

Security Information

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Giordano Contact Report.

1. [] met with Giordano at 2030 to discuss details of contract. [] had expected difficulties in some cases, not in others, and decided the best thing in any case was to present HQ version for Giordano opinion.

2. It should be pointed out that the view of this contract is Giordano's first "proof" that he is associated with the US Government. He has gradually come to feel so, over a period of time, but has never written the words on paper before.

3. It should also be said that [] misjudged Giordano to a considerable extent with regard to what he would accept in a contract and what he would not. This was due, probably, to [] dealings with the CAMBAROs, who were practically no trouble on this score, and who, in fact, never had contracts. However, [] does not censure G. on this score; G.'s situation, as he points it out, certainly differs:

a. Giordano is now 48. He has been in intelligence work for over 20 years, and a Captain in Intelligence since 1934--18 years. In another year, he will have been married 25 years. He has a wife and two sons in the US, one son going to Clemson *and the other aged 15.*

b. He is separated from his family, mainly because of his work. He feels this to be true because he gave up a chance to emigrate to Canada on the advice of [] who felt, as we all did at that time, that his chances for the US were good.

4. Therefore, his views on the contract, taking it by paragraphs, were as follows:

a. Compensation. He first asked how this figure was arrived at. [] had to answer that he did not know; that HQ had set it. G. pointed out that his wife had written that all his friends in the States, and they not working at their specialities, were making about \$400 per month--in non-dangerous work and living with their families. He then promptly disclaimed an interest in money as such, saying that he hated this type of work and continued it only because he felt it his duty as an Estonian officer, but that at his advanced age and in view of the lack, in this contract, of any type of security for him, he felt obliged to request at least some sort of security for his family. In this and other connections, he then requested that consideration be given to simply granting him the salary, rights and privileges, within the framework of covert activity, of an Estonian captain. [] said that we made no reference to past, present or future military grades, but only to the ability and usefulness of the individual, in setting conditions of employment, and consequently that he believed HQ would refuse any such comparable rank arrangement. (G. had, by the way, an arrangement of this sort in the Abwehr.) G. reluctantly accepted that statement, and went on to say that his main concern was his family; that if he were shot down, in or because of his line of duty, at that instant, his family would have no protection whatsoever.

b. Status. The wording of this paragraph naturally concerned G. He asked, "If I am not an employee of the US Government, what am I?" [] said that he also viewed the wording of this paragraph as unfortunate,

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and that the word "employee" had a technical meaning in this context; that what it amounted to simply was that employees of the United States, also United States citizens, had certain rights as such and without further definition, which were not available to him. G. said he understood this and accepted it, but that he felt that perhaps some of these benefits, if they included added security to the family of the employee, could ~~xxxx~~ be extended to him. [] said he would take the matter up with HQ.

c. Term. G. understood the verbiage to mean that actually he was only employed on a month-to-month basis, that he could be told at any time, "Sorry, we have no further use for you," and that then he would be up the creek. He requested at least the possibility of emigration. [] said that he could not and would not give any such assurance (G. will never realize that DYLCLAIM is not the Abwehr, and that it does not control ~~xxxx~~ immigration.) G. then asked if it would at least be possible for him to visit his family. [] said he would look into the matter.

5. [] left at 2300 after giving the assurance that he would communicate Giordano's opinions to HQ and would have an answer for him in 15 days. This was believed necessary because of Giordano's statement that time was passing, he was not getting younger, and his wife was on the verge of nervous collapse from separation from him and worry about the future. Therefore, he said, he felt he had to take some immediate action, even while still working and being faithful with the US, towards emigration from Germany to another country, probably Canada.

6. G. [] believes that Giordano's points are, in the main, valid ones. Certainly his 20-odd years of experience, ~~xxxx~~ including his dispatch of 22 teams for the Abwehr into Russian-held Estonia, should receive some consideration. His expenses, with his family in the States and a son in college, are certainly as high as many US residents. ([] did not feel, by the way, that this was the time to mention his paying for his own quarters, as suggested by HQ.) His work does involve a certain amount of danger, although not much; however, a concession on this point would probably cost us nothing and would make a definite impression on him. He is separated from his family, and although it is certainly ~~xxxx~~ not our fault, he feels that he could not engage in such work were his family in Germany because of the possible risk to them. On the month-to-month basis angle, what he would like is an assurance that if we could not use him in one connection we would use him in another, or else some sort of social security clause. [] certainly can't blame him for wanting that, but will have to leave it to HQ to say what can be approved. The least that should be included is something to the effect that we will do our best to place him. It must be realized that he is, as are few others, a professional intelligence worker who knows almost no other work and who frankly says so, albeit he classes himself as a career officer in Estonian intelligence.

7. [] recommends the following:

a. Salary at \$5000. This would meet his "400-per-month" friends on even ground. If this could be tied in any way to the salary of an American captain, so much the better. A separation allowance would be preferable, but we can probably get away without it if it would raise too much of a fuss. [] understands, however, that is or a similar thing is granted in some cases.

b. Free housing. Actually, the present situation is that he works in an operational apartment-office, requisitioned, and rents a couple of rooms as cover. Leave it out of the contract, if you want, but in that case [] believes the cost of the ~~security~~ apartment should be authorized as a

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security and cover requirement. This would not have to be mentioned in the contract, but in a dispatch or cable to cover [] with the local financiers.

c. Mention the fact that he's an Estonian patriot in some innocuous place, and/or the fact that the US is proud of Estonia and will never stab it in the back. That might be a little tricky, but some lawyer/bureaucrat should be able to do a fine job.

d. Include some statement to the effect that we'll do our best, if we have to drop him, to place him somewhere else. In the first place, that won't cost anything, and in the second, judging from the average disposal case, we would probably do it anyway.

e. Eliminate the paragraph on "Status". It seems to be covered in "Unauthorized Commitments", and in its present form only creates confusion. But if the lawyers insist on it for some reason, [] can explain it away; it just creates a bad psychological effect.

f. Grant something on death benefits, if death is in line of duty. ✓ We haven't lost a consultant yet.

g. Give [] something to say regarding when he will see his family next. He doesn't even know that it is planned he will go to the States as a trainer; he has simply been told it will be outside Europe. If you have even a glimmer of a chance for immigrating him, let us know; it will be passed verbatim, with no commitments. Also, on that Jan 1 date: is that planned for whether his immigration is cleared or not? If you are considering bringing him in black, let us know what he can tell his wife and if he can see his family. The point of this is that he's a good man, but he's going quietly nuts in this period of indecision and worry about the future. It's not that he's not busy; he's working on all sorts of studies, which are excellent; but he can't see the pattern. [] has trouble seeing the pattern himself, sometimes, but Giordano is way out on the end of the line--a position it's hard to get used to after 20 years in the know.

8. [] will attach a suggested contract to this. He would appreciate an answer before 1 October on at least the vital points. Correction or elimination of psychological verbiage is not a vital point; social security aspects are. On receipt of a cable regarding those aspects, [] will present the decision to G. with as much pressure towards acceptance as possible.

9. [] will formalize this thing and send it through the mill in the near future.

10. Just as an added comment, [] believes the HQ desks should try to impress the General Counsel etc. with the fact that we here are dealing with intense patriots who at the most are ideologically motivated and at the least won't admit, even to themselves, that they are not so motivated. These contracts are obviously drawn up for some solid American citizen who views things on a business-like basis with no good-of-the-cause thrown in. Perhaps these are intended only as samples; if so, OK, but if they are intended as Bibles, an attempt to convert the General Counsel would be viewed with favor and delight out here. [] stated, in connection with [] that the only valid contracts are those written by the GC and sent out here; if the two he brought are examples, the GC should have its psychological head examined. Its legal head is doing fine.

Thanks for the audience,

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PS: Due to the rush of [] departure, I have not had time to write the draft mentioned above. You can probably do it better than because of your propinquity to the GCO. I in any case, / However, I have one suggestion about the business re Estonian nationalism, etc: if it could be included in a sort of cover letter, not actually part of the contract but looking to G. as if it were, it would serve the same purpose and get by the GCO easier.

The attached draft is the one I showed him. If you see fit to approve that, with the changes mentioned above, I can use it and add the cover sheet here. PLEASE CABLE A PSEUDO TO BE USED FOR SIGNING.

I firmly believe he will quit unless we give him some assurance of seeing his family and/or sufficient income to make up for the separation. He had and probably has a good chance of getting to Canada. His attitude is complicated by nervousness brought on by the situation.

It would be practically impossible to use [] brother in this, according to the judgement of all those here who have met both of them. I have not met both of them, but I am forced to agree.

Sorry not to be able to go into details of his trip to Sweden here, but unless we get this wound up there won't be any trip. Will try to send that with [] who is scheduled to leave next week, or some other visitor at that time.

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