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Acting Chief, Seattle Office

15 September 1949

Chief, Contact Branch

Nicholas M. PUPPE (Cases 2266 and 2291)

REFERENCE: (a) Your memorandum No. 277, 15 July 1949

1. Since we received and answered reference memorandum, the University of Washington has confirmed subject's appointment, and all interested parties have agreed to his going. One reason why we could not have filled you in sooner is that we at this end did not know from one day to the next if either one, or both, of these events would take place. However, Dr. PUPPE is now on his way to Seattle, and this memorandum transfers him to the jurisdiction of your office, and brings you all available pertinent background information not already in your possession.

2. Dr. PUPPE was originally taken in tow by the British Army after the capitulation of Germany in 1945, and later was transferred to the US Zone. His ensuing career was beset by mischances, some of which appear, in retrospect at least, to have been avoidable. His personal circumstances continued less than wholly serene and clearly delineated up to the very immediate past. The attached memorandum, Enclosure (A), is an informal item drafted some weeks ago, and is included only for your most private enlightenment. However, it gives a good idea of our estimate of the subject himself and conveys the flavor of the vicissitudes we have weathered with him. Since you are to fall heir to our mantle as his dependable friend and guide among representatives of US officialdom, such background may prove useful to you. We are happy to report that our own relations with subject have been most felicitous. His own judgment in everyday practical matters is thoroughly sound, and while he will talk your ear off, he is completely amenable to any reasonable request or advice. He has come to look to us for understanding and a willingness to tackle - if not always to solve - problems of life in America that are beyond him. Since we are giving him your name as the person who will carry on the relationship we have had with him, you should find him most ready to follow your guidance.

3. Dr. PUPPE has already been the author of many reports, and the principal of many interviews. His reports have received an average rating of B-2, and as yet there is no evidence that his potential is exhausted. He is responsible for the following OO-B's:

OO-B-4979-49 through OO-B-4982-49

5196		
5292		
5314		
5477	through	5479
5509	through	5510
5671		
5957	through	5958
6122	through	6126

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6126	through	6130
6135		
6210	through	6210
6505		
6786	through	6796
6811		
6834		
6874		
7200	through	7209
7527	through	7528
7777	through	7780
8072		

The above listing of OO-b's (some of which may have later been combined or rejected), and those reports handed to various covert offices for restricted dissemination, more or less completely cover the topics attached as Enclosure (B).

4. We do not know precisely what relationship may exist between Taylor's shop and corners of the State Department. We do know that Miss Blue of State and Ballis saw each other in July and discussed P.F.E. at that time. There may be some projects already lined up for him in which State has an interest. However, so far as CIA is concerned, there is a definite agreement that everything is to clear through the channel of us to you. Your success in handling this traffic will reinforce the growing conviction throughout CIA that the Contact Branch field offices are dependable, discreet and productive.

5. Attached as Enclosure (C) is a copy of Alien clearance received for use in subject case.

6. Dr. PUFFE's two sons, at present unemployed and waiting permission to enter the United States from England, have been supported in large measure by funds he has sent them. Since his only source of income while here has been \$500 monthly, and of this he has saved almost nothing, he may be hard pressed for cash for a short time after he arrives in Seattle. No funds have been made available to us for use after he leaves here. If it develops that your business with him goes to the point of consuming an embarrassing proportion of his time and energy, give us timely information and we will do anything we can to back up your requests or proposals.

7. Dr. PUFFE will arrive in Seattle Tuesday, 20 September 1949, at 1030 A.M. Pacific Time, aboard the Olympian Minnetta. He will occupy upper 7 in Tourist Car A-15, and will be met by a Mr. Krader, instructor in the University's Far Eastern Institute. He has been procured accommodations at the house of a Mrs. Wilson, address unknown, where Drs. Gilman and Kirchhoff of the University are presently living. If you have found it necessary to keep a guard between yourself and Taylor on this matter up to now, this memorandum should provide you the background necessary to get together normally with him again, and establish you on easy access to subject for the future.

- Enclosure (A) Undated Recommendation Memo
 (B) Outline dated 29 June 1949
 (C) Memo dated 20 May 1949

LYMAN B. KIRKPATRICK

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This office recommends that subject be encouraged to follow his confirmed desire to accept the Washington State post, that he be requested to continue in Washington until it is necessary to leave to accept that post in September, and that exploitation be continued after September through the Seattle Field Office. It also recommends that definite arrangements be concluded for bringing his sons over in time to join him when he goes west to the proposed job. The reasons for this recommendation are most comprehensively developed by a review of certain aspects of the case to date.

Subject is not only an astute scholar, but equally astute in more worldly fields of wisdom. He has a long background of political experience, acquaintance with underground activities and the machinery of intelligence in the several leading world powers, both present and recently past. He thus has a basis for comparison in appraising the competence with which his own case is handled here. He is widely acquainted among politically percipient scholars throughout the world. He is well known to USSR scholars of both pro-regime and anti-regime complexion. Consequently, the treatment accorded to him by US Government officials and the overall success of his adjustment to and integration into US society will become widely known and appraised in Communist, anti-Communist and opportunist circles. The almost naive and at times exaggerated dependence of the USSR upon its coterie of scholars makes him a more conspicuous figure in sensitive and important circles than would otherwise be the case. He is not a doctrinaire believer in the US economic system any more than he is a doctrinaire believer in Communism, having rather the Olympian viewpoint of the sociological scholar purged by travel of the taint of the ivory tower. His professional acquaintance runs the gamut of political coloring and he does not proscribe any hue from the company of his associates.

In the long run, the impression he - and others in like case - form of US

SECRET

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- 2 - **SECRET**

officialdom will have an important effect on the success of US intelligence operations. He knows the score in his present situation.

The US is now very much on the short end of that score. When he emerged from covert to overt status at the insistence of US military personnel in Germany, he was apprehensive. When time dragged through a succession of minor snafus, his promise of asylum in the US showed no perceptible progress, his wife died, and the tedium of inaction and petty snafu continued, there is at least a presumption that doubts as to the wisdom and dependable good faith of the US sprouted in his reflections. When he arrived in the US, was bounced about by uninformed officials, no accredited representative of his sponsors in this country appeared on the scene, his papers were impounded in default of an eight dollar fee, he went in hock to the local Red Cross for five dollars for coffee and cakes, and finally, one must suppose a prey to confused misgivings, was flown to Washington, his estimate of the functioning of US intelligence can hardly have bounded upward. And when, on his arrival here, after his own name had been shouted and recorded by every file clerk between the US Zone of Germany and the US Capital, he was suddenly told he was again under deep cover and his own name was never to be spoken, he may well have thought that the unaccustomed magnificence of his surroundings were nevertheless the trappings of a super-madhouse.

As recorded in informal memos in your [] to [] files, the futility and the positive danger of maintaining the fiction of his cover became weekly more apparent. The trail of unclassified Army orders under which he entered the US, their contents abruptly upgraded, but only after they had been freely distributed in their pristine nakedness of any classification whatsoever, were advertisement enough of his presence here. His contacts with at least three US universities, all of which had been alerted to his impending arrival, were

SECRET

SECRET

- 3 -

a daily increasing vacuum of information about him, drawing a steadily mounting volume of attention to his absence from the moment of his disappearance. The continuously growing list of his approved callers was in itself the antithesis of sincere and mature handling of covert operations. (It should be noted in this connection that that part of the exploitation carried on by this office has been on the basis of written requirements and absolutely no direct meetings and interviews, and this policy has been adhered to without exception.) The New York meeting, at which he was publicly identified by a fellow USSR-national, was the predictable climax. However the arrangements for public disclosure of his presence, which obviously were begun before the identification in New York, aside from being a breach of faith with the American press which CIA can ill afford from a long-range public relations standpoint, come close to branding the entire covert phase of the operation as a hoax and indeed as a publicity buildup. If the substantial American press, which is far more important than any single publication however glamorous its plush-lined blandishments, ever becomes aware that CIA made an exclusive disclosure of information up to then top secret and an individual up to then operationally covert, CIA might as well close up shop. If Congress becomes aware of it, we will all be out in the street without the price of a railroad ticket back home. Even single correspondents who are made privy to the presence of individuals in this country prior to public announcement thereof, though they may cultivate such confidences for a time, will inevitably betray them in the end if they have a truly professional attitude toward the complex problems of reconciling a free press with the requirements of security.

Any rigor or intemperance in the foregoing paragraphs may be taken as a calculated but diluted estimate of the subject's present state of mind. For that reason they are important. There is further importance in the fact that the recital of the subject's case is startlingly parallel to previous Czech cases.

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SECRET

- 4 -

It would be advisable to review such possibly erroneous or indiscreet techniques as may be discerned in the present case (and echoing past cases) before they harden into a pattern.

This office also recommends that full authority for handling all matters of personal arrangements for subject be given to it. A salvage operation is now required. It can only be achieved if judgment and understanding be combined with sufficient time and freedom from other distractions so that one individual can carry through the painstaking procedure of reestablishing faith that, in subject's own estimation at least, has been badly abused.

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