

THE FELFE CASE AFTER 1954

Because it has been so extensively reported elsewhere I will no more than summarize what I perceive to have been important starting in 1954:

In early 1954:

CIC, from several penetrations, had completed dossiers on an SD ring in the Gehlen Organization

The Soviet propaganda war against Gehlen peaked.

A Soviet defector named Deriabin, reported two KGB agents called "Peter and Paul" in the Gehlen Organization.

There developed a Consensus in German and US staff in Pullach that the Communists had one or more sources in Pullach.

In mid-summer 1954:

CIC had reported to CIC headquarters in Germany extensive data on Felfe and the SD circle and reached a stated conclusion that Felfe and the SD circle were principal sources of the Communists on the Gehlen Organization. None of these reports appeared to have gone beyond "IC headquarters; CIC took no initiative to discuss with CIA.

CIC produced a report from sources in the Gehlen Organization that Gehlen's ongoing investigation of suspected Soviet penetration "still centers around" Felfe and Karl Schuetz as former SD members.

In 1956 the BND was formed and Felfe visited CIA in Washington in September as part of a BND group on an orientation visit. In the routine visa check with CIC, CIC and possibly the Army G-2 in Germany, after some hesitation, cleared Felfe for travel to the United States.

In 1957 CIA liaison briefed Gehlen on its analysis that pointed towards but did not name Felfe as the suspected KGB spy in Pullach.

In 1958 General Gribanov, head of KGB CI, at Warsaw Pact CI meeting dropped a remark that the KGB had two agents in a BND group that visited CIA in September 1956.

In 1959 a Polish agent of CIA reported he had been told of Gribanov's statement on two agents in the BND group visiting Washington.

In 1960 after CIA'S Polish agent was safely evacuated from Warsaw, CIA told Gehlen of Gribanov's statement. At that time Gehlen stated he suspected Felfe by name was one of the two.

In 1961 Felfe was arrested in Pullach as a result surveillance of his communications.

In 1963 Felfe and two accomplices were charged with espionage for the KGB, convicted of ten years of espionage and sentenced to prison.

None of the 1954 CIC reports on the SD group, including Felfe, were introduced into the record at the time of Felfe's arrest and through the trial. Neither the BND nor CIA were aware of any of the relevant CIC reporting of the early 1950s until a large number of CIC reports related to the Felfe case were declassified and released under the FOIA.

The Felfe case did devastating damage to the reputation and morale of the BND and to the reputation of Gehlen who had become a living but still very mysterious legend.

15 November 2002

Memorandum For Record

Subject: EE Dispatch Nov 1952 to COS Germany and Chief POB, Subject Heinz Felfe and Carl Schuetz.

A declassified copy of the EE dispatch is enclosed; although reference is deleted Chief EE is presumably responding to a POB request for traces on Heinz Felfe and Carl Schuetz. Locating and declassifying reference would be helpful in clarifying this matter.

In its November dispatch EE provided POB with a brief summary on Heinz Felfe extracted from two different interrogation reports dated July 1945. At that time Felfe was, as former SD officer, in British custody, as a POW or civilian internee. The reports were almost certainly British. In fact Felfe and his SD colleague, Hans Clemens, were employed by British intelligence until 1949 or early 1950. The British had developed a full dossier on Felfe and Clemens until both were dropped in about 1949 in a cutback of British Intelligence spending. The British seemed to have no information on the KGB recruitment of Felfe and Clemens and the insertion of both into Gehlen's counterintelligence operation. These occurred after British separation from Felfe and Clemens.

By late 1951 Felfe was assigned to the staff in Karlsruhe supervising the SD circle in Stuttgart that included Hans Clemens and Carl Schuetz.

It is probable that POB pulled the names of Felfe and Schuetz out of the 1952 accounting of the German Organization. The POB CI staff would have routinely requested traces on both. I would be surprised if the POB trace request to EE was based on a more specific interest as early as 1952. Felfe had joined the Gehlen Organization in October 1951 and was neither identified nor of any operational interest at that time. From 1951 until the end of 1953, Felfe was an active KGB reporting agent in GV L. At the end of 1953 Felfe was moved to the CI staff in Pullach with the support of CI staff chief, Dr. Kohler and of Oskar Reile who had been Felfe's supervisor in Karlsruhe. Reile had been transferred to Pullach in late 1953.

In 1951, CIA and the Chancellery in Bonn had agreed that CIA would support the organization until Adenauer was in a position to take it over as a GIS attached to the Chancellery. 1 April 1953 was set as the legalization date. The Chancellery sent two senior civil servants, Dr. Grau and Dr. Gumble, to Pullach in the summer of 1952 to study the organization, its personnel and pay policies. They developed a detailed picture of the organization and its members. Although the Germans and we did plan for legalization on 1 April 1953, the East Germans and the KGB launched a very large propaganda operation in the early days of 1953 that caused Bonn to delay the planned legalization of the Gehlen Organization. Although neither Gehlen nor we were aware of it, CIC and the Communists greatly intensified collection on the Gehlen Organization at this time. The show trials and propaganda war against the Gehlen Organization did great damage.

In June 1954, Region III of CIC analysis of the data from all sources concluded that Felfe and the SD circle were the source of 70 percent of the

information used by the communists. None of this CIC information or analysis was shared with CIA by CIC. In Pullach, Felfe and Schuetz were simply added as possible candidates for the role of the mole; I am skeptical that there was any operational exchange between POB and EE on Felfe and Schuetz prior to this time, but there may have been routine trace requests. Gehlen also, in July 1954, was looking at Felfe and Schuetz as possible Communist sources; but this may have been simply feedback from Tom Dale to Ludwig Albert and Bentzinger. Gehlen did not pursue this; and we were unable to make the case against Felfe until the POB staff did so in 1957.

The British MI6 had established liaison with the Gehlen Organization, at CIA's invitation, in 1953. I have seen no evidence that the British identified and discussed Felfe, Clemens et al with the Germans until several years after 1953. After 1957, CIA, Gehlen and the British collaborated in running down the Felfe lead. In 1961, Felfe and Clemens were arrested in Pullach, charged as KGB agents.

In summary, I do not find the EE dispatch of November 1952 of any real significance; a further examination by CIA of its 1952 records is needed to clarify this matter.

James H. Critchfield

15 November 2002
Memorandum for Record

*Subject: EE Dispatch November 1952 to COS Germany and
Chief POB, Subject Heinz Felfe and Carl Schuetz*

The enclosed document is almost certainly a further response by EE to a Pullach request for traces. The reference cited is presumably the same. This enclosed document adds nothing significant on Heinz Felfe, or Schuetz. What we are seeing here is simply the ongoing effort within CIA to sort out the undisclosed SD circle in Karlsruhe and Stuttgart in the early 1950's.

James H. Critchfield

SUMMARY OF INFORMATION

DATE
24 June 1954

FELFE

PREPARING OFFICE

Region III, 66th CIC Group, APC 757, US Army

SUBJECT

FELFE, Heinz

CODE FOR USE IN INDIVIDUAL PARAGRAPH EVALUATION

OF SOURCE:	OF INFORMATION:
COMPLETELY RELIABLE A	CONFIRMED BY OTHER SOURCES . . . 1
USUALLY RELIABLE B	PROBABLY TRUE 2
FAIRLY RELIABLE C	POSSIBLY TRUE 3
NOT USUALLY RELIABLE D	DOUBTFULLY TRUE 4
UNRELIABLE E	IMPROBABLE 5
RELIABILITY UNKNOWN F	TRUTH CANNOT BE JUDGED 6

SUMMARY OF INFORMATION

III-35714

1. Continued investigation concerning the information furnished by the Communists regarding the Gehlen Organization last winter has revealed that at least seventy (70) percent of the information could have come only from the former Sicherheitsdienst (SD) group within the Gehlen Organization, to which group SUBJECT* belongs.

[REDACTED]

2.

[REDACTED]

APR 1955

[REDACTED]

[REDACTED]

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~~COMMUNICATIONS SECURITY~~

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~~SECRET~~

HEADQUARTERS REGION III
66TH COUNTER INTELLIGENCE GROUP
UNITED STATES ARMY, EUROPE
APO 757 US ARMY

13 July 1954

III-35714

SUBJECT: FELPE, Heinz

TO: Commanding Officer
66th CIC Group, WAREHAM
APO 154, US ARMY
ATTN: MR PARMESON

1. REFERENCE: Summaries of Information, Region III,
66th CIC Group, Subject and file as above, dated 10 June 1954.

2. FORWARDED: Summary of Information, Subject and
file as above, dated 10 July 1954.

3. CONFIDENTIAL

a. Sources: Source "A" is [redacted]
Source "B" is [redacted]

b. Evaluation of Sources: Temporarily eval-
uated F.

c. How Information was Obtained: [redacted]

d. How Information was Obtained: X-209-80
obtained his information from Source "A" on 30 April 1954
and from Source "B" on 30 April 1954.

Agert: This information was reported to
Agert, [redacted] to the handling
[redacted] 10 July 1954.

Ver. [redacted] of Information:

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(Continued)

~~CONFIDENTIAL~~

REGRADED CONFIDENTIAL
ON 26 SEP 1963
BY: CDR USAINSCOM FOIPG
Auth Para 1-603 DoD 5200.1-R

Felte -
13 JULY 54

~~CONFIDENTIAL~~

~~SECRET~~

13 July 1954

III-35714
SUBJECT: ZELFE, Heinz

b. Status of Case: Pending.

4. REMARKS:

a. Additional information pertaining to personalities within the Gehlen Organization will be reported as it is received.

b. [REDACTED]

John R. Tualth
IN. S. [REDACTED]
Lt Col [REDACTED]
COM [REDACTED]

Incls: a/s
JTD/ae/49-833

REGRADED CONFIDENTIAL
ON 26 SEP 1983
BY CDR USAINSCOM FOIPD
Auth Para 1-603 DoD 5200. 1-R

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~~CONFIDENTIAL~~

~~SECRET~~

~~CONFIDENTIAL~~

III-55714
SUBJECT: FELPE, Heinz

24 June 1954

but the remainder of the clique is still in his employ although the investigation points toward their being responsible for the leak to the East.

b. Results of the investigation [redacted] will be forwarded as they are obtained.

c. This report was prepared by [redacted]
[redacted]

Ira K. Ewalt
IRA K. EWALT
Lt Col OrdC
Commanding

Incls: a/s
JTD/rs/49-833

REGRADED CONFIDENTIAL
ON 26 SEP 1983
BY CDR USAINSCOM FOIPO
Auth Para 1-603 DoD 5200. 1-R

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~~CONFIDENTIAL~~

~~SECRET~~

ARMY G-2 ON FELFE CASE AFTER 1961

THE FELFE CASE AFTER 1956

The British were involved in the mail intercept in the late phase of the investigation leading to the arrest of Felfe and Clemens. At that point Clemens contact with the KGB in 1950 was no more than an item of historical interest.

FELFE 1961

In 1961 Heinz Felfe and two accomplices, Hans Clemens and Erwin Tiebel, were arrested and charged with espionage on behalf of the KGB for the full decade from 1951 to their arrests in 1961. They were convicted and sentenced to prison in 1963. The Ames case in CIA some thirty years later had a remarkable resemblance to the Felfe case and shook CIA and the American intelligence community to the roots, inflicting great damage to CIA. Both Ames and Felfe were directly recruited and handled by the KGB; both served the KGB for roughly ten years before arrest; both were counterintelligence specialists assigned in a central staff position; and in both cases high KGB financial reward permitted a degree of affluence in life styles that did not sufficiently arouse reactive suspicions. Those who knew them both personally attribute to both somewhat negative personality traits. With a fourteen year sentence, Felfe got off comparatively easier than Ames and was later traded to the East Germans in a spy swap.

AFTER61

The Felfe case did great damage to the work and reputation of the BND as did the Ames case to CIA. No single DCI appeared notably responsible for the Ames case; but a new DCI elected to attribute the Ames case to the culture that had evolved among the professional operating officer in the Office of Special Operations. Gehlen, because of his long history and some personal identification with Felfe, was held particularly responsible by the public and many officials in Bonn for the Felfe case. Although Gehlen remained President of the BND for five years after the 1963 trial and conviction of Felfe and his two accomplices, some of the damage to Gehlen's reputation was irreparable. The luster of the Gehlen legend was, in these late years, badly tarnished.

Bentzinger's CI organization was "reorganized" and largely stripped of its mission at the end of 1953 but probably survived as a collection of former security and police officer with little influence on the CI Staff in Pullach. It was severely damaged by the agent losses, show trials and the staged East German expose' in 1953 and 1954; it was undoubtedly turned inside out after the Ludwig Albert arrest and suicide in September 1955 and the revelation that Bentzinger's operation

had been penetrated by CIC for some time. The FOIA information on Region III reporting on the Gehlen Organization supports the evidence that CIC was intermittently exploiting sources in the Gehlen Organization for years. It is obvious that, following the Albert case, scrutiny of Bentzinger's people seeking civil service status in the BND would have taken a very heavy toll. The arrest of Felfe and Clemens in 1961, both brought in by Willi Krichbaum and Bentzinger presumably finished off the vestiges of the original CI organization assembled by Baun and Bentzinger in the environment of 1946 and 1947,

INFORMATION THAT NEVER CAME OUT IN THE FELFE TRIAL

Although no longer responsible for the Agency's German affairs, I had followed with interest the media reporting on the arrest and trial of Heinz Felfe in the early 1960s. Heinz had been exposed and arrested in 1961, ten years after Felfe had joined the Gehlen Organization in 1951. The court had found Felfe and two other former SD officers guilty of ten years of espionage on behalf of the KGB. It was perfectly clear that Felfe had been a KGB spy in place during the last five years of my assignment as head of the CIA team in Pullach and at the time that we had transferred the Gehlen Organization to the Adenauer government.

What did not come out in the trial was that CIC had identified by June 1954 Felfe as a highly suspected communist spy and a CIC report of July 1954 that Gehlen at that time was investigating Felfe as a suspected communist spy. The reason that this information did not come out in trial or earlier was that the two relevant reports apparently had not been made available in 1954 or later to CIA or anyone else outside of CIC and possibly the Army G-2.

I saw these two reports for the first time in the 1980s when they were released to Mary Ellen Reese, an American author writing a book on Reinhard Gehlen as a connection of the CIA. The arrest and conviction of Felfe, Clemens and Tiebel as KGB agents did great damage to the reputation and esprit of the BND and to Gehlen's reputation and image as the Chief of German Intelligence. But that was not the end of the story.

I have seen documents dated 1963 which the Chief of the CI Branch in Army G-2 informed the USAREUR G-2 that it has nothing in its files in the Pentagon concerning Heinz Felfe, currently on trial in a Germany court as a KGB spy. I have made, with no success, an extensive search attempting to discover what happened to the four copies of Region III reports that went to CIC headquarters in Stuttgart. I have found, among CIA members present and involved in these matters in Germany in 1954, no recollection of having seen any of these reports. My relevant FOIA requests in the 1990s to CIA and the Defense Department for information on the distribution of these two reports have produced no trace of evidence that these reports were distributed to or discussed with appropriate CIA officials or with other US officials who would have had a legitimate interest in them. In short, I have found no trace of what happened to those four copies sent to CIC headquarters. But it is obvious that one copy of these reports found its way to an Army and probably a CIC file in Germany that eventually was boxed up and retired to Holabird where an FOIA submitted by an author writing on this era secured the release, in the 1980s, of the hundred or so reports which I have described.

The 66th CIC and whatever level of Army G-2 had access to the two Region III reports had simply sat on both and had withheld it from CIA -- not only at the time but through the eventual arrest and trial of Felfe. The CIC information was permitted to die in its archives and remained there until exhumed by an FOIA request in the 1980s.

PRESERVED ARMY G-2 SILENCE ON THE FELFE AND ALBERT CASES BROKEN ONLY BY FOIA MORE THAN THIRTY YEARS LATER

CIC and Army G-2 silence on the confrontation between CIC and the KGB that was played out at the very center of the Gehlen Organization in the first half of the 1950s was preserved through events in 1955 which included General Trudeau's direct personal approach to Adenauer and, a few months later, the arrest and suicide of the principal CIC agent in the Gehlen Organization. The G-2 silence on the entire operation was preserved right on through the trial and conviction of Heinz Felfe in 1963 and was not broken until a civilian biographer made a request for information on CIC's penetrations of the German government which yielded over a hundred relevant documents that quite clearly, in spite of heavy censoring, provides a picture of the increasingly hostile operations of the US Army G-2 regarding the Gehlen Organization in the six years after the US Army G-2 had transferred the German organization to CIA in 1949. The emerging picture poses more questions than it answers: How did Army G-2 policy develop? Did it reflect policy set by the G-2 in the Pentagon? Or in G-2 in Germany? Or was it a policy that simply evolved in a related number of operation in a general atmosphere of Army intelligence suspicions of Bonn's reliability as an ally and hostility to CIA? Or was the hostility to the Gehlen Organization a reflection of the lingering influence of JCS 1067 that was so surprisingly evident in the treatment of the German Army General Staff by General Clay's Law for Liberation from National Socialism and Militarism? Was the intent and wish to block legalization of the Gehlen Organization so clearly described in the Truman Smith exchange with Hans Speidel as genuinely a conspiracy as it appeared to be? Was General Trudeau's approach to Adenauer evidence of a policy adopted by General Trudeau, consciously circumventing established policy? Or was it, as it appeared to be, simply a bumbling operation of a General ill equipped for his assignment? What happened to the paper trail that should have been left by the six years of the G-2 operation vis a vis the Gehlen Organization? Was there in 1955 a conscious G-2 coverup after the compromise of the CIC operation with Albert's suicide and the investigation launched by the German Federal Court and the Security Group of the Interior Ministry in Bonn? Were any of the Army's information reports on the Felfe case ever made available to CIA or to the BND to be used in the Felfe investigation and trial?

Like so much of American intelligence in postwar Germany, the facts on the CIC penetrations of the Bonn national security system remained buried in the Army archives until the FOIA made them available in the 1980s to enterprising writers and historians of that postwar period. Similarly, it was about the same time, 1983, that brought to light the end of the Klaus Barbie story, the end of another G-2 coverup in the 1950s that was exposed over thirty years after the end of the operation in occupied Germany. In 1983 a former CIC agent named Dabringhaus observing a 29 January evening NBC TV newscast filmed in Bolivia, identified the missing French war criminal in NBC's weekend TV newscast. Dabringhaus went public with an ABC televised report. The last official word, dated June 1950 in the official files of the US High Commissioner in Germany described the Army G-2 personally, accompanied by a senior CIC officer, telling Ben Shute, a

senior aide of US High Commissioner John J. McCloy, that Klaus Barbie, a wanted French war criminal, was not in the employment of CIC and the Army was not knowledgeable of his whereabouts -- both entirely false official statements. Thus had ended the French efforts to extradite a tried and twice sentenced to death war criminal. This and the uncoordinated Army G-2 plot against the Gehlen Organization as late as 1954 and 1955 can be accounted for only as symptomatic of a cultural syndrome of the times.

GEHLEN AND FELFE CASE

The first mention by Gehlen of Felfe as a possible suspected agent was, I think, in 1957. It was four years later in 1961 that Gehlen named Felfe as a suspect agent a CIA Polish agent named Golienski was told by General Gribanov of the KGB two KGB agents were among six BND officers visiting CIA in Washington in September 1956. Felfe was one of a group of four CI officers on an orientation visit as guests of CIA. Two other BND officers, Dr. Kohler and v. Buttlar were also in Washington on specific BND/CIA business. When the Golienski report was given to Gehlen by CIA in Germany, named Felfe as a suspect.+

It was three years after the summer of 1954 before the CIA staff in Pullach reached the conclusion that Felfe was a suspect KGB agent. The investigation in the Gehlen Organization and in CIA became more concentrated on Felfe but evidence that would stand up in court was lacking. Insert here Hood story on Bill Johnson and Oberaudorf, TV etc. and Gehlen own comment on same. In 1957 still not evidence of any cooperation between Army and CIA on BND mole problem. But in Langley, Angleton concerned with whole complex issues of BND unresolved security problem, Angleton and Dale sitting on info...Deriabin...Goleniewsky...

By the time of the Felfe trial in 1963 Gehlen had learned of the CIC penetrations of GV L and could only surmise what CIC had learned from its sources in GV L, including the dead Ludwig Albert, about what Gehlen suspected in 1954 and what he had done about it. But Gehlen need not have worried; CIC and the United States G-2 apparently chose to remain silent right on through the trial and the final five years after that of Gehlen's career.

ADD6 REFLECTIONS ON FELFE CASE

This is probably a redundant file...

REFLECTIONS, FORTY YEARS LATER, ON THE FELFE CASE

Like so much about the immediate postwar history of Germany, the story of the Felfe case as an episode in the life of Reinhard Gehlen and the evolution of the BND could not have been told with any degree of accuracy and completeness until these forty years had passed. Until recently; the roles and actions of the players were wrapped in secrecy and reluctance, on the part of many, to set the historical record straight. The Felfe case was an unpleasant episode along the way in Germany's transition to a democratic nation and a firm ally of the United States, a nation at the center of a stable and prosperous Western Europe and a powerful central force in the NATO military alliance. The Felfe case was not of much significance in the context of these developments and the global dimensions of the Cold War. It was, however, an important episode in the Intelligence War that was waged initially between Soviet and Western intelligence services in divided Germany. The Felfe case, as I have come to understand it forty years later, was an example of a large and uncoordinated US intelligence community that suffered through years of conspicuously inadequate supervision and guidance by those responsible. It seemed that American intelligence had learned nothing from the lessons of WW II, including Pearl Harbor. The American intelligence community in postwar Germany had not been listening to what President Truman and Congress were saying in forming a centralized intelligence community in 1947. I found unraveling the Felfe story particularly frustrating because of the mysteries and unanswered question left by some of the principal players -- Reinhard Gehlen, Thomas Dale and James Angleton. Each had answers, I believe, to question that I had not been able to answer when all three were still alive. All died by the time I knew what critical questions to place before each of them. For Gehlen the Felfe case dealt a devastating blow to his reputation and his creation, "Der Dienst." For Tom Dale the Felfe case was a brilliantly run intelligence operation that had offered the opportunity to apply his talent to a better cause -- making Germany and more secure and stronger ally in the NATO alliance. For James Angleton it was an unnecessary counterintelligence fiasco that occurred on his watch in the CI Staff of CIA. All three could have provided answers to questions that would not have changed history but would make it more comprehensible. Had they been alive in the late 1980s when specific questions took form, I believe they could have and would have provided answers. Without their information, I have fallen back to reliance on secondary sources and the contributions and counsel of aging colleagues, both American and German, who shared that postwar decade in Germany with me.

Ludwig Albert and at least two other sources in Bentzinger's organization probably provided Dale with data that helped him identify and build dossiers on all the former SD members in GV L and on Felfe as a suspected principal communist agent. CIC had also reported details on Krichbaum's role in recruiting Clemens and Felfe. I have seen no evidence of early CIC identification of Krichbaum as a suspect Soviet agent -- a claim that appeared only in 1996. Much of the CIC effort was solid analysis done by the Dale team using material from a variety of CIC central files and active sources, including several in the Gehlen Organization. The Felfe story becomes more complicated in 1955 when

Ludwig Albert was arrested by West German police on suspicion of working for an East German service. As far as I know, the Security Group, the German Federal Republic police element investigating the Albert affair under the control of the Federal Attorney, never revealed to any US agency in Germany the result of its investigation. The BND has indulged in calculated obfuscation on Albert's connection with an Eastern service in responding to any inquiries my staff made in Pullach at the time and in later years responding to my pointed inquiries on this matter. If Albert too had turned out to be a communist agent, it would have added one more major question mark about the entire GV L enterprise that was set up in 1946 by Herman Baun in Gehlen's absence. The American staff at Oberuersel passed along to Herman Baun the USFET G-2 request that Baun add CI work on the Soviet liaison and repatriation missions to its tasks in the US zone. It was Lt. Col. John Deane who, on Baun's request, actively intervened to have Alfred Bentzinger, the ex-Abwehr corporal,, released from a CIE to head Baun's new CI organization called Dienststelle 114. It is perfectly apparent that the 970th CIC at that time was all over the developing German intelligence organization and continued to be so for the decade that followed. After the Albert episode in the autumn of 1955 the Dale operation seemed to have been shut down and Dale returned to the United States where I lost all track of him until in the early 1970s when I discovered that he had joined Angleton's CI Staff working with Lothar Metztl in the office dealing with international communism. I do not know how much of the information on CIC penetrations of the Gehlen Organization and the role of Felde and the SD group in providing the Soviets information was ever described to Jim Angleton. But from discussions with members of Angleton's staff in this period, I have found no evidence that Angleton ever passed on to anyone what he might have learned from Dale. I was not a disinterested bystander in the late 1950s when Dale first joined the CI Staff; I was head of the Eastern European Division with a clear cut "need to know." about a Soviet spy in the BND.

Understandably, there are those who speculate that Dale had been in touch with Angleton during the years of his operations out of Region III in Offenbach and that Angleton had been the recipient in CIA of the series of reports that left so little of a paper trail after leaving Region III. They clearly got to CIC headquarters where William Parkinson and Daniel Benjamin provided critical support and were very much part of the Dale team.

From what I have learned, Dale came to CIA as a specialist on international communism and went to work for Lothar Metztl, CIA's foremost expert on the international communist movement.. I believe that it was Laughlin Campbell, at one time a member of the 970th CIC and later the head of the CIA office in Bonn who brought Dale into the Agency.. Campbell, it seems, was the Dale contact in CIA that put brought Dale together with Lothar Metztl. Dale did not, I am told, have a satisfactory relationship with Angleton, found him aloof and somewhat strange as head of the CI Staff. Improbable though it seems, Dale and Angleton may not have communicated on the presence of Felde as a suspect Soviet spy in Pullach. Or, more likely, Dale did communicate with Angleton who in his own mysterious fashion, simply sat on the crucial information leaving others to work out what he already had reason to suspect.

A NEW TURN IN THE INTELLIGENCE WAR -- THE WARSAW PACT VERSUS NATO

In 1956, with Germany a member of NATO and the Soviets having responded with the formation of the Warsaw Pact, the intelligence war that began in earnest in 1953 widened and began to change in character. Soviet defectors assumed greater importance. The U-2 and imagery from Satellite reconnaissance vehicles created