

OIG #		SECRET SPECIAL HANDLING	
REPORT NO. R-359-53	DATE OF INFORMATION	DATE OF REPORT	13 May 1953
SUBJECT Colonel Otto SKORZENY, German Waffen-SS Officer	PREPARED BY CHARLES ASKINS, Lt Col US Army	SOURCE	CAS, MADRID, and Confidential Source
FROM OAF/A, SPAIN	REFERENCE	CD-A-5510, 1	
EVALUATION A-2	INCL	O	

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Colonel Otto SKORZENY, alias Rolf STEINDAUF, represents abroad the PLACENCIA Arms Company, which makes the 75/13 pack howitzer, the 60mm AT gun and the new DOCKER 40mm AA L-70 gun. He also represents the CRANIL Plastics Company, of SAN SEBASTIAN, which makes percussion hand grenades. He is believed not to be a member of any Fascist group in SPAIN, nor to be affiliated with veteran SS or other German military groups. SKORZENY lives in MADRID with Countess Lisa FINKENSTEIN. He is reported to have visited EGYPT in connection with the sale of arms to that country and the setting up of an air academy for General YAGUIB. In 1951 he attempted to interest the Spanish in the formation of a German foreign legion in SPAIN. He was told that he would have to approach the Americans for the equipment. He tried to sell himself to the Americans as an espionage agent, without success. He has sold materials to the Spanish National Railways in 1953. It is believed that the SKORZENY-FINKENSTEIN combination is capable of considerable mischief.

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FOR COORDINATION WITH ARMY
NAZI WAR CRIMES DISCLOSURE ACT

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13 May '53

SECRET SPECIAL HANDLING

SPECIAL HANDLING REQUIRED, NOT RELEASABLE TO FOREIGN NATIONALS

1. Colonel Otto SKORZENY, alias Wolf STEINBAUER, represents abroad the Spanish arms making firm known as PLACENCIA DE LAS ARMAS (Placencia Arms Company), of PLACENCIA. This firm manufactures the 75/13 pack howitzer, the 60mm AT gun and the new BOCHES 100mm 1/2 L-70 gun. SKORZENY also represents the company PLASTICAS GRAMIL (Gramil Plastics Co.) of SAN SEBASTIAN, makers of percussion hand grenades. It can not be definitely determined at this time, but it is likely that he represents abroad SOCIEDAD ESPANOLA DE CONSTRUCCION NAVAL (Spanish Society of Naval Construction). This concern manufactures the types of 105mm field howitzer as well as munitions.

2. It is the opinion of CAS, MADRID, that SKORZENY is not a member of any Fascist or neo-Fascist groups in SPAIN. Neither is it believed that he has any particularly close connections or affiliations with veteran SS or other German military groups. However he is in sympathy with them.

COMMENT:

a. SKORZENY is living at 70 Lopez de Hoyos Street, MADRID, with a woman named Countess Ilsa FINKENSTEIN, who is related to Kjalsar SCHACHT. It is believed that through the efforts of SCHACHT he has been traveling extensively in WESTERN EUROPE and EGYPT on a series of "business deals." His activities in EGYPT have been reported to be concerned with the sale of arms to that country. A recent unconfirmed report states that he has been charged by General MAGUIB with the setting up of an air academy in EGYPT. There seems to be reason to doubt this, SKORZENY letting drop word of the academy project after his return from EGYPT.

b. In 1951 he attempted to interest the Spanish military in the formation of an elite German foreign legion in SPAIN, the idea being to form the corps solely to render aid to the USSR. The Spanish are reported to have been enthusiastic about the possibilities but pointed out that SKORZENY would have to approach the Americans and persuade them to provide the equipment. Directly afterward he did commence to try to get friendly with various members of the EMBASSY. It may be that he is now trying to interest General MAGUIB in the same scheme.

c. In 1951 SKORZENY attempted to sell himself to the Americans as an espionage agent. He alleged that he had access to USSR reports regarding West German personalities and activities. Investigation of these claims lead to the belief that he was a phony and could provide little that was of value.

d. Among other business deals he engineered the sale of considerable quantities of materials to the Spanish National Railways during 1953. What his other business deals have been, other than his deals as an arms agent, are not known.

e. It is CAS' opinion that, although SKORZENY is an adventurer whose schemes are more often doomed to failure, he is nevertheless an individual worthy of attention. He is extremely active, possessed of tremendous vitality, and willing to try almost anything. Whatever excitation and drive he does not possess is supplied by Ilsa FINKENSTEIN. She is apparently a clever and intelligent woman who will not stop until she has reached the financial and social position which she believes is her due. The team of Otto SKORZENY and Ilsa FINKENSTEIN, while possibly not formidable, is believed to be capable of considerable mischief.

Approved by Originator: [Signature] (2); CAS, MADRID; [Signature]

APPROVED BY
[Signature]
Colonel US
Army Attache

NOTE: This document contains information affecting the national defense of the United States within the meaning of the Espionage Act, 18 U.S.C. 793 and 794, as amended (25 USC, 1685 FORM 17C) and the violation of its provisions is prohibited by law.

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