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TO Chief, EM
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HEADQUARTERS (100-200)
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FROM Chief of Base, Bonn

DATE 19 July 1963

SUBJECT Operational/UPHILL/LIAISON
Remarks by General SELMAYR Concerning UPHILL

RE "43-5" - (CHECK "X" ONE)

XX MARKED FOR INDEXING
NO INDEXING REQUIRED

ACTION REQUIRED For your information

INDEXING CAN BE JUDGED BY QUALIFIED HQ DESK ONLY

REFERENCE(S)

1. We will summarize below some remarks by Brig. Gen. Josef SELMAYR [redacted] Chief of the ASBW, on the occasion of a routine luncheon on 18 July 1963. Some of his remarks are not particularly new, but we feel they may be of interest coming from him at this time.

2. In discussing the UDROWSY trial and the current reports concerning UTILITY's early retirement SELMAYR expressed the opinion that the reports were probably exaggerated and based primarily on journalistic speculation possibly inspired in part by UTILITY's political opponents. He pointed out that, on the other hand, it is possible that UPTHRUST will consider it necessary to find a scapegoat in which case UTILITY would be the logical choice. SELMAYR doubted, however, that UPTHRUST has made a firm decision on the matter or that any changes will be made in the near future. He commented that UPHILL had suffered heavily in prestige as a result of the UDROWSY case and the Spiegel Affair, the consequences of which will continue to plague that service for a long time.

3. SELMAYR commented favorably on the support which his service has received from KUBARK in the past, mentioning in particular [redacted] and the RELADLE leads, at the same time adding that he had never received such support from UPHILL and it is now abundantly clear why he had not. He then embarked upon a long tirade concerning the shortcomings of UTILITY and UPHILL generally, pointing out that the latter was never an organization, but rather an "unorganization". He stated that part of the problem lay in the fact that UTILITY was never an intelligence officer, but rather a staff officer with experience as an intelligence evaluator. He added that UTILITY lacked experience in military command which also might have been useful in his position as UPHILL Chief. SELMAYR remarked that, in its entire existence, UPHILL has not achieved a single professional success of any significance, and now with the publicity accorded the UDROWSY case any would-be sources in the Soviet Bloc would be insane to work for UPHILL. SELMAYR acknowledged that while under GDMOKE sponsorship UPHILL did some excellent work in OB collection and reporting, but he stressed that this was the type of information which was easy to collect and evaluate, and UPHILL by no means qualified for the major league by its performance in this area. Moreover, according to SELMAYR, UPHILL's competence in military reporting suffered badly with legalization and the shift in emphasis to political collection, a field in which their performance has been uniformly pathetic. SELMAYR stated that he served for a time on the political evaluation staff just before leaving UPHILL and was appalled by what he saw. In his opinion OWINTERSTEIN has never qualified as an intelligence officer and never will. OWINTERSTEIN's practice was to recruit a number of would-be specialists many of whom were unable to earn a living without the UPHILL salary. [redacted], in turn, cluttered the UPHILL reports processing machinery with trash which would have been totally unacceptable to their own newspapers, but for which OWINTERSTEIN readily compensated them liberally. SELMAYR commented that, of a hundred-odd reporting political sources which OWINTERSTEIN at one time claimed to have, not a single one could qualify as a genuine intelligence source.

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4. It was SELMAYR's opinion that UTILITY's concept of personnel security was basically wrong. Instead of thorough and painstaking background investigations and assessments, UTILITY depended upon compartmentation, which in theory was rigid but in practice lax, and on the ridiculous practice of using cover names within the organization which fostered the idea that the individual staffer should know a minimum about his colleagues and should not concern himself with their affairs, personal or otherwise. It was precisely this practice which, in the opinion of SELMAYR, facilitated GUDROVSKY's success in escaping exposure for so many years.

5. In response to our query concerning the future plans of Brig. Gen. Gerhard WESSEL, SELMAYR said that WESSEL was scheduled to join Gen. HEUSINGER's Staff in Washington this autumn to replace Gen. STEINHOF (Phonetic). WESSEL's current troop assignment was intended to be only of one year's duration and the year will be up in the autumn. SELMAYR commented that if UTILITY is, in fact, relieved in the near future WESSEL's plans for the Washington assignment may be affected. He acknowledged that WESSEL is the only person he has heard mentioned as a possible successor for UTILITY. When we inquired as to the possibility of GARDNER succeeding UTILITY, SELMAYR stated this was absolutely out of the question and if it were to take place would result in an utter catastrophe. He expressed the opinion that UTILITY's successor, whoever he may be, is not to be envied.

6. Several days earlier the BV's Erich WENGER informed us that he had heard SELMAYR was to be replaced in the spring of 1964. WENGER did not know whether SELMAYR would receive another assignment or be retired, but thought the latter would probably be the case; nor was he aware whether this development resulted from the FURSMANN case. SELMAYR did not comment to us on his future plans. The ID/USAREUR and OSI liaison officers have also heard that SELMAYR is to be retired in the spring, but this has not been confirmed to them by SELMAYR or announced officially. Apparently SELMAYR is not happy with the prospect. According to the latter mentioned liaison officers, SELMAYR is to be replaced by Col Willi WACENKOECHT (possibly Adjutant for military matters to Minister von Massel (possibly born 22 January 1912)

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