

U.S. INTELLIGENCE AND THE GEHLEN ORGANIZATION, 1945–1956

Symposium at the GHI, September 15, 2005. Conveners: Bernd Schaefer (GHI), Gerald Livingston (GHI), Christof Mauch (GHI).

Participants: Henning Crome (Bundesnachrichtendienst, retired), Betty A. Dessants (Shippensburg University), Timothy Naftali (University of Virginia), Thomas Polgar (CIA, retired), Kevin C. Ruffner (formerly of CIA history staff), Peter Sichel (CIA, retired), James C. Van Hook (Department of State/CIA), Michael Wala (University of Bochum).

This symposium on the U.S. role in the origins of the West German foreign intelligence service, the Bundesnachrichtendienst (BND), demonstrated the emergence of intelligence history as a scholarly field of vital importance to an understanding of international affairs in the twentieth century and placed the early German-American intelligence cooperation within the context of one of West Germany's troubled relationships to its National Socialist past.

The first panel, "Setting the Stage for Cooperation, 1945–1949," addressed the controversial wartime background of the BND, explained the U.S. relationship with the so-called "Gehlen Organization," the precursor to the BND, and assessed the overall quality of the intelligence produced by Reinhard Gehlen for the Americans. Michael Wala argued that Gehlen enjoyed a good reputation as an intelligence official in 1945 because of the assumption that he had transformed German military intelligence during the war. German military intelligence had not had an especially good reputation within the German military. It had badly underestimated the Red Army before Operation Barbarossa. Imbued with Nazi racism, it had underestimated Soviet military strength and disparaged Soviet military equipment, such as the T-34 tank. Gehlen took over German military intelligence (Fremde Heere Ost, FHO) in 1942, and won a reputation as an effective reformer. FHO's standing with the Oberkommando der Wehrmacht (OKW) soared. Gehlen's lack of any real intelligence experience and his inability to limit the effects of Nazi racialism on Soviet intelligence (FHO failed miserably at Stalingrad) did not tarnish his reputation for infallibility.

In an account of the origins of Gehlen's relationship with the CIA based on declassified CIA documents, Kevin Ruffner argued that the agency approached the Gehlen group with skepticism and suspicion, but with a pragmatic determination to gain any intelligence on the Soviet army in Germany it could. Gehlen's evolving relationship with the Americans mirrored the chaotic and uncertain development of the

American intelligence community between the end of the war in 1945 and West Germany's creation in 1949. The U.S. Army's G-2 military intelligence operation initiated contact with what remained of FHO in 1945. G-2 wished to learn what FHO might know about Soviet defectors. G-2 then pressured the Strategic Services Unit (SSU), a rump holdover from the disbanded Office of Strategic Services in the War Department, to take over. When President Truman created the Central Intelligence Group (CIG) in late 1946, to which the SSU was transferred, the CIG at first refused to assume responsibility for "Operation Rusty." The CIG grew into the CIA with the passage of the 1947 National Security Act. In late 1948, CIA official James Critchfield concluded that despite the Gehlen organization's many shortcomings, the relationship now established between the United States and Gehlen amounted to a *fait accompli*. In view of the lack of intelligence on the Soviet military, Critchfield suggested the United States accept this *fait accompli* and try to make what use it could of Gehlen. Thus was born the West German BND.

Peter Sichel offered a scathing indictment of the Gehlen organization. (Owing to Sichel's absence, GHI Research Fellow Bernd Schaefer read Sichel's paper.) Though never directly involved with the Gehlen organization, Sichel had considered it wise for the CIA rather than the Army to control him. That said, he considered the U.S. willingness to support him a mistake. The supposed benefits were outweighed by the costs. The problematic backgrounds of Gehlen and many other early postwar BND officials rendered West German intelligence vulnerable to Soviet counterespionage. The Soviets easily depicted the BND as a haven for Nazis and as fascist provocateurs responsible for all unrest in the Eastern bloc. The BND under Gehlen also failed to produce good analysis. It had helped to create the misapprehension of a missile gap during the late 1950s, a misperception Sichel speculated may have been caused by Soviet misinformation. On the whole, Sichel argued, Gehlen was protected too long.

The second panel, "Patterns and Problems of Cooperation, 1949–1956," turned to the relationship between the BND's wartime legacies and the quality of its intelligence during the early Cold War. Timothy Naftali built upon Sichel's critique. Based in part on a recent article Naftali wrote for *Foreign Affairs*, as well as on his work on the Intergovernmental Working Group for the declassification of remaining U.S. records on fascism and Nazism, Naftali suggested that in 1949 the CIA faced an "enormous dilemma." CIA officials understood a great deal about the backgrounds of Gehlen and his leading officials. But they feared that, should the United States refuse to patronize Gehlen, he might become an anti-democratic force in the new West Germany. Even so, because he could not fulfill his many promises, the CIA might have dropped Gehlen

but still have retained his organization. The CIA could not force him to focus more resources on investigating the Soviet order of battle in East Germany. When the CIA began to apply serious pressure, already in late 1949, Gehlen cultivated Adenauer and convinced the chancellor of his profound importance. After CIA official Critchfield unsuccessfully confronted Gehlen in late 1950 over the question of war criminals in the BND, the CIA was reduced to pleading with Hans Globke. (Globke was Adenauer's closest advisor in the Chancellery. He had also drafted the guidelines for the notorious Nuremberg Laws of 1935 and was thus *the* symbol of National Socialist continuities in the early Federal Republic.) Globke defended Gehlen, and the CIA subsequently fell into complacency. Naftali's paper argued strongly that the cost of overlooking the BND's past lay in the counter espionage, counter-intelligence, and especially the penetration capabilities of Soviet intelligence toward the West.

In a rebuttal of Naftali, former OSS and CIA official Thomas Polgar argued that the importance of the American relationship with the Gehlen organization has been exaggerated. Polgar began with a critique of the critics. First of all, many of the critics focused too much on strategic or national intelligence at the expense of the day-to-day operational requirements of military intelligence. Second, Polgar characterized the misgivings toward the Gehlen group of such early American intelligence organizations like the SSU or the CIG as characteristic of a "cover-your-ass" mentality rather than serious criticism. With regard to war crimes, Polgar insisted that American occupation officials at the time had to take seriously the fact that at the Nuremberg tribunal, the German general staff and the OKW as organizations had not been found guilty of war crimes. At the end of the day, the U.S. national interest in exploiting whatever information about the Soviet military Gehlen had accumulated had to take precedence over questions of morality.

Henning Crome offered a "German" perspective on Gehlen. Crome asserted that Gehlen's success in the early Federal Republic owed much to his belief in the need for a long-term national intelligence capability for West Germany. In other words, Gehlen possessed a clear-cut vision that attracted both the Americans and Adenauer. Crome stressed, however, that Gehlen's strengths as an analyst and in particular as an organizer rendered him especially vulnerable to Soviet counter-intelligence. Eastern bloc penetration culminated in the arrest of BND counterintelligence chief Heinz Felfe in 1958. After Felfe's arrest, Crome suggests, the BND improved.

Both panels at this symposium generated lengthy discussion. Much of the discussion focused on the moral and existential question of the National Socialist origins of the Gehlen organization that grew into the

BND, as well as the specifically tactical problem, highlighted by Naftali, of how the Nazi pasts of BND officials might have strengthened eastern bloc counterespionage. With many former intelligence officials and eyewitnesses in attendance, the ensuing rich debates tended to fall along generational lines, with some arguing that the real imperatives of the Cold War necessitated American cooperation with the Gehlen organization. Others, primarily younger scholars, placed the history of U.S.-German postwar intelligence cooperation within the context of the current historical interest in “overcoming the past” in German and, by extension, European historiography.

This report does not necessarily represent the views of either the U.S. Department of State or the Central Intelligence Agency.

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