as Gehlen's relationship improved with the CIA. The Army's Counterintelligence Corps reacted with as much alarm to the events of 1953 as did the CIA and Gehlen himself. Like the counterintelligence experts in both the Zipper and the CIA units at Pullach, the CIC was deeply concerned that there were more East German or Soviet sources in the discredited GV-L.

In the fall of 1954, the CIC recruited a source within the GV-L counterintelligence unit in Zipper. Ludwig Albert, a former police officer in the Nazi period, was a security representative in the province of Hesse. Albert claimed that the entire Gehlen Organization counterintelligence network in the Soviet zone was neutralized by the Hoehner case. Albert promised to help the U.S. Army because, as his CIC case officer explained, "[H]e sees in the possibility of American pressure on General Gehlen directly the only chance to save his organization from becoming an impossible quagmire."¹⁵⁰

Albert was an excellent source for following the mole hunt within the GV-L (now Dienststelle 150). In November 1954, Albert passed to the CIC a list of people in sensitive positions in the Gehlen Organization who "either represent security risks and/or threats, or have backgrounds or records which have not been sufficiently clarified to satisfy minimum security considerations."¹⁵¹ He also informed the CIC that within the security group in the Gehlen Organization there was the increasing sense that the East Bloc's propaganda campaign of December

1953 was not the product of Hoehner's defection but was a sign of some excellent penetration of the Gehlen Organization by the Soviets. He said that suspicion had fallen on the SS men in the organization, especially on an ambitious officer named Heinz Felfe. "The impression that Heinz Felfe and the SD clique which followed him into the organization are 'enemies' has been growing steadily."¹⁵² Albert noted that Felfe traveled around from Gehlen office to Gehlen office where he "had no grounds for being present . . . each time asking for something or other . . . only to retreat then, stating he was in the wrong office."¹⁵³

The CIC opted not to tell the CIA what it had learned from Albert about Heinz Felfe and the other members of the SD clique. Indeed, after the 66th CIC, the main CIC group in West Germany, initiated a full-fledged investigation of Felfe and the other GV-L veterans, it instituted a policy of keeping the CIA as far away from its penetration as possible. The CIA had a liaison officer stationed at the 66th CIC, who posed a possible threat to this policy. Writing as if this CIA man represented a foreign power rather than the United States, the CIC commander in charge of the operation laid down the reasons why he had to be contained: "His continuous presence and use of the central registry, albeit through headquarters case sections, represents a possible source of embarrassment should he determine anything more than casual interest on the part of this headquarters in the [Gehlen Organization]."¹⁵⁴

The CIA, however, did not need any help from the CIC. It learned about the Gehlen Organization's internal security investigation on its own.¹⁵⁵ It also knew that former SS men, in particular Heinz Felfe, were at the center of the controversy. In October 1954, the CIA received information that Heinz Felfe and Karl Schuetz were "the major suspects in the Gehlen Organization security leak." The CIA also discovered that Felfe was considered the "main organizer and central figure of the SD clique."¹⁵⁶ The CIA had known about Felfe since 1952, though this was the first time that there was any hint that he was considered a security risk.

The CIA's initial reaction was to downplay the derogatory information against Felfe.¹⁵⁷ James Critchfield's counterintelligence specialists had been working increasingly closely with Felfe, and, despite the GV-L debacle of 1953, had come to view him as a very dependable ally in the war against Soviet intelligence and intrigue. In 1956, when his file was being reviewed before Felfe took his first liaison trip to the United States, the CIA officer who had "known and dealt closely with [Felfe] for about a year and a half," wrote that Felfe "is a man who apparently ties his personal future to the West and has made the decision to fight Communist ideologies and practice within the best framework available to him, i.e. [Zipper]."¹⁵⁸ Felfe's CIA liaison partner predicted that in the years to come, Felfe would be a key player in the BND.¹⁵⁹ He did not predict that Felfe would be among the most damaging KGB penetrations of the entire Cold War. Although the CIC could be blamed for not coordinating its efforts with the CIA, the CIA had only itself to blame for not looking into Felfe earlier and more closely than it did.



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Above: Allen Dulles
Left: James Critchfield



Mutual Suspicions and Damage Control

The ever-widening investigation of the security of the Gehlen Organization did nothing to disrupt the CIA's interest in strengthening the relationship. In September 1954, CIA director Allen Dulles visited the future chief of West German intelligence at his headquarters. Behind the symbolism of the meeting there was substance. Dulles raised the possibility of cooperation outside Eastern Europe. In late 1952, Smith had permitted Critchfield to discuss expanding cooperation beyond the Soviet zone (which in 1949 became the German Democratic Republic, or East Germany). Apparently, however, little had come of this overture, and Dulles stressed to Gehlen once more the need for this cooperation. Although the particular region of which Dulles spoke has been redacted in pages released by the CIA, from the historical context it is reasonable to speculate that Dulles discussed activities in the Near East, where in 1952-53 former Nazi military officers had been invited by the Syrian and Egyptian governments to train their military and intelligence establishments.¹⁶⁰

Later, Gehlen hinted in his memoirs that his operations in the Middle East were both successful and of great importance to Bonn. "This is a region of vast importance for Europe," he wrote. "Both bridge and pivot," he continued, "it confronts the southern flank of NATO and borders on the Mediterranean, the domination of which has always been one of the great Soviet ambitions."¹⁶¹ As of the mid-1950s, Gehlen's officers had "decided to establish a network of contacts there for the service in order to provide a continuous flow of intelligence reports."¹⁶²

Something else in Gehlen's memoirs suggests that the CIA not only participated in these operations but also knew that they involved some notorious Nazi figures. Gehlen wrote in the early 1970s that he had employed some of "the few former SS members" in Zipper in the Middle East with "the full approval" of the United States.¹⁶³ "We found the Arab countries particularly willing to embrace Germans with an ostensibly 'Nazi' past," he wrote.¹⁶⁴ By implication, so, too, was the United States. A former CIA officer in the region, Miles Copeland, then identified former SS-Sturmabführer Otto Skorzeny as the principal player in this operation. In World War II, Skorzeny had achieved near legendary status by leading a dramatic paratroop operation to spirit former Italian dictator Benito Mussolini out of detainment by the Italian government that had surrendered to the Allies in 1943. In 1944, Skorzeny had trained the guerrilla warriors who infiltrated the Allied lines dressed in U.S. uniforms so as to disrupt communication when Hitler launched his desperate final offensive in the Ardennes. According to Copeland, Gehlen approached Skorzeny with the plan that he would go to Egypt in 1953 to train the Egyptian army. Skorzeny understood that the money for this operation would come from the CIA, and that he and the other SS men he recruited as instructors would be responsible for spying on the Egyptians.¹⁶⁵

Records released in response to the Nazi War Crimes Disclosure Act cast doubt on Copeland's story and suggest that the operations Gehlen was writing about did not involve the CIA. The evidence is quite clear that the CIA and Gehlen did not

cooperate regarding Skorzeny or a indeed trek to Cairo in the first y battle with the new Jewish state.¹⁶⁶ was kept from the CIA.¹⁶⁷ To the German hand behind these work the embryonic German defense n Blank, which was the sponsor of sc a sponsor, just an interested onloo

One area of joint cooperati circumstances surrounding the d a Soviet defector named Petr De ran two agents in the BND. Th these men: "Peter" and "Paul."¹⁶⁸ Felfe could be either Peter or Paul. Felfe's arrest in 1961, the CIA a counterintelligence problem in th his arrest, however, Felfe continue As chief of all counterintelligence c with the BND, Felfe was able to re Soviet Bloc.

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cooperate regarding Skorzeny or any other of the dozens of aging Nazis who did indeed trek to Cairo in the first years of Nasser's reign to prepare the Arabs for battle with the new Jewish state.¹⁶⁶ If Gehlen was involved with those men, this was kept from the CIA.¹⁶⁷ To the extent that the CIA detected any official West German hand behind these work projects for former Nazis, it seems that it was the embryonic German defense ministry under Heinz Blank, the so-called Amt Blank, which was the sponsor of some of these men. In any case, the CIA was not a sponsor, just an interested onlooker.

One area of joint cooperation, however, was the investigation of the circumstances surrounding the defections and releases of 1953-54. In 1954, a Soviet defector named Petr Deriabin had revealed to the CIA that the KGB ran two agents in the BND. The defector could only provide code names for these men: "Peter" and "Paul."¹⁶⁸ Only in 1957 did the CIA take seriously that Felfe could be either Peter or Paul. From that year until the case was closed with Felfe's arrest in 1961, the CIA and the Gehlen Organization worked on this counterintelligence problem in the cooperative manner that it deserved.¹⁶⁹ Until his arrest, however, Felfe continued his steady rise in West German intelligence. As chief of all counterintelligence operations against the Soviets, his final position with the BND, Felfe was able to reveal to Moscow every Gehlen operation in the Soviet Bloc.

During the investigation of the Felfe case, the CIA discovered that there were other high-level Soviet moles in the BND, not all of whom could be identified. Two that could be identified were Hans Clemens and Wilhelm Krichbaum, both of whom had at one time or another recruited other agents for the BND and the Soviets.¹⁷⁰ Clemens and Krichbaum had collaborated in recruiting Felfe for the KGB in 1951. At the very least, Zipper's and later the BND's entire counterintelligence campaign in the 1950s was an open book for Moscow.

In April 1956, the Adenauer government formally legalized the Gehlen Organization as the BND. While the Chancellor had been relying on it as his foreign intelligence service since 1951, the U.S. government continued to pay the salaries of Gehlen's headquarters personnel and much of Zipper's operational costs until Gehlen's staff officially joined the West German civil service.¹⁷¹

What must have been a moment of shared glory for the CIA and the new BND was oddly bittersweet. Although they had never been personally close, Critchfield and Gehlen experienced a severe falling out in 1955. The cause of the problem was Gehlen's discovery of the CIC penetration into his organization, for which he blamed Critchfield and the CIA. In July 1955, Gehlen informed Critchfield that two American men had been identified as covering West German government figures and the Gehlen Organization.¹⁷² The West German police also determined that Ludwig Albert was involved in unauthorized activity. After he was arrested, the West German police uncovered evidence in his apartment that he had been working for CIC. Albert later committed suicide in prison.

Gehlen never accepted that one U.S. intelligence service could act independently of another in occupied Germany. When Critchfield told him that the CIA had no idea that the U.S. Army had targeted Zipper, Gehlen assumed this was one of those polite lies that make diplomatic relations possible.¹⁷³ As a result, the Albert case cast a pall over Gehlen's relationship with the Pullach group throughout the remainder of the CIA's sponsorship of Zipper. Critchfield's final days at Pullach before the CIA closed its special liaison office were difficult. Gehlen himself did not bother to visit with the American who had been his most tolerant CIA ally over eight years. Curiously—for a man who repeatedly broke his word in dealings with Americans—he refused to forgive Critchfield for the actions of the CIC.

The CIA's relationship with the BND emerged unaffected by the personal tensions between these two men. Although the newly released information does not add much to the literature on West German-U.S. intelligence cooperation after the period of CIA stewardship, there is some evidence in the public domain to suggest that at a certain point after Felfe's arrest the relationship became mutually advantageous. As for the period under U.S. supervision, the judgment cannot be positive. The CIA was never able to renegotiate the open-ended commitment that the U.S. Army had rashly made to Gehlen in 1945–46. By 1951, the CIA recognized that the strong-willed Gehlen would use every instrument at his disposal to deter U.S. control over his activities. Had Gehlen not been a wily political infighter, he would have been fired. But Gehlen had made himself too powerful to replace, even in a country still occupied by the U.S. Army. As a result, for over a decade Reinhard Gehlen was able to use U.S. funds to create a large intelligence bureaucracy that not only undermined the Western critique of the Soviet Union by protecting and promoting war criminals but also was arguably the least effective and secure in the North Atlantic Treaty Organization.

As many in U.S. intelligence in the late 1940s had feared would happen, the Gehlen Organization proved to be a back door by which the Soviets penetrated the Western alliance. Through Gehlen's careless employment of Nazi war criminals, this organization was also a back door to tranquility and fat pensions for men who had committed—or at least abetted—the worst atrocities of the twentieth century. Even though the record of intelligence-sharing remains spotty for the Army period and closed for the period of CIA sponsorship, it is hard to imagine any stream of information whose value could outweigh these two facts. It is equally hard to imagine that the United States could not have found another horse to bet on in the race to build a West German intelligence service if the decision had been made early enough. The U.S. sponsorship of Reinhard Gehlen should be an object lesson in how easily governments can lose control of the institutions they foster in foreign lands and the damaging results that can ensue.

1. The first series on Gehlen in major were written by Sefton Delmer, a j U.S. Army, then the CIA, had tri relationship with Gehlen. Some ir British attempt to weaken Gehlen, z British intelligence services, either. Union. The CIA arranged the first secret intelligence service, after the power in 1953. James Critchfield, i
2. Heinz Höhne and Hermann Zollir *Ring*, trans. Richard Barry, (London *Spy of the Century* (New York: Rar *Memoirs of General Reinhard Gehlen*
3. Mary Ellen Reese, *General Reinhard* University Press, 1990). Two years CIA relationship and added new d *Effects on the Cold War* (New York Gehlen-related sources than Reese CIA's enthusiasm for Gehlen. Majo intelligence during the last half of 1990s, but Peter Grose, *Gentleman* 1994) and James Srodes, *Allen Di* added little to the Gehlen story.
4. James H. Critchfield, *Partners at the Intelligence Establishments* (Annapol
5. Simpson, *Blowback*, 45.
6. This number is an estimate. It is ba CIA (RG 263). There are two reas In its declassification review, the acknowledge that an individual bel 2000 and 2001 contain acknowledg re-reviews of other files later determ to employment by Gehlen. By 200 not excise evidence that an individu of U.S. sponsorship (1945–1956). been released, and the CIA lacked insert acknowledgements of Gehlen reason to believe that the number turn over personality information t the former SS men Gehlen hired.
7. Gehlen's FHO benefited from the re

Notes

intelligence service could act. When Critchfield told him that targeted Zipper, Gehlen assumed diplomatic relations possible.¹⁷³ As his relationship with the Pullach sponsorship of Zipper. Critchfield's special liaison office were difficult. American who had been his most—for a man who repeatedly broke sed to forgive Critchfield for the

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1. The first series on Gehlen in major newspapers ran in Britain in March 1952. The articles were written by Sefton Delmer, a journalist with British intelligence connections. First the U.S. Army, then the CIA, had tried to keep their British ally in the dark about the U.S. relationship with Gehlen. Some in the CIA interpreted the newspaper series as an official British attempt to weaken Gehlen, a man whom they did not trust. Gehlen did not trust the British intelligence services, either. He considered them thoroughly penetrated by the Soviet Union. The CIA arranged the first official meeting between Gehlen and MI-6, the British secret intelligence service, after the Conservatives under Winston Churchill were returned to power in 1953. James Critchfield, interview with author, 17 Aug. 2001.
2. Heinz Höhne and Hermann Zolling, *Network: The Truth about General Gehlen and His Spy Ring*, trans. Richard Barry, (London: Secker and Warburg, 1972); E.H. Cookridge, *Gehlen: Spy of the Century* (New York: Random House, 1972); Reinhard Gehlen, *The Service: The Memoirs of General Reinhard Gehlen*, trans. David Irving (NY: World Publishing, 1972).
3. Mary Ellen Reese, *General Reinhard Gehlen: The CIA Connection* (Fairfax, VA: George Mason University Press, 1990). Two years earlier, Christopher Simpson had addressed the Gehlen-CIA relationship and added new details in *Blowback: America's Recruitment of Nazis and its Effects on the Cold War* (New York: Weidenfeld and Nicholson, 1988). Using fewer new Gehlen-related sources than Reese did, Simpson tended to overstate the OSS' and later the CIA's enthusiasm for Gehlen. Major biographies of Allen Dulles, who was director of central intelligence during the last half of the CIA's sponsorship with Gehlen, also appeared in the 1990s, but Peter Grose, *Gentleman Spy: The Life of Allen Dulles* (Boston: Houghton Mifflin, 1994) and James Srodes, *Allen Dulles: Master of Spies* (Washington, DC: Regnery, 1999) added little to the Gehlen story.
4. James H. Critchfield, *Partners at the Creation: The Men Behind Postwar Germany's Defense and Intelligence Establishments* (Annapolis, MD: Naval Institute Press, 2003).
5. Simpson, *Blowback*, 45.
6. This number is an estimate. It is based on the examination of 743 Name Files released by the CIA (RG 263). There are two reasons to believe that the number is higher than a hundred. In its declassification review, the CIA maintained an inconsistent policy on whether to acknowledge that an individual belonged to the Gehlen Organization. Some files released in 2000 and 2001 contain acknowledgements of an operational relationship with Gehlen. But re-reviews of other files later determined that in some cases, the CIA had redacted references to employment by Gehlen. By 2002, the IWG achieved an agreement that the CIA would not excise evidence that an individual worked for the Gehlen Organization during the period of U.S. sponsorship (1945–1956). By 2002, however, hundreds of Name Files had already been released, and the CIA lacked the personnel to re-review all of these released files to re-insert acknowledgements of Gehlen recruitment where they had been excised. The second reason to believe that the number is higher is that, due to Reinhard Gehlen's reluctance to turn over personality information to the CIA, it is doubtful the CIA ever knew about all of the former SS men Gehlen hired.
7. Gehlen's FHO benefited from the results of the German army's cruel program of interrogating

- Soviet POWs. There is evidence that these POWs were tortured and killed, all in violation of the Geneva Convention. However, Gehlen was not in command of this program.
8. More information on Allied communication intelligence is found in the appendix.
 9. These were the Ostro, Kraemer, and the Max or Klatt cases. Of these three spies not under Allied control, two were fabricators/entrepreneurs who were spinning nonsense out of newspaper articles and some contacts in neutral countries, and the third was thought to be a Soviet deception run against Berlin. For the judgment of Allied counterintelligence on these cases, see F.H. Hinsley and C.A.G. Simkins, *British Intelligence in the Second World War* vol. 4 (New York: Cambridge University Press, 1990). Although World War II was a golden age of counterintelligence, there were limits to Allied knowledge of German spying. Most of the successes were scored against the Abwehr. From the start, the communications of Heinrich Himmler's SD and Gestapo were more difficult to crack. The SD and Gestapo did not operate against the United States, and their operations against Great Britain were largely restricted to some meddling in Ireland. Only one member of Britain's network of double agents—the double-cross system—was an SD officer. See chapter 4.
 10. Analysis of Fremde Heere Ost reports by Hans-Heinrich Wilhelm, "Die Prognosen der Abteilung Fremde Heere Ost 1942–1945," in *Zwei Legenden aus dem Dritten Reich* (Stuttgart: Deutsche Verlags-Anstalt, 1974), 7–75, cited in Kahn, *Hitler's Spies: German Military Intelligence in World War II* (New York: Macmillan, 1978), 440–41.
 11. The OSS, an agency of the Joint Chiefs of Staff, was dissolved by executive order in Sept. 1945. Its successor, the Strategic Services Unit, reported to the War Department but was considered a civilian organization.
 12. See *Venona: Soviet Espionage and the American Response, 1939–1957*, ed. Robert Louis Benson and Michael Warner, (Washington, DC: National Security Agency/Central Intelligence Agency, 1996), xi–xxii.
 13. X-2 veterans James R. Murphy, interview with author, 16 Nov. 1983; and Robert Rushin, interview with author, 10 March 1988.
 14. John R. Boker, Jr., Report of Initial Contacts with General Gehlen's Organization, 1 May 1952, *Forging an Intelligence Partnership: CIA and the Origins of the BND, 1945–1949* [hereafter, *CIA and the Origins of the BND*], Kevin C. Ruffner, ed., NA, RG 263, vol. 1, document 6. As a member of the CIA history staff, Dr. Ruffner compiled this superb collection of ninety-seven documents to mark the fiftieth year of CIA-West German cooperation. The collection was declassified in 2002 as part of the CIA's IWG effort.
 15. Ibid.
 16. Ibid.
 17. Ibid.
 18. The Abwehr operated Walli until 1944. After the collapse of the Abwehr following the July 1944 attempt on Hitler's life, Gehlen took over Baun's networks.
 19. "Statement of Lt. Col. Duin on Early Contacts with the Gehlen Organization," [Undated], NA, RG 263, *CIA and the Origins of the BND*, vol. 1.
 20. Crosby Lewis, Chief [X-2 (formerly OSS Counterintelligence) Germany] to [excised] 25 Oct. 1945, *ibid.*
 21. Cable, Critchfield to Crosby Lewis to Richard Helms, Acting Chief of FBM, 8 Oct. 1946, enclosing Lewis to Donald Washington, 17 Dec. 1948, NA, I 71.
 22. Debriefing of Eric Waldman on During the Years 1945–1949, 30 : vol. 1; HQ, USFET, MISC, Lt. C. "Plan for the Inclusion of the Bole vol. 1.
 23. The code name probably comes fr Chief of Station, Karlsruhe to Chi of the BND, vol. 2. The figure of CIA comes from Critchfield's anal Karlsruhe [Critchfield] to SO, 17 vol. 2.
 24. Chief MOB [Critchfield] to Chic NA, RG 263, *CIA and the Origins*
 25. Ibid.
 26. Maj. Gen. W.A. Burress, G-2, Intelligence, "Operation Rusty–U: Service," with attachments, 1 Oct. 1; Debriefing of Eric Waldman or during the Years, 1945–1949, 30 : vol. 1, document 9.
 27. The U.S. Army said this to an inve Bossard to DCI, "Operation Rust BND, vol. 2.
 28. Ibid. In an effort to sell the SSU c group had given them in 1945–46
 29. The Gehlen cryptographic unit v in close contact with the cryptog Karlsruhe to [excised], 18 Nov. : BND, vol. 2. A month later Critc report. Chief MOB [Critchfield] 1948, *ibid.*, document 72. Confir when the ASA's successor, the Na West Germany came from the aut anonymous.
 30. Chief MOB [Critchfield] to Chic NA, RG 263, *CIA and the Orig* interview with author, 17 Aug. 21 the rapid expansion of his organiz
 31. Later CIA background checks or coupons under assumed names.

re tortured and killed, all in violation of the command of this program. Evidence is found in the appendix.

in cases. Of these three spies not under suspicion who were spinning nonsense out of their stories, and the third was thought to be a member of Allied counterintelligence on the basis of *British Intelligence in the Second World War* (1990). Although World War II was a test of Allied knowledge of German spying.

From the start, the communications of the Gestapo were difficult to crack. The SD and Gestapo did their best against Great Britain were largely ineffective. A member of Britain's network of double agents. See chapter 4.

Ernst Wilhelm, "Die Prognosen der deutschen Auslandsnachrichtendienste aus dem Dritten Reich" (Stuttgart: Verlag, *Hitler's Spies: German Military Intelligence* 1978), 440–41.

was dissolved by executive order in Sept. 1945. It was moved to the War Department but was

in *1939–1957*, ed. Robert Louis Benson (Security Agency/Central Intelligence

Report, 16 Nov. 1983; and Robert Rushin,

General Gehlen's Organization, 1 May 1945, *the Origins of the BND, 1945–1949* (C. Ruffner, ed., NA, RG 263, vol. 1, 1948), Dr. Ruffner compiled this superb report in the fiftieth year of CIA-West German cooperation as part of the CIA's IWG effort.

collapse of the Abwehr following the July 1945 networks.

the Gehlen Organization," [Undated],

intelligence) Germany] to [excised] 25 Oct.

James, Acting Chief of FBM, 8 Oct.

1946, enclosing Lewis to Donald H. Galloway, Assistant Director for Special Operations, Washington, 17 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 71.

22. Debriefing of Eric Waldman on the U.S. Army's Trusteeship of the Gehlen Organization During the Years 1945–1949, 30 Sept. 1969, NA, RG 263, *CIA and the Origins of the BND*, vol. 1; HQ, USFET, MISC, Lt. Col. John Dean, Jr., to Assistant Chief of Staff, G-2, USFET, "Plan for the Inclusion of the Bolero Group in Operation Rusty," 2 July 1946, NA, RG 263, vol. 1.
23. The code name probably comes from Col. Philp, whose own longtime nickname was Rusty. Chief of Station, Karlsruhe to Chief, FBM, 4 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2. The figure of approximately four thousand at the time of transfer to the CIA comes from Critchfield's analysis of the Gehlen Organization in December 1948. Cable, Karlsruhe [Critchfield] to SO, 17 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2.
24. Chief MOB [Critchfield] to Chief, OSO, "Report of Investigation–Rusty," 17 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 72.
25. Ibid.
26. Maj. Gen. W.A. Burrell, G-2, to Lt. Gen. Hoyt S. Vandenberg, Director of Central Intelligence, "Operation Rusty–Use of the Eastern Branch of the Former German Intelligence Service," with attachments, 1 Oct. 1946, NA, RG 263, *CIA and the Origins of the BND*, vol. 1; Debriefing of Eric Waldman on the U.S. Army's Trusteeship of the Gehlen Organization during the Years, 1945–1949, 30 Sept. 1969, NA, RG 263, *CIA and the Origins of the BND*, vol. 1, document 9.
27. The U.S. Army said this to an investigator from the Central Intelligence Group in 1947. See Bossard to DCI, "Operation Rusty," 29 May 1947, NA, RG 263, *CIA and the Origins of the BND*, vol. 2.
28. Ibid. In an effort to sell the SSU on the Rusty Operation, the U.S. Army explained what the group had given them in 1945–46.
29. The Gehlen cryptographic unit was at Oberursel. The CIA reported that this unit was in close contact with the cryptographers at the Army Security Agency. Chief of Station, Karlsruhe to [excised], 18 Nov. 1948, "Rusty," NA, RG 263, *CIA and the Origins of the BND*, vol. 2. A month later Critchfield would describe this effort in more detail in his final report. Chief MOB [Critchfield] to Chief, OSO, "Report of Investigation–Rusty," 17 Dec. 1948, *ibid.*, document 72. Confirmation of this contact with the ASA and information as to when the ASA's successor, the National Security Agency, placed its own intercept station in West Germany came from the author's interview with an NSA official who asked to remain anonymous.
30. Chief MOB [Critchfield] to Chief, OSO, "Report of Investigation–Rusty," 17 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 72; James Critchfield, interview with author, 17 Aug. 2001. This is how Gehlen himself explained to Critchfield the rapid expansion of his organization.
31. Later CIA background checks on these individuals revealed that they had received ration coupons under assumed names.

32. See the NA, RG 263, Otto von Bolschwing Name File.
33. See NA, RG 263, Name Files on Kurt Auner, Ernst Schlandt, Horia Sima, and Joachim Vacarescu.
34. See NA, RG 263 Name Files on Emil Augsburg, Herbert Boehrsch, Hans Clemens, Heinz Felfe, Kurt Moritz, Walter Otten, Heinrich Josef Reiser, Ernst Schwartzwaller, Carl Schuetz, Otto Somann, and Cornelius Van der Horst. A twelfth person with a criminal background in the GV-L was Paul Hodosy-Strobl, a police general who became the head of the Hungarian State Police during the collaborationist Szálasi regime in 1944–45. See NA, RG 263, Paul Hodosy-Strobl Name File.
35. Richard Breitman, "Historical Analysis of 20 Name Files from CIA Records," April 2001, http://www.archives.gov/iwg/declassified_records/rg_263_cia_records/rg_263_report.html.
36. NA, RG 263, Erich Deppner Name File. Deppner was head of Abt. I of the Sipo and SD in the Hague. He was commended by Heinrich Himmler in June 1943 for his good work in Holland. See Chief, Munich to Chief, EUR, 5 Dec. 1966. Deppner ultimately served nine months in prison in 1960–61 for having shot Soviet POWs in occupied Holland. In this document, the CIA notes that despite the war crimes conviction, the BND hired him back to do "research" at home "on non-sensitive matters."
37. NA, RG 263, Ernst Makowski Name File.
38. NA, RG 263, Karl Guse and Napoleon Krasnowski Name Files. The so-called Krasnowski file covers the career of Werner Krassowski.
39. NA, RG 263, Konrad Fiebig Name File. Fiebig was acquitted in 1962 for lack of sufficient evidence, but the BND did not believe he was innocent of all crimes, so retired him.
40. Fiebig was in section GV-H.
41. NA, RG 263, Walter Kurreck Name File.
42. NA, RG 263, Alexander Doloezalek Name File.
43. NA, RG 263, Friedrich Frank Name File.
44. James Critchfield described the recruitment procedures for Dienststelle 114 [later GV-L] after his visit to its field stations in the fall of 1948. Chief, MOB [Critchfield] to Chief, OSO, "Report of Investigation–Rusty," with annexes, 17 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 72. In August 1949, Gehlen explained to CIA the rationale behind this system. 34 [Gehlen] to 20 [Critchfield], 22 Aug. 1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 97.
45. NA, RG 263, Konrad Fiebig Name File.
46. NA, RG 263, Erich Ulich Kayser-Eichberg Name File.
47. NA, RG 263, Emil Augsburg Name File.
48. NA, RG 263, Franz Six Name File.
49. Gehlen, *Memoirs*, 137.
50. Ibid.
51. In June 1948, Gehlen wrote a letter to Liebl's superior to demand that he be sent home. Debriefing of Eric Waldman on the U.S. Army's Trusteeship of the Gehlen Organization During the Years 1945–1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 1, document 9.
52. Enclosure 2a, Gehlen to General Walsh, [Critchfield] to Chief, FBM, "[Gehlen Organization]

General Policy," 7 July 1949, NA, I 94.

53. In August 1948, Gehlen wrote to S. survey of Rusty in 1947, to ask his points which have to be handled in perhaps a strike of our employees.' Rear Admiral R. H. Hillenkoetter, Army, 31 Aug. 1948, NA, RG 263
54. Bossard to DCI, "Operation Rusty"
55. Maj. Gen. W.A. Burress, G-2, 1 Intelligence, "Operation Rusty–1 Intelligence Service," with attachm to Vandenberg that the Germans intelligence service they were capa mid-1946 that it had received per could only afford to do this throug Donald Galloway, "Keystone Oper
56. Ibid.
57. Kevin Ruffner, "American Intelligi *Studies in Intelligence* (1997), 73.
58. Ibid.
59. Ibid.
60. The most important supporter wa intelligence in Germany had been the fall of 1946, he briefed Vanden the Army's offer very seriously. S the Gehlen Organization [undated document 8.
61. Bossard to DCI, "Operation Rusty *BND*, vol. 2.
62. Heidelberg to SO, 8 Apr. 1947, N
63. Ibid. Emphasis in original.
64. Bossard to DCI, "Operation Rusty *BND*, vol. 2.
65. Ibid.
66. CIG German mission to Bossard, 263, *CIA and the Origins of the BND* operation aims at the developmen stages of organization." The CI Bossard sent for evaluation. The F Rusty," 29 May 1947, NA, RG 26
67. Ibid.
68. Ibid.

file.
 Ernst Schlandt, Horia Sima, and Joachim

Berbert Boehrsch, Hans Clemens, Heinz
 Kiser, Ernst Schwartzwaller, Carl Schuetz,
 fifth person with a criminal background
 who became the head of the Hungarian
 line in 1944–45. See NA, RG 263, Paul

"The Files from CIA Records," April 2001,
[rg_263_cia_records/rg_263_report.html](#).
 was head of Abt. I of the Sipo and SD in
 Berlin in June 1943 for his good work in
 1966. Deppner ultimately served nine
 years in POWs in occupied Holland. In this
 conviction, the BND hired him back to

Name Files. The so-called Krasnowski

was acquitted in 1962 for lack of sufficient
 evidence of all crimes, so retired him.

orders for Dienststelle 114 [later GV-L]
 3. Chief, MOB [Critchfield] to Chief,
 17 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 1.
 Just 1949, Gehlen explained to CIA the
 [Critchfield], 22 Aug. 1949, NA, RG 263,
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le.

prior to demand that he be sent home.
 trusteeship of the Gehlen Organization
and the Origins of the BND, vol. 1,

to Chief, FBM, "[Gehlen Organization]

General Policy," 7 July 1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 94.

53. In August 1948, Gehlen wrote to Samuel Bossard, the CIA officer who had done the first CIA survey of Rusty in 1947, to ask him to return to West Germany to discuss "some dangerous points which have to be handled in the right way to prevent increasing disappointment and perhaps a strike of our employees." This raised concerns at the very top of the Agency. See Rear Admiral R. H. Hillenkoetter, DCI, to Lt. General S. J. Chamberlin, Dir of Intel, U.S. Army, 31 Aug. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 64.
54. Bossard to DCI, "Operation Rusty," 29 May 1947, *ibid.*, document 42.
55. Maj. Gen. W. A. Burress, G-2, to Lt. Gen. Hoyt S. Vandenberg, Director of Central Intelligence, "Operation Rusty—Use of the Eastern Branch of the Former German Intelligence Service," with attachments, 1 Oct. 1946, *ibid.*, document 19. Burress explained to Vandenberg that the Germans believed it would take \$2.5 million a year to run the intelligence service they were capable of in Europe. The U.S. Army claimed to the SSU in mid-1946 that it had received permission to spend \$2.5 million on the project but that it could only afford to do this through the end of the 1947 fiscal year. See Crosby Lewis to Col. Donald Galloway, "Keystone Operation," 22 Sept. 1946, *ibid.*
56. *Ibid.*
57. Kevin Ruffner, "American Intelligence and the Gehlen Organization, 1945–1949," *CIA Studies in Intelligence* (1997), 73.
58. *Ibid.*
59. *Ibid.*
60. The most important supporter was General Edwin L. Sibert, who as chief of U.S. military intelligence in Germany had been Philp's commander in Europe. When he joined CIG in the fall of 1946, he briefed Vandenberg on the Rusty project and pushed for CIG to consider the Army's offer very seriously. See Report of Interview with General Edwin L. Sibert on the Gehlen Organization [undated], NA, RG 263, *CIA and the Origins of the BND*, vol. 1, document 8.
61. Bossard to DCI, "Operation Rusty," 29 May 1947, NA, RG 263, *CIA and the Origins of the BND*, vol. 2.
62. Heidelberg to SO, 8 Apr. 1947, NA, RG 263, *CIA and the Origins of the BND*, vol. 1.
63. *Ibid.* Emphasis in original.
64. Bossard to DCI, "Operation Rusty," 29 May 1947, NA, RG 263, *CIA and the Origins of the BND*, vol. 2.
65. *Ibid.*
66. CIG German mission to Bossard, 1 Apr. 1947, "Evaluation of Rusty CI Reports," NA, RG 263, *CIA and the Origins of the BND*, vol. 1. The CIG mission concluded that "if the Rusty operation aims at the development of a full-fledged CE service, then it must be in the earliest stages of organization." The CIG office rejected "a high percentage of the reports" that Bossard sent for evaluation. The Bossard quotation comes from Bossard to DCI, "Operation Rusty," 29 May 1947, NA, RG 263, *CIA and the Origins of the BND*, vol. 2.
67. *Ibid.*
68. *Ibid.*

69. Ibid.
70. Ibid.
71. Ibid.
72. Ibid.
73. Hillenkoetter to Secretaries of State, etc. [never sent], 6 June 1947, *ibid.*
74. James Critchfield, interview with author, 17 Aug. 2001.
75. Chief MOB [Critchfield] to Chief, OSO, "Report of Investigation-Rusty," 17 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 72.
76. Cable, Critchfield to Special Operations, Washington, 17 Dec. 1948, *ibid.*, document 71.
77. Critchfield hardly mentioned Baun in his report. In his memoirs, he recalls how Gehlen eclipsed this once-powerful spymaster. Critchfield, *Partners at the Creation*, 116-18.
78. James Critchfield, "The Gehlen Organization," 25 Jan. 2002, NA, IWG Administrative Files.
79. "Organization 114," an annex to Chief MOB [Critchfield] to Chief, OSO, "Report of Investigation-Rusty," 17 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 72.
80. Shortly before his death in April 2003, James Critchfield wrote his recollections of the Augsburg case for the historians of the IWG. He recalled meeting Dr. Alberti on a number of occasions after 1953 and mentioned that the CIA, which knew that Alberti was an alias, initiated efforts to determine Alberti's real name beginning in 1949. He did not recall meeting him in 1948. Critchfield, "Case Histories," 7 Mar. 2002, NA, IWG Administrative Files.
81. Chief of Station, Karlsruhe to Chief, Foreign Division M, 3 Aug. 1950, NA, RG 263, Paul Hodosy-Strobl Name File. In July 1950, Gehlen asked Critchfield for the CIA's help in obtaining a visa for Hodosy and two other GV-L Hungarians to emigrate to the U.S. Critchfield suggested to Washington that "each case should be considered separately." Washington determined Hodosy was ineligible for emigration. He was also dropped from Zipper in 1950. See his Name File for the story of this attempted emigration in 1950. Information about Hodosy-Strobl's background and his work for the CIC also comes from his Name File. Hodosy-Strobl later went to Brazil and successfully emigrated to the United States in 1963 and was naturalized in 1970. Critchfield described the "Hungarian Group" and its chief, without naming him, in the annex on Dienststelle 114 in his report of 17 Dec. 1948.
82. Gehlen, *Memoirs*, 226.
83. Chief, FBM [Richard Helms] to Chief of Station, Karlsruhe "[Gehlen Organization]," 2 Feb. 1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 79.
84. Chief, Foreign Branch M [Helms] to Chief, Karlsruhe Station, Attn [Critchfield], 9 Feb. 1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 82.
85. Galloway to DCI, "Recommendations in re Operation Rusty," 21 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 73. Helms expressed similar sentiments in February 1949. See Chief, FBM [Richard Helms] to Chief of Station, Karlsruhe. "[Gehlen Organization]," 2 Feb. 1949, *ibid.*, document 79.
86. Chief, FBM [Richard Helms] to Chief of Station, Karlsruhe. "[Gehlen Organization]," 2 Feb. 1949, *ibid.*, document 79.
87. Chief, Foreign Branch M [Helms] 1949, NA, RG 263, *CIA and the C*
88. The analysis of the breakdown of t
The figure for the number of repo:
See [Critchfield] to Chief, FBM, "
12 Oct. 1949, *ibid.*, document 94
89. [Critchfield] to Chief, FBM, "[G
ibid., document 89.
90. Chief of Station, Karlsruhe to Chi
"American Intelligence and the C
76.
91. Helms, Memorandum for the File
the Origins of the BND, vol. 2, doc
92. Critchfield to Dr. Schneider [Gehl
BND, vol. 2.
93. Gehlen had also promised in the fa
were being collected. Gehlen blar
information on the agents the org
Chief, OSO, "Report of Investig
Origins of the BND, vol. 2, docu:
the CIA why the Baun system co
[Critchfield], "Personal Data," 22
vol. 2, enclosure to document 97.
94. 34 [Gehlen] to 20 [Critchfield], "
Origins of the BND, vol. 2, enclos
95. In an interview with the author or
he had asked Gehlen for a descript
of his operatives. Within a week,
information turned over on the
Schneider [Gehlen], 20 Sept. 194
96. Critchfield to Dr. Schneider [Gef
Chief, FBM [Helms], "Dr. Schne
12 Oct. 1949, *ibid.*, document 9
97. *Ibid.*
98. *Ibid.*
99. *Ibid.*
100. James Critchfield, interview with
101. See the NA, RG 263, Name Fil
Horia Sima, and Joachim Vacares
102. For examples of the background c
Cold War, see the NA, RG 263, 1
103. For more on the CIA's handling o

], 6 June 1947, *ibid.*

001.

of Investigation–Rusty,” 17 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 72.

in, 17 Dec. 1948, *ibid.*, document 71.

In his memoirs, he recalls how Gehlen *Partners at the Creation*, 116–18.

5 Jan. 2002, NA, IWG Administrative

Critchfield] to Chief, OSO, “Report of *CIA and the Origins of the BND*, vol. 2,

Critchfield wrote his recollections of the called meeting Dr. Alberti on a number 1, which knew that Alberti was an alias, beginning in 1949. He did not recall 7 Mar. 2002, NA, IWG Administrative

ision M, 3 Aug. 1950, NA, RG 263, ehlen asked Critchfield for the CIA’s : GV-L Hungarians to emigrate to the h case should be considered separately.” :migration. He was also dropped from of this attempted emigration in 1950. his work for the CIC also comes from ad successfully emigrated to the United field described the “Hungarian Group” Dienststelle 114 in his report of 17 Dec.

Karlsruhe “[Gehlen Organization],” 2 Feb. vol. 2, document 79.

the Station, Attn [Critchfield], 9 Feb. vol. 2, document 82.

in Rusty,” 21 Dec. 1948, NA, RG 263,

Helms expressed similar sentiments in Chief of Station, Karlsruhe. “[Gehlen

Karlsruhe. “[Gehlen Organization],” 2 Feb.

1949, *ibid.*, document 79.

87. Chief, Foreign Branch M [Helms] to Chief, Karlsruhe Station, Attn [Critchfield], 9 Feb. 1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 82.
88. The analysis of the breakdown of the reports comes from Critchfield’s 17 Dec. 1948 report. The figure for the number of reports in Dec. 1948 comes from a chart prepared by Gehlen. See [Critchfield] to Chief, FBM, “Dr. Schneider’s Reply to Recent Policy Guidance Letters,” 12 Oct. 1949, *ibid.*, document 94.
89. [Critchfield] to Chief, FBM, “[Gehlen Organization]: Current Situation,” 18 Apr. 1949, *ibid.*, document 89.
90. Chief of Station, Karlsruhe to Chief, FBM, “Rusty,” 19 Aug. 1948, cited in Kevin Ruffner, “American Intelligence and the Gehlen Organization, 1945–1949,” *Studies in Intelligence*, 76.
91. Helms, Memorandum for the Files, “Operation Rusty,” 1 Feb. 1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 78.
92. Critchfield to Dr. Schneider [Gehlen], 15 June 1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 2.
93. Gehlen had also promised in the fall of 1948 that “basic central records on all agent personnel” were being collected. Gehlen blamed Baun for the fact that his headquarters lacked sufficient information on the agents the organization had recruited. See Chief MOB [Critchfield] to Chief, OSO, “Report of Investigation–Rusty,” 17 Dec. 1948, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, document 72. By mid-1949, Gehlen would be explaining to the CIA why the Baun system could not be changed. On this point see 34 [Gehlen] to 20 [Critchfield], “Personal Data,” 22 Aug. 1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, enclosure to document 97.
94. 34 [Gehlen] to 20 [Critchfield], “Personal Data,” 22 Aug. 1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 2, enclosure to document 97.
95. In an interview with the author on 12 Nov. 2002, Critchfield explained that on his first visit, he had asked Gehlen for a description of his organization and for the aliases and real names of his operatives. Within a week, Gehlen had given him 150 names. On the fragmentary information turned over on the projects outside the Soviet zone, see Critchfield to Dr. Schneider [Gehlen], 20 Sept. 1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 2.
96. Critchfield to Dr. Schneider [Gehlen], 20 Sept. 1949, *ibid.*, document 96; [Critchfield] to Chief, FBM [Helms], “Dr. Schneider’s [Gehlen’s] Reply to Recent Policy Guidance Letters,” 12 Oct. 1949, *ibid.*, document 97.
97. *Ibid.*
98. *Ibid.*
99. *Ibid.*
100. James Critchfield, interview with author, 17 Aug. 2001.
101. See the NA, RG 263, Name Files for Otto von Bolschwing, Kurt Auner, Ernst Schlandt, Horia Sima, and Joachim Vacarescu.
102. For examples of the background checks the CIA undertook before hiring SS men in the early Cold War, see the NA, RG 263, Name Files for Karl Jobke and Friedrich Carstenn.
103. For more on the CIA’s handling of Otto von Bolschwing, see chapter 13.

104. Bossard to DCI, "Operation Rusty," 29 May 1947, NA, RG 263, *CIA and the Origins of the BND*, vol. 2.
105. [Critchfield] to Chief, FBM, "[Gehlen Organization]—Dr. Schneider's Negotiations with Third Parties," 22 Sept. 1949, NA, RG 263, *CIA and the Origins of the BND*, vol. 2.
106. Both Gehlen and Critchfield mention in their memoirs that the CIA discouraged Gehlen's politicking in late 1949.
107. Blind Memo, "Intelligence Estimate," [handwritten date: May 1950], NA, RG 263, Reinhard Gehlen Name File, vol. 1.
108. NA, RG 263, Reinhard Gehlen Name File. The new cryptonym came into effect 20 Sept. 1949.
109. James Critchfield writes delicately about this difficult period in the U.S.-Gehlen relationship. See Critchfield, *Partners at the Creation*, 121–27.
110. [Critchfield] to Chief, Foreign Division "K," 3 Apr. 1950, "Meeting of Allied High Commission with Chancellor," with "verbatim report" attached, NA, RG 263, Reinhard Gehlen Name File, vol. 1.
111. Critchfield, *Partners at the Creation*, 126.
112. The Anglo-American tension over the emergent West German intelligence community deserves its own treatment. Despite close Anglo-American intelligence cooperation elsewhere in the world, the CIA maintained a strict policy of walling off the Gehlen Organization from the British secret services until after 1951. James Critchfield, interview with author, 17 Aug. 2001.
113. Blind Memo, "Intelligence Estimate," [handwritten date: May 1950], NA, RG 263, Reinhard Gehlen Name File, vol. 1.
114. Although an effort was made to find a reflection of attitudes toward Gehlen in High Commission and National Security Council materials, the only mention of the BFV incident is in CIA documents in the Gehlen Name File.
115. Quoted in a later summary of recent events in the CIA-Zipper relationship, Blind Memo, 4 Jan. 1951, NA, RG 263, Gehlen Name File, vol. 1.
116. Ibid.
117. Chief [excised] Karlsruhe to Chief [excised], 9 May 1950, "Dr. Hans Globke," NA, RG 263, Hans Globke Name File. In April, Globke told an officer from the U.S. High Commission in Germany that though he had not yet met Gehlen, he considered him "a competent and honest person." J. S. Arouet, "Interview with Dr. Hans Globke," 7 Apr. 1950, *ibid.*
118. The U.S. government was well aware of Globke's role in the implementation of the Nuremberg Laws when Adenauer elevated him to the Chancellor's office. See NA, RG 263, Hans Globke Name File.
119. Pullach to ADSO, 30 Dec. 1950, NA, RG 263, Reinhard Gehlen Name File, vol. 1.
120. Blind Memo, "Summary," [Handwritten Date: 4 Jan. 1951], NA, RG 263, Reinhard Gehlen Name File, vol. 1.
121. Critchfield, *Partners at the Creation*, 126.
122. Ibid., 156–57.
123. Ibid., 119–30.
124. Ibid., 157.
125. [Critchfield] to Chief, Foreign Division, NA, RG 263, Reinhard Gehlen Name File.
126. James Critchfield, interview with author, 17 Aug. 2001.
127. Critchfield, "The Gehlen Organization," 19.
128. [Critchfield] to Chief, Foreign Division, NA, RG 263, Reinhard Gehlen Name File, vol. 1.
129. Extract, "[excised]-Globke Meeting with Adenauer," NA, RG 263, Reinhard Gehlen Name File, vol. 1. In a letter to the author, Critchfield confirmed that Adenauer's name in this document was declassified.
130. Ibid.
131. James Critchfield, interview with author, 17 Aug. 2001.
132. Letter, W. B. Smith to Gehlen, [no date], NA, RG 263, Reinhard Gehlen Name File.
133. Ibid.
134. In November 1951, CIA Karlsruhe responded to a trace request. NA, RG 263, Reinhard Gehlen Name File.
135. See NA, RG 263, Cornelius Van Dijk Name File.
136. James Critchfield, interview with author, 17 Aug. 2001. "Memorandum for the Record, 1951," NA, RG 263, Reinhard Gehlen Name File, concerns the CIA's first vetting of Fiedler.
137. NA, RG 263, Heinz Felfe Name File. Fiedler was in the office of the CIA from CIA headquarters on Felfe's arrival in 1951 when he made an official request for Fiedler's file. Fragen on a suspect's automobile registration. See Felfe Traces, Handwritten Summary, 1951. Fiedler's U.S. travel visa in mid-1952, the SS-man was also in GV-L. See NA, RG 263, Reinhard Gehlen Name File.
138. It is difficult to determine when Fiedler arrived in 1951, the POB sent trace requests for Fiedler. In 1950 he had been transferred from the High Commission specialist on the Soviet intelligence services on Augsburg (alias Althaus), who was in the High Commission intelligence services. The CIA file on Fiedler is dated 1953. See Director to CIA Munich, 1953. In February 1953, the CIA determined that Fiedler was Konrad Fiebig, who had been in the "Fiebig, Konrad," trace list, 29 July 1953.
139. CIA Pullach knew his background was aware that Augsburg had worked for the Nazis. In August 1951, James Critchfield confirmed that Adenauer's name in this document was declassified.

NA, RG 263, *CIA and the Origins of the*

ion]—Dr. Schneider's Negotiations with
and the Origins of the BND, vol. 2.

noirs that the CIA discouraged Gehlen's

date: May 1950], NA, RG 263, Reinhard

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t period in the U.S.-Gehlen relationship.

Apr. 1950, "Meeting of Allied High
ort" attached, NA, RG 263, Reinhard

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alling off the Gehlen Organization from
itchfield, interview with author, 17 Aug.

late: May 1950], NA, RG 263, Reinhard

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IA-Zipper relationship, Blind Memo, 4

950, "Dr. Hans Globke," NA, RG 263,
officer from the U.S. High Commission
s, he considered him "a competent and
ns Globke," 7 Apr. 1950, *ibid.*

s role in the implementation of the
: Chancellor's office. See NA, RG 263,

hard Gehlen Name File, vol. 1.

1951], NA, RG 263, Reinhard Gehlen

125. [Critchfield] to Chief, Foreign Division M, 30 Mar. 1951, "Zipper [excised] Complex," NA, RG 263, Reinhard Gehlen Name File, vol. 1.
126. James Critchfield, interview with author, 17 Aug. 2001; Critchfield, *Partners at the Creation*, 19.
127. Critchfield, "The Gehlen Organization," 25 Jan. 2002, NA, IWG Administrative Files.
128. [Critchfield] to Chief, Foreign Division M, 7 June 1951, "Utility's Visit to the USA," NA, RG 263, Reinhard Gehlen Name File, vol. 1.
129. Extract, "[excised]-Globke Meeting, 9 August '51," 10 Aug. [19]51, NA, RG 263, Reinhard Gehlen Name File, vol. 1. In a conversation with the author on 30 Jan. 2002, James Critchfield confirmed that Adenauer was the German official whose name is redacted from this document as declassified.
130. *Ibid.*
131. James Critchfield, interview with author, 18 Feb. 2002.
132. Letter, W.B. Smith to Gehlen, [no date, but cover letter is dated 13 Jan. 1953], NA, RG 263, Reinhard Gehlen Name File.
133. *Ibid.*
134. In November 1951, CIA Karlsruhe sent Pullach background information on these men in response to a trace request. NA, RG 263, Walter Vollmer Name File.
135. See NA, RG 263, Cornelius Van Der Horst Name File.
136. James Critchfield, interview with author, 12 Nov. 2002. See also James Critchfield, "Memorandum for the Record, November 2002," NA, IWG Administrative Files, which concerns the CIA's first vetting of Heinz Felfe in 1952.
137. NA, RG 263, Heinz Felfe Name File. On 19 September 1952, CIA Pullach requested traces from CIA headquarters on Felfe and Schuetz. The CIA discovered Felfe in September 1952, when he made an official request for information from the Ministeriums für Gesamtdeutsche Fragen on a suspect's automobile registration. The Agency then asked Zipper directly about him. See Felfe Traces, Handwritten Date, 1 Dec. 1953, *ibid.* When Kurt Moritz sought a U.S. travel visa in mid-1952, the Agency discovered enough to determine that this former SS-man was also in GV-L. See NA, RG 263, Kurt Moritz Name File.
138. It is difficult to determine when the CIA detected a particular individual. However, on 5 July 1951, the POB sent trace requests on Emil Augsburg and in return was sent a report that in 1950 he had been transferred from GV-L in the field to Zipper headquarters to work as chief specialist on the Soviet intelligence services. On 28 January 1953, the CIA opened a new file on Augsburg (alias Althaus), who was described as creating Zipper's handbook on the Soviet intelligence services. The CIA first traced Erich Deppner on 28 Apr. 1950 and 16 Mar. 1953. See Director to CIA Munich, 27 June 1961, NA, RG 263, Erich Deppner Name File. In February 1953, the CIA determined that the Zipper agent living under the alias Konrad Fiedler was Konrad Fiebig, who had been wanted by the CIC in 1946 for mass murder. See "Fiebig, Konrad," trace list, 29 July 1954, NA, RG 263, Konrad Fiebig Name File.
139. CIA Pullach knew his background before it knew Augsburg's Zipper alias. In 1949, the CIA was aware that Augsburg had worked with the CIC as part of the same agent network as Klaus Barbie. In August 1951, James Critchfield was told that this same individual had been with the "SD Einsatzkommando UdSSR." See Chief Karlsruhe to James Critchfield, 1 Aug. 1951,

- NA, RG 263, Emil Augsburg Name File.
140. Information on this OPC operation is limited to these three Name Files released under the Nazi War Crimes Disclosure Act: NA, RG 263, Friedrich Carstenn, Karl Otto Jobke, and Eberhard Tellkamp Name Files.
 141. Jobke, who had been a Gestapo officer in Danzig before the war, later served with the Einsatzkommandos in Poland before joining the SD. Tellkamp was in the Allgemeine SS before joining the Waffen-SS in 1935. During the war he was a Lt. Col. in units known to have participated in atrocities in the Balkans and Poland. The third recruit, Carstenn, had been an expert on Scandinavia and England in the SD before becoming an SS-Sturmbannführer with the SD "culture" section.
 142. There is a fourth SS man hired at that time, who may have also been part of the same operation. The newly released Hans Rues Name File indicates that the field received operational clearance from CIA headquarters to run him at about the same time as the others. Given his background, which is similar to Tellkamp's, there is reason to believe he was part of the same OPC operation. Three years after joining the Allgemeine SS in 1936, Hans Rues entered the Waffen-SS. He rose to the rank of Captain in the "Prinz Eugen" division, which committed war crimes in anti-partisan activities on the eastern front.
 143. NA, RG 263, Wolfgang Paul Hoehner Name File.
 144. There is no indication in the CIA Wolfgang Hoehner Name File of the source of the CIA's concerns in July 1952.
 145. The Geyer defection is discussed in Reese, *General Reinhard Gehlen*, 129–32; and Critchfield, *Partners at the Creation*, 171–72.
 146. Critchfield to Chief, EE, "Zipper's CI/CE Agency," Dec. 1953, NA, RG 263, Emil Augsburg Name File.
 147. It is clear from the Augsburg Name File that the CIA certainly knew that Emil Augsburg was the true name of Dr. Alberti in Dec. 1953, but it might have learned this earlier.
 148. This conclusion is based on an examination of the eleven CIA Name Files for SS men in GV-L.
 149. 66th CIC, 24 June 1954, "Felfe, Heinz," NA, RG 319, IRR, entry 134B, Reinhard Gehlen, vol. 3.
 150. 66th CIC, 22 Nov. 1954, *ibid.* Albert's recruitment by source X-899-HQ on 29 September 1954 is described in Lt. Col. Ira K. Ewalt to CO, 66th CIC, 29 Oct. 1954, "Gehlen Organization," *ibid.*
 151. Section III, 66th CI group, 22 Nov. 1954, "Gehlen Organization," *ibid.*
 152. 66th CIC, 29 Oct. 1954, *ibid.*
 153. *Ibid.*
 154. Col. Warren S. Leroy to Asst. Chief of Staff, USAEUR, 1 Apr. 1955, NA, RG 319, IRR, entry 134B, Reinhard Gehlen, vol. 1.
 155. In his memoirs, James Critchfield would make much of this fact. The "U.S. intelligence community never was functional in Germany," he wrote in a section blaming the CIC for the ease with which Heinz Felfe remained a Soviet mole into the early 1960s. See Critchfield, *Partners at the Creation*, 198. However, the CIA materials released under the Nazi War Crimes Disclosure Act make plain that though the CIA was kept in the dark about the CIC's penetration project, it learned on a little about them until 1957.
 156. Trace List, [undated, but last trace File.
 157. James Critchfield recalled that Felfe was based on flimsy information.
 158. Blind Memorandum for the Record, an attachment to a 14 July 1959 document, Heinz Felfe Name File; see also M. 29 Mar. 1956, NA, RG 263, Heir same CIA officer as the undated memo memos to describe Felfe's character idiosyncratic way to refer to Felfe.
 159. *Ibid.*
 160. Dulles meeting with Gehlen, Sept.
 161. Gehlen, *Memoirs*, 344.
 162. *Ibid.*
 163. *Ibid.*, 203.
 164. *Ibid.*
 165. Miles Copeland, *The Game of Nations* (Schuster, 1970), 104.
 166. A document in the CIA Eichmann Gehlen's Mideast operations in 1950s, "Near East Connections," 19 Mar. 1950, also the Otto Skorzeny, Karl Radl, Beissner, Franz Rademacher, Otto and Friedrich Voss Name Files, NA, RG 263, how unsure the CIA was about the Cairo in the mid-1950s. The CIA Skorzeny. Although the CIA Skorzeny 1950s, the FBI's Skorzeny file indicates for Skorzeny to visit the United States. When the State Department field officer. See NA, RG 65, Reco Skorzeny, box 5. IWG requests for this book was published.
 167. James Critchfield recalled that Gehlen, "Gehlen," he recalled, "had accompanied Gehlen on some but one of these special agents. James Critchfield
 168. David C. Martin, *Wilderness of Mirrors*
 169. In 1959, a CIA agent in Polish intelligence

these three Name Files released under the
Friedrich Carstenn, Karl Otto Jobke, and

3 before the war, later served with the
D. Tellkamp was in the Allgemeine SS
war he was a Lt. Col. in units known
d Poland. The third recruit, Carstenn,
1 in the SD before becoming an SS-

may have also been part of the same
File indicates that the field received
him at about the same time as the others.
there is reason to believe he was part of
the Allgemeine SS in 1936, Hans Rues
ain in the "Prinz Eugen" division, which
he eastern front.

er Name File of the source of the CIA's

Reinhard Gehlen, 129-32; and Critchfield,

Dec. 1953, NA, RG 263, Emil Augsburg

he certainly knew that Emil Augsburg was
might have learned this earlier.
eleven CIA Name Files for SS men in

19, IRR, entry 134B, Reinhard Gehlen,

by source X-899-HQ on 29 September
1954, 66th CIC, 29 Oct. 1954, "Gehlen

Organization," *ibid.*

1 Apr. 1955, NA, RG 319, IRR, entry

ch of this fact. The "U.S. intelligence
note in a section blaming the CIC for the
move into the early 1960s. See Critchfield,
materials released under the Nazi War
CIA was kept in the dark about the CIC's

penetration project, it learned on its own about the allegations against Felfe in 1954 and did
little about them until 1957.

156. Trace List, [undated, but last trace is dated 20 Nov. 56], NA, RG 263, Heinz Felfe Name File.
157. James Critchfield recalled that Felfe had been put on a list of possible moles in 1954, but this was based on flimsy information. James Critchfield, interview with author, 12 Nov. 2002.
158. Blind Memorandum for the Records, "@Friesen," [undated, but from context 1956; it was an attachment to a 14 July 1959 document on "Heinz Felfe @ Hans Friesen"], NA, RG 263, Heinz Felfe Name File; see also Memo, "Conversation with @Friesen on 28 March 1956," 29 Mar. 1956, NA, RG 263, Heinz Felfe Name File. It seems the latter was written by the same CIA officer as the undated memo cited above. Some of the same phrases appear in both memos to describe Felfe's character and motivation. The "@Friesen" also appears to be an idiosyncratic way to refer to Felfe.
159. *Ibid.*
160. Dulles meeting with Gehlen, Sept. 1954, NA, RG 263, Reinhard Gehlen Name File.
161. Gehlen, *Memoirs*, 344.
162. *Ibid.*
163. *Ibid.*, 203.
164. *Ibid.*
165. Miles Copeland, *The Game of Nations: The Amoral Politics of Power* (New York: Simon and Schuster, 1970), 104.
166. A document in the CIA Eichmann Name File outlines the Agency's lack of knowledge about Gehlen's Mideast operations in 1958. See Chief [excised] Munich to Chief, EE, "[BND] Near East Connections," 19 Mar. 1958, NA, RG 263, Adolf Eichmann Name File. See also the Otto Skorzeny, Karl Radl, Joachim Deumling, Leopold von Mildenstein, Friedrich Beissner, Franz Rademacher, Otto Ernest Remer, Johannes von Leers, Joseph Tiefenbacher, and Friedrich Voss Name Files, NA, RG 263. The Deumling Name File, in particular, shows how unsure the CIA was about the nature of Gehlen's penetration of the Egyptian colony in Cairo in the mid-1950s. The CIA on its own, however, may have had some dealings with Skorzeny. Although the CIA Skorzeny Name File provides no hint of a relationship in the late 1950s, the FBI's Skorzeny file indicates that in 1959 a CIA officer in Madrid requested a visa for Skorzeny to visit the United States, characterizing the visit as being in the interest of the United States. When the State Department balked, CIA headquarters refused to back up its field officer. See NA, RG 65, Records of the FBI, World War II Collection, 98-37716-Otto Skorzeny, box 5. IWG requests for additional CIA materials on the possible relationship between the CIA in Madrid and Skorzeny in the late 1950s remained unanswered at the time this book was published.
167. James Critchfield recalled that Gehlen regularly made trips to Switzerland to meet special agents; "Gehlen," he recalled, "had special relations with the Swiss police." Critchfield, who accompanied Gehlen on some but by no means all of these trips, doubts that Skorzeny was one of these special agents. James Critchfield, interview with author, 30 Jan. 2002.
168. David C. Martin, *Wilderness of Mirrors* (New York: Harper and Row, 1980), 103.
169. In 1959, a CIA agent in Polish intelligence, Michal Goleniewsky, reported that a KGB

colleague had bragged that of the six BND officers sent to the United States for training in 1956, two were KGB moles. Felfe visited the United States in 1956. The other mole has not been publicly revealed. See Martin, *Wilderness*, 103.

170. See NA, RG 263, Hans Clemens and Wilhelm Krichbaum Name Files; see also Paul Brown, "Analysis of the Name File of Wilhelm Krichbaum," http://www.archives.gov/iwg/declassified_records/rg_263_cia_records/rg_263_krichbaum.html, National Archives, (accessed March 31, 2004).
171. A CIC report from early 1956 suggests that some CIA support for the Gehlen Organization continued after the formal establishment of the BND. Among other items, the CIA offered to share the costs of some operations and would provide logistical support for Gehlen operations in Berlin. Memo, CI Branch, G-2, USAEUR, 13 Feb. 1956, NA, RG 319, IRR, entry 134B, Reinhard Gehlen, vol. 5.
172. Cable, 66th CIC, no date, NA, RG 319, IRR, entry 134B, Reinhard Gehlen, vol. 4.
173. James Critchfield, interview with author, 17 Aug. 2001.

The Official Story

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THE SHADOW OF THE NAZI PERIOD for notorious Nazi criminals. It fires the public imagination, due to the historic importance of Eichmann and those Nazi figures of singular importance, unlike Eichmann, managed to escape time. Popular books and films—Josef Mengele (the infamous Auschwitz doctor) in the public imagination.

Behind public fascination lie episodes in the international history of the Department, FBI, and CIA recollections for vanished figures of the past: Heinrich Müller, Walter F. S. The cases of Martin Borman

A scholarly analysis of such meaning that war criminals carry individuals assume meaning beyond morality, manhunts cast a poor light benevolent glow on those that would need for judicial reckoning, manhood reflects their own time as well as

Justice Robert Jackson, the FBI

No figure has fuelled the popular imagination like the chief of the Nazi Party Chancellery in 1941, Secretary to the Führer, the powerful member of Hitler's inner circle. Goebbels once lamented, "goes