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TO : Chief, EE
Attn:
FROM : Chief of Base, Vienna *hlo*
SUBJECT: GENERAL— Operational/GROOVY/TOPHOLE

DATE: 8. April 1953

Deadline	
Hq Action Item	
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For info and files	

SPECIFIC— Dr. Wilhelm HOETTL's Reaction
to the Arrest of VERBER and PONGER

REF: VIEN-9669, 11 March 1953

Info: Salzburg
Pullach
Frankfurt

1. Forwarded herewith are copies of a report on Dr. Wilhelm HOETTL's reaction to the arrest of Kurt PONGER and Otto VERBER as reflected in documents impounded in a search of HOETTL's house made 25 March 1953. Copies of this report are being passed to Grueler. The original documents on which the report is based were photographed in Salzburg under the supervision of and the complete original texts of letters and reports will consequently be available shortly.

2. The reference in Baron Harry MAST's letter to HOETTL of 19 January 1953 (see page 3 of attachment) to "our friends in Gmunden --B--" is unclear, and HOETTL maintained that he cannot guess "B"'s identity. We are inclined to guess that the reference is to Grossbahn or Grossbahn's CC-2. We also conjecture that the "tall guy" (der Lange) referred to in MAST's letter of 26 January 1953 (see page 14 of attachment) may be Grossbahn, since HOETTL showed sensitivity to all references to the area around Grossbahn in his interrogation.

Enclosure:

Interrogation of Dr. Wilhelm HOETTL, in trip.

3 April 1953

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SECRET
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1 April 1953

Interrogation of Dr. Wilhelm HOETTL: HOETTL's Reaction to the Arrest of VERBER and PONGER

1. Purpose of this Report. The purpose of the present report is to record the reaction of Dr. Wilhelm HOETTL and his immediate cronies to the news that Otto VERBER and Kurt PONGER had been arrested together with three other persons for espionage on behalf of the Soviet Union against the United States. HOETTL's reaction is documented in correspondence between himself and his cronies which was impounded in a search of his quarters and office conducted on 25 March 1953. The possibility should be borne in mind that HOETTL deliberately left this correspondence for us to capture in the hopes that the correspondence would establish his innocence of implication in Soviet espionage. It is also possible that the entire correspondence was fabricated to this end.

2. Letter HOETTL to MAST, 16 January 1953. In a letter dated 16 January 1953 of which we possess a carbon copy HOETTL wrote to Baron Heinrich von MAST. The first two and a half pages of his letter, which begins in German "Dear Harry" concerns itself with other matters. These include the possibility of HOETTL's being hired by Amt Gehlen, the business of the Nibelunger Verlag, the espionage activities of Theodor von ALBERT, etc. The relevant passage can be translated as follows:

"What do you say about the odd espionage affair in Vienna? The oddest thing about it is that I actually have known these people for years. I must therefore be a Soviet Agent! Joking aside, I still can't understand. Why did these people never approach me? Only because of my absolutely hostile attitude towards the East? But if they had been smart they would certainly have been able to approach me from some other direction. That is, as members of the American Intelligence Service and thus through me have been able to set up an anti-Russian net in order later to liquidate it. The matter is quite obscure to me especially this funny connection to a Consul in Washington when these people were sitting the whole time here. Why were they not sent to the United States, which would be the obvious opportunity to have former intelligence officers over there. And certainly such intelligence officers could also be reactivated there. Everything is most curious. If the Russian Intelligence Service is not more competent than this then I should be very happy. (In any case, I am puzzled that I never noticed anything about them which was indicative. I certainly got the impression that they might be working a little in the Israeli Intelligence Service but when I heard this suspicion for the first time months ago from Thec's friend in Salzburg (translator note: Thec is Dr. Theodor von ALBERT; his Salzburg friend is a policeman named Johann ANGERER) I could not believe it and made a statement giving my own opinion that the people concerned were working for the Israelis.) I certainly hope that I won't get drawn into this matter because there would be a good deal of fun for certain people. In any case, it would be a good thing if my correspondence were discovered since the correspondence makes it clear that I dealt with these people only concerning photographs

and concerning the arrangement of export licenses. (That would be an explanation of the fact that nothing happened to these licenses. In any case one would have to check this up in Scandinavia. The two brothers (translator note: VERBER and PONGER) would certainly have no interest in arranging to increase the circulation of an anti-Russian book.) Please give me your advice on this whole matter, particularly as to what I should do now. Is there any point in my reporting now what I know? I certainly know nothing of professional interest and then one might think that Qui S'Excuse, S'Accuse. They certainly will hardly stumble across my name, since a search of the house and the office in the 4th District is out of the question. On the other hand, I would certainly like to assist in clearing up the case if the people are really guilty. (A certain feeling of revenge exists here on my part because I was taken in.) In toto this is a very strange matter."

3. Letter HOETTL to von ALBERT, 16 January 1953. A carbon copy of a letter dated 16 January 1953 from HOETTL to Theodor von ALBERT reads in part as follows:

"What do you say about the new espionage case in Vienna? An odd story. As you already know I know these brothers and considered it out of the question that they could be Soviet agents. If A. (translator note: Johann ANGERER, a sub-agent of von ALBERT, who works in the Salzburg Police) has any particular questions, I am at his disposal, but I would prefer not to be named as a source, since I do not particularly wish to be known as an acquaintance of such people. I should be most interested to know what is at the bottom of the case. Why, for example, did these people never make any attempt to recruit me? I can only explain it to myself by supposing that it was clear to them that because of my clear ideological orientation nothing was to be gained. But on the other hand, they may have attempted to make some sort of play in order to learn my connections. I had really trusted them since I could not believe that OSS officers could be Soviet agents. It is a point against their professional competence if the whole story is relevant. In any case, I will be thankful to A. for any information and will take a personal interest in it."

4. Letter von ALBERT to HOETTL, 17 January 1953. An original letter dated 17 January 1953 signed "Theo" reads in part as follows:

"The story about Kurt P. is most amusing. The arrest occurred in part because of certain information which was gathered by A. (translator note: ANGERER) (partly through me and partly through you.) Therefore, our further conversation had best be oral. I request to know everything that you know about the case because I shall certainly learn a good deal more myself."

5. Letter MAST to HOETTL, 19 January 1953. MAST's answer to HOETTL's first letter is contained in a letter dated 19 January 1953 of which we possess the original signed "Harry." This letter is five pages long and MAST devotes approximately one page to the PONGER case early in the letter:

"To get started right away in the P. case. In this matter I have the opinion that it is not wise in such a case to act prematurely. Especially since, if they have found the correspondence which I would approve of, the basic harmlessness of the affair is clear. The main question, in any event, is how you came to know these people. Either this question is clear from the correspondence or you have some other plausible explanation. More unpleasant is the affair in Salzburg, since it is not known whence the good A (translator note: ANGERER) got these names and whether our friends in Gmunden - B - know more or knew more about this case. (Translator note: Identity of the friends in Gmunden is unknown, and HOETTL repeatedly denied knowing this identity. MAST is being interrogated on this point.) If so, then enormous falsehoods could be perpetrated. To me it is still not entirely clear whether these people did not act under instructions in order not only to get a III-F-Play (translator note: GIS terminology for double agent activity) going but also in order to establish genuine collaborators of the MVD in American circles. It seems rather strange to me that the people should suddenly have been taken to the United States, since certainly CIC in Vienna has a safe confinement place where interrogations could be conducted, and which in any event would provide for better interrogations, since they would be on the spot rather than separated by a great distance. Aside from that, it is quite obvious that in Vienna there are the same means of interrogation as would be available in America. It is therefore most important to learn as soon as possible what is known in Salzburg about the case and what is being said. For this mission the assignment of Carlo (translator note: Karl HAAS, as admitted by HOETTL) would be the safest, and presumably it would be easy for you to write him yourself. I personally hope that you still retain copies of the correspondence concerning this case, which in any event will be necessary in order to substantiate an oral explanation. In any event, your name is probably not known in Salzburg and would not come into the case unless the people in the United States (translator note: PONGER and VERBER) should be asked questions concerning their entire circle of acquaintances. In this event, it is to be assumed with 90% certainty that your name will come up but when, as is to be expected, the people are given a truth serum, they can hardly say anything except the truth. What kind of photographs did you get from them and what did they get from you? For in this matter it seems to me possible there might be a critical point in the minds of the Americans, particularly the way Americans think."

Note: The letter continues under a dateline of 22 January 1953:

"In the interval events have occurred which have postponed the urgency of this matter, since now, as is apparent from the newspapers, the prosecution has formally indicted the two defendants and the trial is scheduled to begin on 3 March. From the European point of view this would mean that the investigation has been concluded. In any case, however, I still hold to my opinion that for the time being you should do nothing."

6. Letter HOETTL to MAST, 23 January 1953. We have a carbon of a letter to MAST from HOETTL which is dated 23 January 1953. The first page of the letter concerns itself with the VERBER-PONCER case.

"Many thanks for your fine communication of the 19th January which as I told you by telegram only came yesterday. I say this only to clarify this one point. Now let me talk about single points on which I wish to go along with your scheme. In the case of P, I agree with you completely and certainly do not wish to inform any of A's (translator note: ANGERER's) people as long as the investigation is still in progress. However, I have discovered a good solution. In a completely private and personal way I have informed my SCHNEIDER friend of this matter (translator note: SCHNEIDER is a well-known cover name of Gehlen) and he asked me to give him a complete written report concerning my acquaintance which would be held until I specifically gave him the permission to use it. If I should get into any sort of difficulties, I therefore could at any time state that I had given my information to a reputable firm. This idea is undoubtedly good in itself and quite apart from the fact that these brothers also can read the thing (translator note: In this case, "brothers" appears to refer to Amt Gehlen) but will not be able to use it because it would be perfectly clear whence it came. This solution is undoubtedly chosen by SCHNEIDER not only out of kindness but also from completely egotistical motives, for was not an intimate of PONCER one of the leading SCHNEIDER people? I once told you of this man, a former Colonel K (translator note: Wilhelm KRICHBAUM). In any event, it is certain that not much will become generally known, for the correspondence is located in the 4th District and is therefore not available. My copies are at hand and also the answers; the matter concerns itself with photographs and the last picture of Hitler, also numerous touched-up photographs for my book (Canaris, etc.) and also it concerns pictures which I bought from P., especially those from the days of the Habsburg Monarchy, but also pictures of Hitler, Himmler, etc., all for my new book. There also exists a considerable exchange of letters concerning a Swedish edition and possibly there may be something of this also at the office of the press which you might look up if you have time. The whole matter is therefore as clear as day and I do not believe that there will be any trouble in Salzburg, although I certainly do not know whether A. (translator note: ANGERER) knows that the statements concerning P. come from me. I must ask Theo (translator note: Theodor von ALBERT) whom I am seeing this morning in Salzburg. (Dr. ROE. is coming) (translator note: HOETTL states this is a Dr. ROEDER). The connection of my SCHNEIDER friend in the affair is very interesting, although I naturally do not know whether the connection is purely personal or professional. He believes that there is something peculiar in the case and that perhaps it is intended to draw the case out absurd lengths in order to show that these Jews were persecuted although they were innocent! The theory has some merit and is supported by the tremendous haste and the transfer to the United States. In any case, it is very unlikely that a man who since 1947 has lived in Vienna and since 1944 has been in Europe and in

the meantime presumably never in the United States could conspire with a Russian in Washington, when in Vienna he only has to go around the corner to meet the MVD. The situation does not seem true. I am extremely curious to find out what will come of the case. Any further information that I have on this case I will give you orally.

7. HOETTL's Report to Rupert MANDL. As he explained to MAST in the foregoing letter, HOETTL gave to Rupert MANDL, a representative of Amt Gehlen, a written report of his association with Kurt PONGER. We have the original of this report from Amt Gehlen and among the papers impounded in HOETTL's home were three carbon copies of the report. HOETTL was unable to explain why he made so many copies but stated that it must have been an error of some sort, since normally he makes only one or two copies of any original correspondence. A translation of HOETTL's written statement to MANDL follows:

"My Acquaintance with Curt PONGER.

"During my stay at Nurnberg where I was a witness and was confined in the court building I became acquainted with PONGER. This was in the year 1946. At that time PONGER and apparently also VERBER were active with the prosecution in the trial against members of the SS Economic and Administrative Office, and had at this time nothing to do with me since I was a witness in the trial against major war criminals, as well as in the so-called Wilhelmstrasse Trial. PONGER, however, was frequently in my vicinity during interrogations as was not uncommon in Nurnberg. He made a pleasant impression on me at that time since he always handled himself in a humane and thoroughly courteous manner in contrast to many other of the interrogators.

"About Spring 1948, PONGER came to Alt Aussee in order to request me to come once more to Nurnberg to make a statement. At that time I had just been released from confinement and naturally did not wish to return to Nurnberg, and so I was happy that PONGER actually missed me in Aussee. (I happened to be in Salzburg that day.) Several weeks later, however, PONGER came again and made so urgent a matter of my coming to Nurnberg that I had to give in, although I was living in the U.S. Zone of Austria. Following PONGER's advice I reported to a Mr. BROMBERG who had his office in the Landesgericht in Salzburg and who was responsible for issuing travel permits. When I discovered that BROMBERG did not consider the situation as important or as pressing as PONGER, I again adopted my delaying tactics and actually succeeded to the extent that in the meantime the trial went ahead without me. At that time, therefore, I did not go to Nurnberg, unlike another witness from Alt Aussee whom PONGER had also approached. This was the former Estonian Provincial Director and Minister President during the German regime in the Baltic, Dr. MAE, who also lived in Alt Aussee. MAE, like myself, is a writer with a strong anti-Communist bias who has a very good reputation in the Estonian Emigration. For some time he has been writing under the pseudonym Polonins a rather important anti-Bolshevik brochure called "No Fear of Soviet Russia."

"At this time I had already begun working on my book Die Geheime Front and told PONGER about it. He was very interested and stated that he also belonged to the intelligence trade. (He described himself as a former Captain in OSS). PONGER promised me to try to arrange a foreign language edition of the book in the United States and in other foreign countries in which he allegedly had good connections. When my book appeared in 1950, I sent a copy to PONGER with a query concerning the promise that he had made. PONGER replied that my book might well appear in the reputable Swiss Firm Europa and began in this connection personal negotiations with the owner of the firm Dr. OPRECHT. PONGER got for this a concession which amounted to 2½% commission of the sale price. In the United States and in Sweden where PONGER particularly attempted to get a foreign edition, he had no success. PONGER also attempted with no success to arrange the publication of articles on historical and political subjects.

"However, it became apparent at this time (my articles had to appear with illustrations) that PONGER possessed a large collection of photographs which included historical and contemporary political figures so that in this connection we began to do business. I bought various photographs from PONGER, as for example those concerning the first and second world war, and I also gave him photographs which I possessed to be enlarged and copied. In these negotiations a rather large correspondence came into being and I made a number of payments to PONGER which, although the prices were small, amounted to a considerable sum. (On one occasion almost a thousand schillings.) All these letters from PONGER as well as copies of my letters to him are available. They begin on the 27th of August 1948 and end on the 7th of October 1952. Late in December 1952 I also sent PONGER a New Year card since he had sent me a card at Christmas.

"Except for these purely professional (Nurnberg) and commercial (publishing and photography) matters PONGER had little other contact with me. During the time of our acquaintance, that is beginning with his second visit to Alt Aussee in late Spring 1948 until the end of 1952, I saw him perhaps altogether six or seven times, of which three or four times were in Alt Aussee, once in Fuschl, once in Bad Ischl, and finally in Germany where he took me along in his car. However PONGER was apparently in Aussee on other occasions when he did not meet me. He usually came without telling me before hand. When he arrived he usually called me by telephone. Once his wife Vera came along and twice his brother-in-law VERBER (that is on visits to me) and also his oldest daughter came with him once or twice but I never saw her. Possibly his mother also accompanied him on these visits but of this I cannot be certain. (Naturally it is possible that other persons were also with him.) Usually he connected his journey according to his own account with visits of his family, particularly when members of his family were having vacations in Western Austria. Thus the PONGER family made a visit in Summer 1951 to Bodendorf am Ossiachersee (care of Ebner) and made another visit in 1952 to Windischgarsten, Upper Austria. If Mrs. PONGER did not stay with the children, then PONGER's mother remained behind, or at least so he told me on several occasions. It would therefore appear that PONGER came to Western Austria frequently and for extended periods. Concerning the subjects of conversation which occurred on the occasions mentioned

above I have certain memories. On his first visit, PONGER interested himself in the chief of Amt IV of the RSHA, MUELLER, and most especially for the Chief for Jewish matters, Adolf EICHMANN. Concerning EICHMANN, he informed me repeatedly that JOINT (or some other international Jewish organization) had placed a reward on EICHMANN's head of \$100,000 which I was supposed to collect since I certainly knew where EICHMANN was. (EICHMANN had been in Aussee at the time of the German collapse and had left his family here.) The particular interest of PONGER in EICHMANN and in other similar matters, into which I will go later, made me conclude that PONGER was active for the Israeli Intelligence Service or some other Israeli office. This was my explanation at the time to myself of his frequent visits to Aussee, for in Aussee at the time Frau EICHMANN was living under her maiden name, LIEBL, and I thought that PONGER was attempting to learn in this area the present hiding place of EICHMANN. He asked me in a rather unsubtle fashion to take up contact with Frau LIEBL and in any case to look around in her vicinity since he was convinced that EICHMANN frequently returns to visit his family. When I refused to have anything to do with this matter, he dropped the subject until about a year ago when he told me that Israel now had definite information that EICHMANN was being lodged with the Grand Mufti in Egypt and asked whether or not I might be able to establish a contact. This would be an important thing to do and would be paid for from the \$100,000 which had been set as a price on EICHMANN's head. I was completely diffident in this matter although I knew that EICHMANN was not at the time in Egypt.

"This interest of PONGER in EICHMANN was not the only sign which brought me to the conclusion that PONGER was working for the Israeli Intelligence Service. He told me once (about August 1951) that he knew a number of important people who were working in Vienna for the Israeli Service, among them former members of the American Intelligence Service. These persons were extremely interested in the Gendarmerie Major Valentin TARRA in Bad Aussee and wished to know whether I knew him. I said that I did and told them what I knew about TARRA; that is that I considered him a Russian or at least a Communist agent. PONGER also in this connection was particularly interested in the former Congressman Albrecht GAISWINKLER and the Communist leader Sepp PLIESEIS. (Concerning these people I permitted myself to talk at great length for about a year ago I wrote an article in the Spiegel in which I discussed the Bolshevist infiltration tactics of this group. I also discussed them in a book which will appear next in England and the United States.) However, I never got the impression that PONGER himself was interested in TARRA and in the other two people and wished to take up contact with them himself. This would be an explanation of the frequent trips PONGER made to Aussee and also the trips to Ischl where he also frequently visited (PLIESEIS lived in Ischl) which PONGER explained to me by stating that he was making a photographic essay of the Ischl porcelain or ceramics works. Thus if PONGER was actually under control of the Russian Secret Service in his dealings with me, my information about these three people would have been only positive. The last

two times that PONGER visited in Aussee, he did not sleep either in Alt Aussee or had Aussee but in Grundlsee, which he explained to me by saying that he was making a photo study of a wood carver who worked there. It might be eventually interesting in this connection that since approximately last summer a man has been working in the gypsum works in Grundlsee who is known as a leading functionary of the KPOe, although not publicly so known, and who is reported to have had his training in Russia. This man's name is LINECK (phonetic) and he lives in that part of Alt Aussee known as Wim. However, PONGER never asked me about this man and I was interested in him only because I have the opinion that the Russians are preparing the Totes Gebirge as a stronghold for partisan warfare. I have a number of indications of this. It seems peculiar to me that the LINECK mentioned above, who allegedly had a prosperous vegetable business, should suddenly take a job in a gypsum works in Grundlsee as a common laborer.

"Otherwise, PONGER did not indicate any interest to me in persons in the Aussee area although he frequently asked about Dr. MAE. I never spoke of MAE but always advised PONGER simply to visit him if he wished information. Whether PONGER visited him or not I do not know.

"Concerning other persons, the only name which came up was that of the former Colonel of the Secret Field Police, KRIECHBAUM (sic). PONGER knew that I knew this man and that I also knew him during my confinement. PONGER had also met KRIECHBAUM in Nurnberg and remained from that time on in contact with him. In the summer of 1951 when PONGER visited me in Aussee he told me that he had seen KRIECHBAUM and that KRIECHBAUM would be very happy to see me again. If I wished, PONGER said he could arrange a meeting. I should write KRIECHBAUM a letter since that would be according to protocol, and say that I would be very happy to see him again and PONGER would then arrange a meeting between us. KRIECHBAUM chose as a date the 18th of August, as well as I can reconstruct from the letter of PONGER's that I have, but whether we actually met on that day I no longer exactly remember. It was certainly in the month of August. PONGER brought KRIECHBAUM from Reichenhall to Salzburg and there I also got into the car. As well as I can remember it was KRIECHBAUM's car, and we then drove to Fuschl where we drank coffee in a restaurant by the lake. The conversation was confined to the exchange of reminiscences and only at the end of the conversation did KRIECHBAUM tell me that in intelligence circles my friendship with Erich KERNMAYR was disapproved of. I was able to explain to KRIECHBAUM that KERNMAYR had indeed been a former colleague of mine when I was working for CIC in Austria but that since that time we had separated, since KERNMAYR was completely impossible in my opinion. KRIECHBAUM indicated that he was completely satisfied with this explanation but did not indicate that he had any definite plan connected with me. PONGER, on the other hand, told me on the return journey (he brought me as far as St. Gilgen) that this conversation would have good results since KRIECHBAUM was a leading man of the Schneider firm (translator note: Amt Gehlen). (He had told me in a communication dated 5 August that KRIECHBAUM would make some definite proposition to me at the meeting on the 18th of August, but

he never told me either in writing or later by words what he meant. I could only guess that it had something to do with cooperation in the Schneider firm. This activity as middle-man in 1951 and again a year later brought me to the conjecture that PONGER might perhaps be a colleague of the Schneider group in Vienna with a mission from KRIECHBAUM, who had the reputation of being a first-rate specialist in Southeast matters. In any event, I never asked him about this and later observations brought me to a different conclusion. I guess that at that time and earlier PONGER was doing some sort of business with KRIECHBAUM concerning which I will write more later.

"In September 1952, PONGER visited me again in Alt Aussee. He was there only about an hour (that is at my house) on which occasion he asked me whether I might care to make a visit to Germany with him and with his brother-in-law in October. A proposition which he had first suggested a year before this. (We had occasionally talked in such a way that I indicated that I occasionally had business to do in Germany but that I had to postpone the trip because the German railroads were so expensive. PONGER at that time had suggested that I go with him in his car when he went to Germany. Whether he actually went to Germany in 1951 I cannot remember.) PONGER also suggested that it would be very nice at this time to speak again with KRIECHBAUM, since now the question of a German Intelligence Service was becoming acute and until the establishment of the German Intelligence Service I had held my plans in abeyance. I had actually on several previous occasions told PONGER this after he had several times urged me to take up contact with KRIECHBAUM and to place my capabilities in the intelligence field at the disposal of the Schneider firm. On this occasion it would be possible for us therefore to speak to KRIECHBAUM and he would arrange the itinerary in such a way that it fitted most conveniently my interests. He suggested a meeting with KRIECHBAUM in KRIECHBAUM's residence in Reichenhall on the weekend of the 11th to 12th October but I refused this since I had something else to do that weekend. On the 13th of October, I travelled to Salzburg where Walter LAUBER fetched me from the train. PONGER had introduced me to LAUBER several days before in Ischl. At that time I had been in Ischl and PONGER had called my wife in Alt Aussee who told him that eventually he could find me in the railroad station restaurant. He came there and I went outside with him briefly where he introduced me to LAUBER in order that I would recognize him in the event that he could not personally pick me up in Salzburg. On the 13th of October, LAUBER came with his Volkswagon and drove me to Reichenhall where PONGER had put up in the Hotel Deutsches Haus or Deutscher Hof. PONGER had already spoken with KRIECHBAUM but KRIECHBAUM was no longer in Reichenhall, having arranged to meet us in Munich. We met KRIECHBAUM in the restaurant near the bus stop by the Hotel Schottenhammel (afternoon of 13 October). The conversation was again purely theoretical as it had been a year before and KRIECHBAUM indicated that the situation in the German Intelligence Service was still completely unclear, saying that the Americans naturally would never let a man like Dr. Schneider (translator note: Gehlen) be dismissed and that this man would play an important role in the future, etc. Nothing concrete was discussed at this meeting. KRIECHBAUM gave the impression of being very sick and stated that for several months he had been desperately

ill. Several days before my journey, I had learned through a criminal police officer attached to the State Police in Salzburg by the name of ANGERER, not directly but through cut-outs, that Curt PONGER was suspected in Vienna of working for the Soviet Intelligence Service. (It was in another connection that the name of PONGER had come up.) I had consequently passed to ANGERER a written memorandum stating that I knew a certain Curt PONGER and telling what I know about this man. This journey with PONGER seemed therefore much more interesting, since I hoped to get the opportunity to be able to make conclusions about PONGER. I had the greatest doubt that PONGER could be a Soviet agent, since his entire activity during the past year, at least as far as I could see, indicated otherwise. The man had been a Captain with OSS, was then an official in Nurnberg where in the last stages of the trials that parlor-pink note of 1945-46 had ended among Americans. He then got the concessions of American agencies in Austria and he had then arranged that my book, Die Geheime Front, a work most offensive to Russia and to Communism which had been forbidden in the Soviet Zone and which had been subject of hostile attention by various Soviet commands, should appear in Switzerland. On this journey, PONGER behaved in a completely unsuspecting fashion, he showed no interest in what I was doing, and we practically never saw each other except at certain meals. It was admittedly unusual that he should have something to discuss with KRIECHBAUM which he did not wish to speak of in my presence, and he arranged with KRIECHBAUM that he could telegraph from some point along the way to arrange a further meeting between the two. Whether this meeting occurred I do not know. I travelled with PONGER and LAUBER on the 15th of October to Nurnberg, I immediately took the train on to Dusseldorf where I had business and there did not meet PONGER and LAUBER again until the 18th of October when I met them in Bonn. When they arrived I had completed all my business and consequently went ahead by train to Stuttgart, where on the 20th I met PONGER and VERBER again. I arranged for them to visit the Porsche works, since they wished to make a photographic study for the United States, and on the same day we went on to Munich, where after spending the night we proceeded to Aussee. PONGER and LAUBER intended to go only as far as Salzburg but I persuaded them to bring me to Aussee and they spent the night in Grundlsee. On the following morning, they wished to try to make some pictures of spawning fish (at that time the spawning period of a local fish was beginning). Since that time I have seen neither PONGER nor the others and have received no letters with the exception of the Christmas card mentioned above.

"After becoming aware of the arrest of PONGER and VERBER, I decided to inform the office of Dr. Schneider and hereby set down as an aide memoir information which substantiates my oral report. This material is to be used only with my explicit permission--that is, without my specific permission it cannot be forwarded to any office. (Translator note: When questioned on this statement, HOETTL admitted that he specifically meant it could not be forwarded to an American office. He stated, however, that his main reason for this was to ensure security, since he was not aware of the extent to which disseminations were made inside Gehlen's organization and he actually hoped to restrict dissemination to General Gehlen himself and thereby to the really responsible American officer.)

"In closing I should like to set down several details of the whole matter which might be interesting in this or in some other connection. In all my conversations with PONGER, as far as I can remember, the names of former intelligence people never occurred with the exception of those already mentioned and two others which I wish to discuss here. The first is one Dr. OFCZAREK who is said to employ the cover name Dr. SCHAEFER. I mentioned this name to PONGER, as I believe, during the conversation described above between PONGER, KRIECHBAUM and myself on the 13th of October in Munich. (How the conversation came around to OFCZAREK/SCHAEFER I no longer remember.) I was astounded when suddenly PONGER uttered the name OFCZAREK whom I knew from my student days. As far as I can remember on this occasion PONGER stated that CIC was very angry with OFCZAREK because he continued to work against the agreement that had been reached between CIC in Austria and Schneider. Curiously enough, on the return journey from Munich we met OFCZAREK in his car at the German Austrian border. I had already finished my business with customs while PONGER and LAUBER were still engaged in conversation concerning books on which they had to pay customs and on which PONGER did not wish to pay the duty. PONGER came out from the customs shed and made some statement that it was not particularly skillful when somebody like OFCZAREK was passed through the customs so rapidly that any blind man could see that the man had been accredited officially in some manner to the border police. Whether PONGER or LAUBER had spoken with OFCZAREK during the customs inspection is not known to me but I doubt it, since otherwise OFCZAREK would not have been finished so quickly. I also do not know whether PONGER knows OFCZAREK personally. Concerning Dr. OFCZAREK, I should like to state that exactly as in the case of Colonel KRIECHBAUM any suspicion that he is working for the Russians via PONGER seems impossible. (From other quarters such rumors about OFCZAREK in Austria have repeatedly come to my attention; these originate with his acquaintance with Dr. Kurt WESSELY, who allegedly is active for the Russian or Hungarian intelligence service. Concerning this a good deal is said but I personally do not believe that OFCZAREK, who had employed WESSELY in his intelligence group and allegedly still employs him, knew anything about WESSELY. It could possibly be explained by a certain good nature on the part of OFCZAREK as in the case of Dr. KNOLL, the son of his colleague Professor Kurt KNOLL. This younger KNOLL is a Communist Unity Front Shop Steward in Voest and is reported to send OFCZAREK information through his father concerning this business. The senior KNOLL appears to be absolutely reliable but apparently cannot, for obvious reasons, separate himself from his son.)

"The second name which seems interesting in an intelligence connection is that of the former SB Obersturmbahnfuehrer Josef URBAN. Concerning this man PONGER had astoundingly good information. He told me two years ago that URBAN was an agent of the American, British and French Intelligence Services as well as of the intelligence service of the Austrian State Police, but that this had not hindered him from becoming intelligence chief of the Neo-Nazi group of SOUCEK. A remark of PONGER's made a long time ago made it appear to me at that time that URBAN also had connections with the Israeli

Intelligence Service. The reason for these assumptions are no longer clear to me since I didn't have any interest in URBAN, believing that he is not a man to be taken seriously.

"Several points which possibly may also be of interest I will also add here. PONGER's earlier address was Vienna V, Schoenbrunnerstrasse 47. Later he gave me the address Vienna IV, Paulanergasse 7 as the location of the firm of the Central European Press and Literary Agency, Inc. When I once asked him how an American could live in a Soviet Bezirk, he explained to me that there both offices and apartments are cheaper by half than in the Western Sectors, and anything that he has to hide from the Russians he would not keep in the 4th Bezirk. Later, in 1952, PONGER told me on his own initiative that an American officer, apparently the one who was his superior in the Officers' Reserve, summoned him to advise him to move out of the Soviet Bezirk. He allegedly gave this officer his arguments that the Soviet Bezirk was much cheaper and convinced him saying that his brother-in-law VERBER, for example, had taken years to find a decent dwelling in a Western sector.

"Another item, perhaps not uninteresting, is the following. When I first met VERBER (if I recollect correctly I have seen him altogether only twice) he had a completely swollen eye. Asked where he got it, he stated that with PONGER he had photographed striking workers near the Paulanerkirche and that both he and PONGER had been beaten up and that someone had stolen a Leica from them.

"Finally a few characteristics concerning the personalities themselves. PONGER has always seemed to me to be the prototype of the very nationally-minded Jew. According to a number of his statements he felt himself much more a Jew than an American. For this reason, he was always loyal to the Germans and always realistic about them (sic). To me he was always pleasant and humane without ever making an attempt to win my favor by any kind of special attention. Thus he never made any attempt to pay for meals when we were together or when he came on a visit did he bring gifts to my children. He was always very reasonable in the prices that he put on his photographs but not so much so that he gave up his profit. He never tried to get information from me about anti-Russian agents, as would certainly have been expected if he had been working for the Russians. That he never attempted to recruit me for the Russians goes without saying for he knew my unqualified anti-Communist orientation. He could, on numerous occasions, have attempted to approach me obliquely, perhaps for example as an alleged member of an American intelligence office who wished to build a net against Russia. In this I would probably have believed him and it would have been a good opportunity for a double agent operation. This circumstance mitigates against suspicion; that which supports suspicion I have set down above.

"PONGER's wife, whom I saw only once, impressed me as an extraordinarily clever and self-assured person. I am trying to indicate that in the marriage she is probably the dominant partner and if this is a matter of intelligence work, she may also have been the dominant member there.

"PONGER in my opinion was always the passive partner. Presumably also in sexual matters for she impressed me as being a very highly-bred and temperamental woman, whereas he appears to be the opposite.

"Concerning the brother VERBER I have only slight impressions. He appeared to be very clever, obliging, but also practical. If, for example, PONGER started on the subject of the persecution of the Jews in connection with his favorite hobby horse EICHMANN, VERBER would hush him up saying that all this did not appear to be particularly an important problem for me. VERBER was also always very witty and full of jokes.

"LAUBER impressed me as being very reserved and moderate rather than sympathetic. He demonstrated absolutely no political interest and in his presence nobody could imagine that he could be a Soviet agent. His release tends to support this assumption. It is naturally vain to develop theories whether and why PONGER and VERBER were Russian agents and in any event the trial at the beginning of March will clarify this situation. If it should happen that the accusations are true, then I am convinced that Mrs. PONGER and her brother were the driving force and indeed not from ideological grounds but for money. PONGER was ideologically not a Communist but rather an anti-conservative, that is a man in favor of the liberal, strongly Jewish direction of the Roosevelt Era rather than that of the United States of today.

"One can also imagine that this entire espionage case has been set up in certain Jewish circles in order via the trial to indicate how innocent these "new Americans" (that is Jews) are and how they have been persecuted. This theory, however, is very far fetched, although a man like PONGER would be available for such a job at any time and also possesses the necessary good connections to international Jewry.

"All of these trains of thought have been set down here in a completely unsystematic fashion and it is possible that some interesting detail has been left out in spite of my cudgeling of brains. I am ready at any time to provide further information but must again request that this case remain completely confidential and not be brought into general use. At this point I want to have it again clearly understood that I have no suspicion myself against Colonel KRICHBAUM or Dr. OFCZAREK and that these gentlemen in my opinion are completely beyond all suspicion. I have only spoken of them because as an old intelligence man I know that in such a case the most unlikely details can be of interest and not in any way to point suspicion in any direction. It would be most unpleasant for me if any misunderstanding should arise against the persons named or if indeed any investigation should be conducted."

8. Letter MAST to HOETTL, 26 January 1952. The original of a letter from Baron Heinrich MAST to HOETTL dated 26 January 1952 is in our possession. The following short paragraph pertains to the PONGER case:

"I am happy that my opinion concerning this case, which might not be entirely clear, is shared by other persons. Whether the "deposition" was well chosen, I cannot in my position judge since I do not know the people concerned, that is your contact man. I believe that I would not myself have given it to the tall guy." (Translator note: The reference to the contact man is probably to MANDL; the reference to the tall man is obscure but may refer to a friend of Anton BOEHM.)

9. Letter HOETTL to MAST, 27 January 1953. In a letter, of which we possess HOETTL's carbon copy, dated 27 January 1953, HOETTL devotes only a short paragraph to the PONGER case.

"The deposition in the PONGER case to me seems quite secure and naturally it will not reach the tall man. The release of the third arrestee makes our version of the case still more likely."

10. Letter from HOETTL to Elizabeth FRANKE, 31 January 1953. Among the letters in HOETTL's possession which were impounded, two may refer to the PONGER case. It should be noted that FRANKE is the secretary of a former colleague and superior in the SD of HOETTL, Willi WANEK, who now lives in Munich and with whom HOETTL has at least casual contact. The tone of this correspondence indicates that FRANKE is a present or past mistress of HOETTL.

"The address of Kurt you presumably found in a Munich directory? It is certainly 'our good friend' who was previously in Munich for some time and the other Kurt simply lets you hear nothing from him? Have you written to him that I should myself like him to write as a favor? Perhaps it might still work."

The other letter from Elizabeth FRANKE is dated 2 October 1952, and therefore was apparently written before HOETTL made his trip to Germany with PONGER and his friends. It has one short paragraph which may refer to the PONGER case.

"Curt P. I have just asked about LIEBHART. So far as can be remembered I already once before interviewed him with negative results. As you know, we once debated this question before the first of the year, possibly already two years ago, and I remember that at one time after that I conversed with Curt P. The exact time was some time distant in the past. In any case, I'm following up this matter."

11. HOETTL's report to Rolf E. RINGER of CIC. According to Report S-16996 CIC Salzburg dated 3 March 1953, Special Agent Rolf E. RINGER "interviewed subject in the German language in Bad Aussee, Land Styria, Austria." RINGER continues as if the report were based solely on an oral interview. Evidently during this interview, however, RINGER asked HOETTL to prepare a written report on his connections with PONGER and VERBER, for among the documents impounded in HOETTL's home was a receipt dated Bad Aussee, 21 February 1953, signed Rolf E. RINGER, which reads as follows:

"A written report of 12 pages length concerning his acquaintance with Curt PONGER, Otto VERBER, and Walter LAUBER, received this date from Dr. Wilhelm HOETTL, Alt Aussee and certified herewith with signature, Rolf E. RINGER."

Also among the documents impounded in the house search is a carbon copy of a 12 page report which HOETTL states is the one he gave to RINGER on 21 February. RINGER's report S-16996 is essentially based on the report handed him by HOETTL and HOETTL's report will consequently not be reproduced here. The report parallels closely that given to Rupert MANDL.

12. Comments. From the correspondence detailed above, it would appear that HOETTL was unwitting in his association with Curt PONGER and the Tophole complex. It should be noted, however, that the fact that all of this correspondence was so easily accessible in HOETTL's house leads one to suspect that HOETTL intended us to capture it and from this suspicion it is a short step to the suspicion that all or some of the correspondence may have been fabricated for the purpose of giving us documentary evidence which appears to clear HOETTL of suspicion and that other more incriminating correspondence has been destroyed or hidden elsewhere. The fact that also confiscated at the same time were numerous records of HOETTL's clandestine activity which, as he points out himself, establishes his clear anti-Soviet record in espionage, albeit detracting to a degree from his reputation as a master in the trade, is consistent with the theory that the material was deliberately left in his house. It is interesting that none of the CIC reports from 1947 and 1948 were to be found among HOETTL's material, although we very strongly suspect that carbon copies of these reports exist, and in some cases, through an agent of HOETTL's named Raimund STRANGL, we have at times in the past seen carbon copies of reports which he had in previous years given to CIC Linz. The absence of the material from 1947 and 1948 suggests that HOETTL possesses another cache of material, the whereabouts of which we do not know. It is also possible that other material, including compromising evidence, may have been destroyed in the interval between the public announcement of the arrest of VERBER and PONGER and our approach to HOETTL on 19 February. It is hoped that further interrogation of HOETTL will throw some light on the validity of the documents discussed in this memorandum, although as this report is being dictated the interrogators do not have high hopes of getting more out of HOETTL than has already been gotten.