

OFFICIAL DISPATCH

VIA: Air

SPECIFY AIR OR SEA POUCH

DISPATCH NO. EGQW-301

SECRET
Security Information
CLASSIFICATION

SEP 12 1952

TO : Chief of Station, Frankfurt

DATE: _____

Attn:

FROM : Chief, EE

SUBJECT: GENERAL - Operational/CASE

SPECIFIC - Willi HOETTL

REF: MASA 1960

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHODS EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2000 2008

1. MASA 1960 dated 11 August (copy attached hereto) describes in some detail the difficulties our Vienna station and other USFA agencies are encountering with Willi HOETTL. They ask Headquarters for permission to "burn" HOETTL and put him and his fabricating machine out of business, but before so doing, ask if we cannot get CAPOTE to cooperate with us on HOETTL's removal from the IS scene.

2. I have had several discussions about HOETTL with CAPOTE. On the occasion of HOETTL's last visit to CAPOTE at Frankfurt sometime in April 1952, CAPOTE told me he was convinced that HOETTL produced plenty of phoney reports and that he was cutting him off financially. CAPOTE said that the only intelligence of value that HOETTL produced concerned the Austrian government, but all other, namely OB, Hungarian and Romanian political reports, reports on North Africa, Italy and Trieste were phoney. When I asked CAPOTE why, if he knew HOETTL manufactured so much paper, he subsidized him and maintained his close contact, CAPOTE replied that he was trying to determine who HOETTL's excellent source on internal Austrian affairs was before completely severing the connection. CAPOTE emphasized, however, that he was aware of HOETTL's passing phoney reports and CAPOTE was not making any disseminations of the questionable material. This was in May 1952.

3. I believe it would be wise if [] would contact CAPOTE, inform him of what is transpiring in Austria, and tell him that Allied Agencies in Austria are going to undertake measures to remove HOETTL from the intelligence scene. It would probably be best to inform CAPOTE in the presence of [] so that a second person in the Blank office is informed in the event CAPOTE has not completely broken off his relations with HOETTL.

4. We believe it is high time that a man like HOETTL is removed from the Intelligence scene for many reasons, mainly to prevent valuable case officer time from being dissipated on a man who is a known fabricator. Hours of

RELEASING OFFICER

COORDINATING OFFICER *EF/CF/A*

AUTHENTICATING OFFICER

SECRET
Security Information
CLASSIFICATION

GPO. 63-222 AC

SECRET

Security Information

-2-

time and reams of paper have been expended for many months to describe HOETTL, time that can much better be spent on more fruitful operations. We believe that HOETTL's paper will has long been an established factor and no further effort should be spent to pursue him. CAPOTE should be told that regardless of his associations with HOETTL, for the good of all IS agencies working against satellites and Soviets, HOETTL must be removed to make way for more serious and positive intelligence gathering. I don't think he'll offer any argument and will play ball with us on this score.

5. We will inform our Austrian desk that we have no objections to the removal of HOETTL. HOETTL has no connections to Seppings and I believe his plan to see Seppings is part of the atmosphere of bluff in which he operates. We would be interested in any comment CAPOTE has to make on this matter after you notify him of the Austrian agency's plan to remove HOETTL.



Attachment

HH/sj1

Date of origin: 10 September 1952

SECRET

Security Information