

LCCASSOCK Contact Report

Date: 29 November 1958, 1400 to 1800

Place: LCCASSOCK Editorial Office

Present: L-1, []

Meeting: 2 December 1958

1. At this meeting I expected to pass L-1 the letterhead paper for the Chinese Commune black letter action and to discuss a revised text for the second black letter (SKD-Tempelhof) in line with the developments re Berlin the past few days. At the last meeting L-1 and we had discussed these two actions and L-1 had indicated he was ready and willing to go ahead on them.

2. At this meeting, however, he suddenly reversed himself. He had earlier mentioned his misgivings about turning back the LCCASSOCK clock to revive this sort of operation. In the interim these feelings had apparently hardened and he was now firmly opposed to these black letter operations. His reasons boil down to this: LCCASSOCK has developed over the years into a reputable publishing business with considerable good will and reputation and it cannot afford now to indulge in this kind of "dirty ND" type of operation. There is some merit in this argument. It is true that LCCASSOCK's public status and professional reputation make it much more difficult to run black ops than was formerly the case when the project consisted of a flexible team of adhoc writers and distributors. For better or for worse, LCCASSOCK, like any organizational organism, has grown and changed over the years and is now quite a different kind of PP instrument than it was seven years ago. Having admitted this, however, it is still not sufficient justification for excluding black operations. There are obviously ways by which a black operations unit could be compartmented and securely run under L-1's management without impairing the overt reputation of the firm. This compromise solution was, however, flatly rejected by L-1. His view was that black ops were bad, per se, were inappropriate to the present Cold War situation and that they represented bad PP policy. It is this attitude on the part of L-1 that makes his rejection of the two black letter ops so serious. This is not merely a difference of opinion on tactics but basic disagreement about operational policy. It is also a question as to who in the last analysis is running LCCASSOCK--we or L-1.

3. Related to the above clash is L-1's reaction to my strong reprimand following his submittal of a "sports magazine" proposal to CALANATE, despite our previous instructions to the contrary (see Contact Report for 24 November 1958). Both cases illustrate the mindset which L-1 has developed (with our active assistance over the years) regarding LCCASSOCK. He is the product of a long KUBARK handling policy which led him to believe that he is a completely free agent who happens of his own free will to be cooperating with us.

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2006

LCCASSOCK-1 201

K.H.M.

Despite the money we've poured into the project, despite our quite obvious legal ownership of 76% of [] he cannot or will not give up the illusion that [] is still "his business" and that he, as an independent entrepreneur in the Cold War business, is merely selling his services to us. Regardless of the close financial and operational pressure exerted on him by the case officer over the past year, he cannot and will not accept us as boss. Even more remarkable is the evident fact that this attitude on his part is not sham; he apparently really believes his conception is right, despite the abundant "objective" evidence to the contrary.

4. A few months ago, at the time commercialization was reviewed and the new operational program was ironed out, there appeared to be a good chance that L-1 would slowly shed his illusions on this score, would adjust himself to our policy, and would finally come to regard himself and the firm he directs as subordinate to our operational objectives. This hope was short-lived. Since that time, L-1 has not only not ceased quarreling with our policy, he has displayed increasing dislike for the case officer personally and professionally and has made it quite obvious that the maintenance of his own and the firm's prestige and financial status are more important to him than our operational objectives. He has quite frankly admitted that, regardless of our intentions, he intends to push forward as rapidly as possible with commercialization (he sees it as his only financial salvation) and efforts to obtain CAVASH or other Fedrep support. He sincerely believes that his long, free-wheeling association with us permits and justifies his doing whatever he wants with LCCASSOCK assets to gain his own ends.

5. In my opinion this "alice-in-wonderland" kind of relationship with L-1 cannot go on much longer. Operationally, it has become increasingly non-productive. Personally, it has embittered L-1 to the point where he is emotionally unwilling to compromise. Despite my attempts to reconcile our opposing views over the past months---pending the outcome of our "participation" negotiations with CAVASH---the relationship has deteriorated steadily. I personally do not like L-1. He is, in my opinion, an arrogant, bombastic and intellectually shallow person. He is a good coordinator of ideas initiated by others and has a wonderful flair for dramatizing these ideas, but he is by no means an original PP genius. This is, it should be emphasized, my personal opinion. In the relationship with L-1 I have honestly tried to subordinate this subjective evaluation to the hard operational fact that we (collectively) have made L-1 what he is today, that L-1's present attitude is largely of our own making, and that he represents still a valuable PP asset. I have also had to keep in mind the larger question of CAVASH participation and the long-delayed negotiations related thereto. Notwithstanding these factors which have kept the pot from boiling over, things have gotten worse instead of better. It is now clear, I think, that L-1 does not intend to compromise and that he will not accept any policy from us that might

endanger his personal objectives. There thus appears to be no compromise solution to this problem. Either he falls in line with our basic policy on LCCASSOCK or he gets out. Either alternative is preferable to the present non-productive impasse. The showdown as to which alternative L-1 chooses should definitely take place before we get committed to LCCASSOCK joint participation with GAVASH. We'd only be compounding the mess if we were to bestow a joint HERBARK/GAVASH blessing on a revised LCCASSOCK "joint-center" without knowing exactly where we stand with L-1, and vice versa.

6. Postnote to the above: Halfway through the present meeting with L-1, L-2 suddenly walked in. L-1 had already told me that he had gotten L-2's view on whether or not to do the black letters and that she had strongly concurred in his rejection of them. I had suspected that L-2 was always well informed with regard to LCCASSOCK activities. Although they are divorced, it has been obvious that L-1 leans heavily on L-2 for psychological and intellectual support. The fact that her advice had been sought by L-1 in the present matter did not surprise me therefore. The fact that he had unilaterally arranged for her to interrupt the meeting between L-1 and myself merely to second L-1's views was obviously pre-calculated to change the context of the meeting in L-1's favor. With her appearance the remaining items for discussion went out the window (I do not intend to accept her as a deputy PA at this stage) and the impasse on the question of black letter operations was complete. After L-2 had said her piece (reiterating all of L-1's opinions, as rehearsed), I did not push the thing any further. I advised L-1 that his (their) views were not quite clear and that we would not have to consider their serious effect on our overall relationship.

7. The remainder of the meeting, with L-2 present, was spent in discussing the Berlin situation. Here L-2 showed her worth as a perceptive and imaginative cold warrior. Not unexpectedly, it was she, not L-1, who displayed the best grasp and the sharpest initiative in analyzing possible PP themes and actions. She felt, for example, that now was a good time to revive the Freedom Bell as a prop. symbol of West Berlin. She suggested that General Hodges identify himself with the bell in some way during his visit here. On a broader level, she suggested that the issue of "reunification" be turned back on Kibricht by a Western emphasis that the Soviet note has opened the door to new talks on this subject. Beyond that she concurred in our present PP line, viz, that the Soviet Note reflects a real weakness and fear in the Soviet position (when regarded in the context of revisionism, the uneasiness of Gomułka, the 21st Party Congress and the emergence of Chinese Communist power) but has at the same time strengthened greatly the unity and morale of the Western allies and the population in Berlin.

LCCASSOCK Contact Report

One concrete idea proposed by L-2 is worth mentioning here. She suggested a concerted LCCASSOCK PP effort over the next six-month period: an intermittent "press service" that would beam the news of Western developments, with appropriate commentary, to East German and satellite targets. News of Western pronouncements, press conferences, etc. could be picked up from DPA or AP releases and replayed the same day in LCCASSOCK "Aus der Weltpresse" mailings either via West Berlin (to important press targets) or via West German mail cut-outs. L-1 said it would be possible to do this on a one-day basis if simple mimeograph forms were used. L-2 suggested getting together a staff of 5-6 West Berlin journalists, specialists in various fields, who via her coordination could write the brief commentaries on news items. The idea is good, in my opinion, and I agreed in principle with it. In view of the impasse described above, however, I postponed further discussion of it until after we clear up our relationship with L-1.

C J