

Chief, WE

DISPATCH		CLASSIFICATION SECRET	DISPATCH SYMBOL AND NO. OSMA-11, 880
TO INFO	Chief, [] COB, Hamburg COB, Germany		Chief, [] COB, Vienna COB, []
FROM	Chief of Station, []		27 August 1960
SUBJECT	STATION/Operations Otto SKORZENY		RE: "43'S" (CHECK "T" ONE) A MARKED FOR INDEXING NO INDEXING REQUIRED
ACTION REQUIRED	None, For Your Information		INDEXING CAN BE JUDGED BY QUALIFIED HQ. DESK ONLY

REFERENCES) OSMA-6789, 24 May 1960

1. As requested by reference dispatch, inquiry was made in the [] regarding Subject. [] reported that they have no information to indicate SKORZENY is engaged in any intelligence activity or in the sale of armaments.

2. Some years shortly after his arrival, when he was building up his industrial steel representation firm, he was in contact with [] as well as other government offices, in an effort to obtain import licenses and contract awards (see OSMA-10;199, December 4 1959). There is doubt that he exploited his war record and fame to the fullest in making the right contacts. At the present and for some time, he has had little contact with anybody in government circles not directly or indirectly connected with construction works.

3. In occasional social meetings with the UPHILL representative in Madrid, I have brought the conversation around to Subject and the reaction has always been one of mild distaste. The UPHILL representative stated definitely that he has no interest in SKORZENY and no desire professionally or socially to have any contact with him.

4. The writer has been unavoidably thrown into contact with SKORZENY at various social events, both of a diplomatic and private nature. SKORZENY has numerous friends among wealthy Spaniards and diplomats of various nationalities as well as with many American officers from the Base. He has an engaging personality, takes pains to be pleasant and courteous and is flatteringly attentive to women although most of them find him to be excessively boring.

5. He is a proud and rather vain individual who loves to talk about his wartime experiences, however he does not force them on his audience nor does he monopolize the conversation, but is keenly interested in the opinions of others. In discussions it is evident that he is rather anti-Semitic and violently anti-Communist. The general tenor of his conversation concerns his distress at the cunning Soviet political and propaganda activities which have had such telling effects against the free world.

6. He is well read, keeps up to date through subscription to West German and French periodicals and considers himself an authority and somewhat of a prophet on world politics. Apparently there is nothing he enjoys more than a bull session with a group of friends on politics and military strategy, both past and future. He indulges in these at great length until his wife is surfeited and turns him off.

7. Aside from the fact that there is no concrete evidence, it would be difficult to believe that he could be very much involved in intelligence activities because in this sphere he gives one the impression of a bull in a china shop. He talks too much and too vociferously in any group, regardless of privacy, since referenced report opines that he is a professional and in view of his varied political interests and contacts, the last time I saw him I took the bull by the horns and asked him "how come?"

8. His reply was that he has friends and acquaintances of various nationalities, many of whom served under him during the war. (He stated he had many volunteers of all Western European nations under his command, even those of the Allied nations, including Dutch, Norwegian, French, etc., all of whom were foresighted enough to realize their greatest enemy was Communist.) He said he keeps in touch with many of these friends who still are the rightists in their respective countries and he enjoys many of the activities of these

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respective governments which are playing into Soviet hands for selfish interests while rendering lip service to the U.S., which is the only safe bulwark for the free world. He added many people previously unknown to him look him up because of his name and tell him all sorts of things that he does nothing with, since he got burnt by the U.S. Attache in the Otto John affair (see OSMA-9,100, 6 March 1959).

9. He stated that the United States is ignoring and repelling a huge anti-Communist force in the important nations of Europe by paying exclusive attention and giving aid to the governments presently in power while the rightist groups stand helplessly and watch Soviet progress. I asked him what this had to do with his interest in the Algerian rebels. He replied that I had forgotten his statement to me when he introduced Joly and Du Fort to me, that he had no interest in Algerian colonial affairs, but was acquainted with Joly through his business interests and as a personal favor thought I would be interested in reporting on a contact highly placed among this group. (In fairness to him, it is noted during my interview with Joly and Du Fort that SKORZENY took no active part, but stayed on the side lines and appeared rather politely bored with the whole thing as though he wished he were home in bed.)

10. He then explained that as a member of one of the many old and respected dueling fraternities (Fechten Bruderschaft) which he joined during his college days, he maintains contact with his fraternity brothers in Germany and Austria. These university graduates of his time in many cases are the intellectual, political and industrial leaders today who are well informed, and he absorbs a vast amount of information on his frequent trips. He introduced me to one of his rival fraternity brothers from Innsbruck, a Norbert BRUGGER, who is an assistant professor (Dozent) of economics at the university there. BRUGGER had called on SKORZENY during a trip to Spain on the basis of belonging to one of the 150 year old fraternities which had had dealings with SKORZENY's fraternity. Although BRUGGER is considerably younger, and previously unknown to SKORZENY, he was received by him and immediately got into a political discussion. SKORZENY then called me to listen to what BRUGGER had to say since he thought I might find it to be of interest.

SUBJECT: AUSTRIAN CIVIL AND CONTACT OF OTTO SKORZENY, C - SUBJECT ALSO ACTIVE IN AUSTRIAN POLITICS

11. BRUGGER is active in Austrian politics and decried the attitude of various Austrian officials, notably Vice Chancellor Bitterman and Waldbrunner, for their fawning treatment of Khrushchev during his recent visit. He claims that 95% of the Austrian people are pro-West while the government is pro-East. He said there is too little recognition and propaganda for the tremendous help America has given, yet a big to-do is made when Khrushchev reduced the 1964 petroleum payments to Russia. The meeting at the Vereinigte Oestliche Stahlwerke (VOEST) was also cited by BRUGGER as a case in point where Austrian officials practically thanked Khrushchev for enabling the Austrians to have this plant when, after all, it was there before the war as the Hermann Goering's Steel Works. He then spoke at great length on the Austrian-Italian problem of the South Tyrol. These points are being brought out here since the Vienna Station may be interested in BRUGGER. He appears to be pro-West and as chairman of the Freiwirtschaftlichen Studenten group at Innsbruck he could possibly be of value in giving political and student group information, or for political action. It is to be noted also that BRUGGER was introduced to me under a different name, and afterwards SKORZENY gave me his real name and explained that BRUGGER was afraid of some indiscretion whereby he might lose his job at the university.

12. SKORZENY's main interests appear to be his business and his plans for retirement. He is spending most of the summer getting his house and farm in Southern Ireland settled and on a paying basis, and has also purchased some property in the Balearic Islands. When he is not talking politics, he is fascinated with his own plans for retiring in Ireland during the summer and in the Balearic Islands during the winter. He is presently in Ireland and this month is making a filmed interview for the Canadian Broadcasting System which is to be carried over the Canadian television network sometime later.

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13. In sum, SKORZENY believes that the United States should not place all of its eggs in one basket by supporting the incumbent governments alone. He feels we should help or make token payments at least to rightist groups to have an extra arrow in our quiver in the event of a showdown with the Soviets. He cited the rapid collapse of the pro-U.S. French and Dutch Governments in the last war and asked how long did I think some of the present governments would stand firm with the West against the Soviets when the chips are down. For this reason, if the U.S. could line up a latent anti-Communist force, and the many rightist groups are willing and able, it would be a very wise move.

14. He maintains, however, that he does not want to become actively or professionally engaged in politics. If he did, he would go to Germany where he claims he could get audiences of thousands by addressing veterans groups there.

15. From the contacts which I have had with the family, it appears that Otto SKORZENY and his wife are an efficient pair. She is a shrewd businesswoman and an affable and charming hostess. She appears to have various business interests in real estate, including a housing development and sale of houses in a section of the Cannes French Riviera, in which she is successful owing to the many contacts and friends of SKORZENY as well as her own. She also has the idea, and in a small way is trying to sell the proposition among the diplomatic set, of Ireland becoming the new Geneva for international affairs because of its strictly neutral government and geographical location. She shows little interest in SKORZENY's political monologues, as though she has heard that broken record before, and, in my opinion, if there is any intelligence activity involved she would be a much superior agent.

16. No official contact is being maintained with SKORZENY by this Station. As noted above, the writer sees him occasionally in social contacts. Any further reports from Spanish Liaison on Subject will be forwarded.

12 August 1960

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