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Cold War Records Released

The former Office of Information Management (OIM) announced the following releases of Cold War records:

860 DI finished intelligence documents on the Soviet Union, totaling more than 19,000 pages, were released in conjunction with the CSI-Princeton University conference held on 9-10 March 2001. The new release also included 12 recently declassified National Intelligence Estimates (NIEs) on the Soviet Union.

Complementing the newly released documents were approximately 2,700 DI intelligence documents and NIEs previously released to the public. The declassified documents in their entirety are available at the CIA Electronic Document Release Center (FOIA Web site at http://www.foia.ucia.gov).

In response to the DCI Historical Review Panel's (HRP) desire to pursue the declassification of important historical documents, OIM is reviewing and declassifying records of the Office of the Director of Central Intelligence.

- Phase I has been completed; the documents consist of pre-Central Intelligence Group (1940-45) records as well as records of DCI Sidney W. Souers (23 January - 10 June 1946) and DCI Hoyt S. Vandenberg (10 June 1946 - 1 May 1947).
- The Phase II review is under way and includes records from DCIs Roscoe H. Hillenkoetter (May 1947-October 1950), Walter Bedell Smith (October 1950-February 1953), and Allen W. Dulles (February 1953-November 1961). The Phase II releases are projected for calendar year 2002.

The Bay of Pigs project is one of 11 covert operations that previous DCIs have committed the Agency to declassify and release. The first tranche of documents, totaling approximately 3,200 pages, was released to NARA in 1998. Review of the remaining documents in the Bay of Pigs collection will be done in stages. Tranche II contains about 6,800 pages and will be reviewed next, followed by a third tranche consisting of approximately 15,000 pages. The estimated completion date for release of the collection is March 2002.

To date, approximately 550 National Intelligence Council (NIC) publications on the Soviet Union, 1947-1991, have been declassified, including those specifically done for conferences at Harvard, Texas A&M, and Princeton University. During the remainder of this calendar year (CY) and the beginning of CY02, CIA will complete the review of 22 national intelligence estimates for the period 1985-1987, review and release 23 pre-1985 estimates, and begin the initial processing of another 30 estimates published in 1988-1991.

Office of Information Management

Return to TOC

Commentary by Senator Moynihan

Former US Senator Daniel Patrick Moynihan sent a note to the Center for the Study of Intelligence commenting on an article in the *CSI Bulletin* No. 11 (Summer 2000). The article, "Did Truman Know About Venona?" by CIA Deputy Chief Historian Michael Warner, discussed whether President Truman was aware of the US Army's post-World War II program for intercepting and decrypting Soviet intelligence cables, concluding that President Truman probably did not know.

The Senator's note also refers to a statement, attributed to him in the *Bulletin* article, that not informing President Truman about Venona was an example of a "security system run amok" in a bureaucracy that withheld secrets even from its own commander in chief. Following is the verbatim text of the Senator's note:

> *I was greatly heartened by Michael Warner's article, "Did Truman Know About Venona?" It is not given to mortals to prove a negative, but we are as close here as ever you could be. I did not really know President Truman, but I was for years closely associated with Averill Harriman, and knew Dean Acheson somewhat. They had no inkling of the decrypts. Or surely said nothing, in circumstance where they might have done.*
>
> *Perhaps you could allow me one small comment for your next issue. I did not see the Venona/Truman episode as "an example of a security system run amok." I see it as more or less normal organizational behavior. That is the point of our book.*

Sincerely,
Daniel Patrick Moynihan

Return to TOC

Symposia and Conferences

CIA Analysis of the Soviet Union, 1947-1991

On 9-10 March, the Center for the Study of Intelligence (CSI) and the Center of International Studies at Princeton University co-hosted a conference on the Princeton campus to discuss CIA analysis of the Soviet Union from 1947 through 1991. Former policymakers, intelligence officers, and scholars assessed the impact of CIA's analysis on US foreign and national security policymaking during the Cold War before an audience of 250. Speaking at a dinner for panelists and the media, DCI George Tenet observed, "Keeping the Cold War from becoming a hot one was the overriding goal of American intelligence and national security policy for over four decades. An intelligence effort of such magnitude and fraught with such great risk and uncertainty was bound to have its flaws and failures, both operational and analytical. I believe, however, that the overall record is one of impressive accomplishment."

DDCI John McLaughlin, who led the Agency's analysis on Russia after the breakup of the Soviet Union, concentrated on the CIA's post-Cold War analytic efforts. "What we didn't know then about the Soviet Union is different in so many ways from what we don't know now about Russia. With the demise of the Soviet Union, the nature of our analytic questions changed. Before, threats emanated from Soviet strengths. Now, dangers stem largely from Russia's weaknesses or simply from the uncertainties associated with its transformation."

In conjunction with this conference, the CIA's Office of Information Management (OIM) released over 800 declassified documents—more than 19,000 pages—related to CIA's analysis of the Soviet Union. These documents covered Soviet policy, economic growth, political developments, scientific progress, and military readiness. The summary or key judgments of fifty documents deemed particularly noteworthy were included in the conference volume. According to the editors, Gerry Haines, the CIA Historian, and Bob Leggett, who led OIM's declassification effort, the document represents a sample "large enough and sufficiently diverse to ensure that most of the major developments and analytic issues...were covered, and the tenor and substance of the DI's analysis was captured." (For more information, see *Cold War Records Released*, which appears below in this publication.)

DCI Tenet noted at the conference that this release, combined with the 2,700 CIA analytic products and NIEs on the USSR that were previously declassified, constitutes "the largest trove of intelligence analysis on any single country ever released by any nation. No other nation's foreign intelligence agency has voluntarily released as much information about its past as has the Central Intelligence Agency, and we will continue to build upon that achievement in the years ahead." According to the DCI, the Agency will do so "because US intelligence is a servant of America's democratic system" and because "the men and women of US intelligence are proud of the contributions they made to defending the security of the Free World during the Cold War."

Commenting on the value of such conferences, CSI Director Lloyd Salvetti observed that "CIA collaboration with Princeton University on a substantive conference that communicated the quality and scale of CIA's analysis served to underscore—to participating academics, policymakers, and the media—key aspects of the craft of analysis. Participants came away from Princeton with high regard for the contribution made by CIA's analysts on the political, economic, military, and scientific and technological issues of the Cold War. I am very much convinced we have helped redirect the discussion on CIA's role in the Cold War to one that is more nuanced and balanced. We have never claimed to bat 1.000, but I think a fair-minded person would say we were in the high 400s. As Bob Gates said in the introduction to the conference volume entitled *CIA's Analysis of the Soviet Union, 1947-1991*, "I have always believed that the record of actual intelligence assessments represents the best defense of CIA's and the Intelligence Community's analytical performance vis-à-vis the USSR the good, the bad, and the ugly."

CIA Symposium on the Fall of France

On 31 May 2001, CSI and the CIA's Sherman Kent School hosted a talk by Professor Ernest May of Harvard University on "The Fall of France: A Case of Intelligence Success and Intelligence Failure." Professor May based the talk on his recently published book, *Strange Victory: Hitler's Conquest of France* (New York: Hill and Wang, 2000), and supplemented it with visual aids. The overflow audience clearly found the talk intriguing and not without lessons for the present.

Germany's six-week victory over France and Britain was ironic, according to Dr. May's own interpretation of the beginning of World War II in Western Europe. The balance of power actually favored the French, the British, and their allies. France itself had more manpower and weaponry, tanks included, than the Germans. The French, moreover, were not, as history books often claim, weak and demoralized, cowering behind the Maginot Line and hoping the Germans would somehow be deterred.

Professor May also maintained that the German high command did not seem confident of victory. Based on its superior knowledge of the opposing forces, the high command evidently viewed Hitler's decision for war as a long-shot gamble. But Hitler appears to have had a better intuitive grasp of the situation and the likely French reaction than his military commanders.

Inadequate intelligence analysis prevented Paris from recognizing the true state of affairs before it was too late. The French did not sufficiently grasp or utilize the extensive intelligence they had acquired on German capabilities. The Germans made more effective use of intelligence, and they exploited the element of surprise—both "force multipliers" that can tip the military balance when other things are equal.

CIA History Staff

Return to TOC

Featured Articles

Wilhelm Hoettl: International Man of Mystery

"I am a marked man, hunted and harassed—but I'm not saying this for effect," Wilhelm Hoettl told Ladislas Farago, a leading author on intelligence topics, in 1953. "Whether I like it or not, my life is full of melodrama. Complete strangers finger me on the streets and secret agents trail me all the time. They watch my house, search my files, rifle through my mail, and photograph my visitors—because for 10 hectic years of my life I was one of Hitler's master spies."[1]

No stranger to American, British, and Russian intelligence, Hoettl was indeed a marked man for the first decade after World War II. Born in Vienna in 1915, he received a doctorate in history from the University of Vienna in 1938. He joined the Nazi party in the late 1930s, was commissioned as an SS *Hauptsturmführer*, or captain, and subsequently became chief of the Foreign Political Section of the (SD), the Nazi security service. Throughout the war, Hoettl was involved in numerous activities against the Allies and intrigues within the Third Reich. By 1944 the British and Americans had accumulated a considerable amount of biographical information on Hoettl and even knew his private phone number in Berlin.

As the war drew to a close in 1945, American intelligence in particular became even more familiar with Wilhelm Hoettl. An intense relationship developed, one that was marked by mutual suspicion and by bulging files of information on this wily Austrian.

Nearly 56 years after the end of World War II, the CIA declassified its file on Wilhelm Hoettl. The Holocaust Memorial Museum in Washington was the scene of a press conference on 27 April 2001 in which the "Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group" (known as the IWG) announced the declassification and transfer to the National Archives and Records Administration (NARA) of the first 20 CIA "name files" to be released. This material, which had been accumulating in CIA files for decades, details aspects of the lives and activities of notorious Nazis such as Hitler himself, Adolf Eichmann, Josef Mengele, Klaus Barbie, and Heinrich Mueller. Also included among the 20 files was a "name file" on a self-styled "master spy" named Wilhelm Hoettl.[2]

The CIA's "Name Files"

The Nazi War Crimes Disclosure Act of 1998 spurred the US Government's search for still-classified material related to Nazi war crimes, war criminals, and stolen and looted assets. (For further details, see *CIA and the Search for Nazi War Criminals*, in the *CSI Bulletin*, Issue No. 10, Winter 2000.) The announcement in April 2001 at the Holocaust Museum was a milestone; it marked the CIA's first declassification of "name files" on individuals with Nazi pasts. The Agency, in fact, has rarely released files of any kind on individuals, largely because such files are treated legally as operational records and therefore are exempted by law from automatic declassification. (Past releases to National Archives and Records Administration (NARA) of material concerning Raoul Wallenberg and Lee Harvey Oswald were treated as legal exceptions.)

The "name files" contain a wide range of information compiled over the years from a variety of sources. In addition to documents produced by the CIA and its predecessor organizations, these files include material from other US military and civilian agencies, open sources, and elsewhere. Hoettl's name file, for example, contains extensive records from the US Army, especially the Counter Intelligence Corps.

The CIA had already declassified a large quantity of World War II-era records on Hoettl that are now part of Record Group 226, the Records of the Office of Strategic Services. For further information, see "Record Group 226 at the National Archives" in the *CSI Newsletter* No. 6, Summer 1996. (The *Newsletter* was the *CSI Bulletin*'s predecessor.)

The CIA's name files, in conjunction with other records, including personal dossiers compiled by the US Army's Counter Intelligence Corps and maintained at the Investigative Records Repository (IRR) of the Army's Intelligence and Security Command (INSCOM), provide a fascinating look at the lives of many war criminals identified by the IWG. See "CIC Records: A Valuable Tool for Researchers," in *CSI Bulletin* No. 11, Summer 2000, for more information on CIC records.

Self-Appointed Spokesman

During the more than five decades that passed before the CIA released its holdings on Hoettl, the former Nazi spent much of his time presenting his side of the story. In 1950, using the pseudonym Walter Hagen, he published *Die Geheime Front*, which was re-published in English four years later as *The Secret Front: The Story of Nazi Political Espionage*. He followed with *Unternehmen Bernhard: ein historischer Tatsachenbericht über die grosste Geldfalschungsaktion aller Zeiten* (*Operation Bernhard: A Historically Factual Account of the Greatest Counterfeiting Operation of All Time*). Hoettl had played a role in Operation Bernhard, a German scheme to produce counterfeit Allied currency and use it to undermine the Americans and the British. Published in English under the title *Hitler's Paper Weapon* in 1955, this book remains a leading source of information on how the Germans disposed of their false money after the war. Just last year, American underwater experts scoured the bottom of Toplitzsee, a lake near Hoettl's former home in Austria, for sunken Nazi treasures. Like earlier such expeditions in Austria, this one recovered crates of false currency dumped by the SS in the spring of 1945.[3]

By the 1980s, Hoettl had become a self-appointed spokesman for the surviving figures of the Third Reich. Sought by journalists and historians alike for information about the Nazi era, he continued to provide grist for students of the Third Reich. In 1979, shortly after the broadcast of the American television miniseries "The Holocaust" in West Germany, a 16-year-old West German named Frank Brandenburg embarked on a special mission. He was intrigued by the Third Reich and yet horrified by its crimes, and he wanted to learn more about the Nazi years from participants who still lived in West Germany and Austria. Over the course of seven years, he visited their homes and gained the confidence of some of Nazi Germany's leading personalities.

In 1990, Ib Melchior, an American author and former US Army Counter Intelligence Corps agent in World War II, recounted Brandenburg's adventures in *Quest: Searching for Germany's Nazi Past: A Young Man's Story*. Brandenburg, according to Melchior, provided "old-time Nazi cadres" with a voice to convey their versions of history. Brandenburg listened and took notes, but he was careful to maintain some emotional distance from his hosts and to avoid being taken in by their reminiscences. He told Melchior, "Many of the people I talked to were charming and likeable. They flattered me—and all of us are apt to respond at least a little bit to flattery. They extolled the past and minimized its shortcomings.... But in some cases I was confronted with defensive statements, evasion, self-exoneration and prejudiced portrayals of the facts."[4]

Brandenburg also visited the home of Wilhelm Hoettl, by then one of the last surviving members of the *Reichsicherheitshauptamt* VI (RSHA-VI), the foreign intelligence branch of the German Main Security Office. Hoettl, who ended the war as an SS *Sturmbannführer*, or major, had served in intelligence roles in southern and southeastern Europe and thus could provide an unusual perspective on wartime and post-war activities. After regaling Brandenburg with his adventures, he boasted to his visitor that "I never had to face a court...either German or Allied. I was, of course, arrested, because of my rank and position. For investigative purposes. But the examiners soon realized that I was an *anständiger Mensch* (respectable person), and I was released. Furthermore, the Allied authorities de-Nazified me, as they called it." Hoettl gave what Brandenburg called his "short bark of a laugh."[5]

Project MOUNT

Hoettl, however, was not laughing in 1945 as the Allies were racing across what was left of the Third Reich. But he made the best of a bad situation. Even before the war's end, he had drawn the attention of senior US officials including Maj. Gen. William J. Donovan, the Director of Strategic Services (OSS). In the spring of 1945, Hoettl acted as an intermediary for senior Nazi officials, including *Reichsführer* Heinrich Himmler, RSHA chief Ernst Kaltenbrunner, and an assortment of Austrians. All of these people were seeking their own terms with the Western Allies.[6]

Allen Dulles, who was then the OSS Station chief in Switzerland, reported that "Hoettl's record as a SD man and collaborator [with] Kaltenbrunner is of course bad and information provided by him [is] to be viewed with caution, but I believe he desires to save his skin and therefore may be useful." OSS Headquarters, however, regarded Hoettl's dealings as a ploy by Himmler and refused to enter negotiations.[7]

Hoettl was captured in Austria, along with other senior Nazis, by the US 80th CIC Detachment at the end of the war.[8] He then offered the Americans a "complex of agents in Rumania, Hungary, Bulgaria, Jugoslavia, Montenegro and Albania, capable of reporting high-level political and military information."[9] Hoettl claimed that his radio net, known as the "Center," still existed in Austria and could communicate with his isolated agents behind Soviet lines using a group of Hungarian cryptographers. These elements, he maintained, could be resurrected under American control if he gave them the signal.[10]

At that time, X-2, OSS's counterespionage branch, was playing a leading role in what the OSS called Project MOUNT, an American operation to exploit German wartime covert signals intelligence. As part of that effort, two X-2 officers—Capt. Eric Timm in Munich (where Hoettl had been taken in May 1945) and Capt. William B. Browne in Steyerling, Austria—used members of Hoettl's "Center" net to contact its agents in Budapest and Bucharest. Only routine, non-substantive messages were being sent, however, in an effort to lower the risk of exposure and hold the entire ring together until a final determination of Allied policy toward Hoettl's offer could be made. Some American officers, meanwhile, voiced concern about operating a net behind Soviet lines at a time when the USSR was still officially regarded as a military ally.

Capt. Timm in Munich raised several possible alternative explanations for Hoettl's offer:

> —That the offer was genuine and that members of Hoettl's net may have believed they were still working for him.
>
> —That the offer may have been an effort to entangle the Allies.
>
> —That Hoettl's agents may actually have been working for the Russians by then.
>
> —That the offer may have been intended as a distraction to divert the US from other networks or operations.[11]

Lt. Col. Andrew H. Berding, X-2's chief in Germany, told Gen. Donovan on 8 June about Hoettl's offer to turn over his network. In a series of lengthy memoranda, Col. Berding recounted the MOUNT project's history and implications. He forcefully urged that OSS "secure from Hoettl the last syllable of information that he is able to furnish us on the Balkan networks." Berding also observed that Hoettl was "not in the slightest degree actuated by a fatherly concern for the well-being of the American intelligence services; most of what he has to gain must lie in the empoisoning of Russian-American relationships." Berding therefore urged that the Americans tell the Soviets about Hoettl's system and recommend to them that both powers jointly exploit it "in behalf of general Allied security."[12]

Although Gen. Donovan had authorized X-2 on 10 June to maintain radio contact for counterespionage purposes, the MOUNT project quickly dissolved after the Soviet NKVD presented the OSS with specific questions about the German operation.[13] On 21 August, Donovan informed the OSS in Germany that the "JCS [Joint Chiefs of Staff] has now authorized OSS to execute proposed liquidation of Hoettl network in collaboration with the Russians as simply and promptly as possible."[14]

Members of X-2, including Capt. Browne in Austria, were chagrined. As early as 24 June, Browne had reported to Lt. Col. Berding on the importance of the MOUNT operation for postwar US intelligence:

> *It is my belief that both the organization and the direction of American intelligence agencies are inadequate for the successful operation of these networks as a serious effort to penetrate Russian occupied territory. However, I do not believe it will be in American interests to destroy, by handing it over to Russia, the net. In Rumania, at least, it can function without assistance or direction from this side. My recommendation is that it be allowed to do just that. Key personnel now in our hands could be disposed of through the IC [Interrogation Center] at Freising, some allowance being made for the offer which they have made. The Center can be easily dismantled. Unless we are sure to eliminate forever all personnel involved thus far, a double-cross such as that contemplated in the plan to turn over all the information to the Russians would eventually become known, and would possibly result in the alienation of most of those well-placed political elements in Rumania and Hungary who are tied into this net, and who now seem so favorably disposed towards the United States. We would thus lose potential friends without realizing any gain commensurate with such a loss; for all that we could hope for by such a move would be gratitude and appreciation from a government which has heretofore never displayed much of either.*[15]

An Adroit Opportunist

In September 1945, US Army officials concluded that Hoettl had been "of great assistance to Allied counterintelligence by debunking the myth of a prepared plan to continue operations after defeat." The Army noted, however, that Hoettl is "a skilled opportunist and a firm believer in his own indispensability."[16] After interrogating him at the Third US Army Interrogation Center, the Army transferred him to Nuremberg as a witness for the International Military Tribunal.

Between 1945 and 1947, the Americans held Hoettl in Nuremberg and Dachau for further interrogations in support of Allied war crimes prosecutions. He provided American interrogators with a significant amount of information about German intelligence activities and personalities.[17] He also shared with the Americans some insights as to how the head of the Gestapo, Heinrich Mueller, could have escaped from Berlin.[18]

In his most memorable testimony, Hoettl recounted a meeting at his home in Budapest in August 1944 with Adolf Eichmann, the "Architect of the Final Solution." According to Hoettl, Eichmann was depressed about the German war effort and his own situation. He acknowledged that he would rank among the chief war criminals sought by the Allies for his role in the roundup and massacre of Europe's Jews. When asked by Hoettl how many Jews had perished, Eichmann put the number at six million, including four million in German concentration camps.[19]

After he was freed in 1947, Hoettl returned to Austria, where he remained active in intelligence circles into the 1950s. The CIA was especially distrustful of the former SS officer. One Agency officer who had interrogated Hoettl characterized him as a "born intriguer and a dyed-in-the-wool Austrian Nazi" who had "delivered a sufficient number of Nazi war criminals to the gallows, unbeknownst to his former associates, to afford us a strong hold over him."[20] Notwithstanding any such "hold," the Agency refused to have anything to do with Hoettl, although it spent considerable time and resources tracking his activities and contacts.[21]

For many years Hoettl continued to surface occasionally in the news. In 1961, Hungary unsuccessfully sought his extradition as an accomplice of Adolf Eichmann, who was then facing trial in Israel.[22]

Beyond the End of the Road

Hoettl died peacefully in 1999, two years after publishing his final book, *Einsatz für das Reich* (*On the Reich's Mission*).[23] He had become a respected citizen, serving for many years as principal of a private school. In 1995, the Austrian Government presented him with a state honor. By all appearances, Hoettl had successfully evaded any serious taint from his past.

In the foreword to his last book, Hoettl cautioned future historians against relying solely upon documents to the exclusion of personal accounts of eyewitnesses. He presumably was thinking ahead to the time when those (like himself) who could give first-hand accounts of World War II would no longer be alive and historians

would be wholly dependent on documentary evidence.

Members of the Interagency Working Group, in an evaluation of the CIA's documents on Hoettl, offered this commentary:

> *The voluminous materials in Wilhelm Hoettl's personality file provide a fascinating insight into the intrigue and drama of the era from late in World War II to the Cold War. These documents trace the activities of a notorious intelligence peddler and fabricator, who successfully convinced one intelligence service after another of his value, and then proceeded to lose such support. If reviewed cautiously, with an eye for accuracy, this file can be a treasure trove of intelligence information from an individual who navigated his way through the Nazi, US, West German, Russian, and numerous other intelligence services. The file also illustrates the difficult situation in which US post-war intelligence agents found themselves—desperate for knowledge on Soviet activities, they saw no choice other than accepting intelligence from former Nazis with offensive pasts and questionable reliability.*[24]

Writing in 1953, Hoettl exclaimed: "the German Secret Service is broken and scattered both to East and West. Some serve the Americans and some the Russians. Others lie low and watch which way the wind blows. Some play with fire on both sides of the Iron Curtain, and some in South America and the Middle East have taken with them the unrest that surrounded them here."[25] Where did Hoettl fit in that picture? The CIA's "name file" provides leads about his wartime and postwar intelligence roles, but Hoettl's true allegiance remains a mystery even after his death.

CIA History Staff

Return to TOC

Before the Cuban Missile Crisis: Soviet SS-3s in East Germany?

A German historian working in the Soviet archives has stumbled onto a major Cold War story with nuclear weapons and espionage at its center. It is a well-established historical "fact" that the "missiles of October"—medium and intermediate-range rockets sent to Cuba in 1962—were the first Soviet atomic weapons deployed on foreign territory. Not so, says Matthias Uhl, a researcher at the University of Halle/Wittenberg, in an article that appeared in the German weekly *Der Spiegel*. [26]

In January 1959, an East German agent working for West German intelligence reported seeing Soviet soldiers offloading "big bombs" at a rail siding near an army barracks some 80 kilometers north of Berlin. The "bombs" actually turned out to be components for the R-5M missile—also known by its NATO designator as the SS-3 or "Shyster." The R-5M was the USSR's first medium-range missile. It was also the world's first rocket that could carry a nuclear warhead.

The Soviet Army's 72nd Engineers Brigade constructed two mobile launch ramps at Fürstsenberg/Havel and Vogelsang in East Germany. Six missiles were present at each site. The Soviets, according to *Spiegel*, also built a third launch site in Albania near the Adriatic port city of Vlorë. With a range of 700 kilometers, R-5Ms deployed at those sites could reach London and Paris as well as Italy—including the Naples headquarters of NATO's Southern Command.

The 72nd Brigade was an elite unit that reported directly to the Soviet Central Committee, bypassing the regular military chain of command. It dated from 1946, when Stalin ordered the creation of a clandestine unit to gather up German rocket scientists and technology as war booty. The Brigade's first mission was to test 12 captured German V-2 ballistic missiles that had been built by a team led by Dr. Werner von Braun—who later became the "father" of the American space program before the Germans surrendered to the US Army. (The first Soviet-made missile, the R-1, was an exact copy of the V-2.) Using camouflage and other deception ploys, the Brigade worked only at night to avoid detection by U-2 overflights.

Warheads for the R-5M arrived in April 1959. The engineers worked furiously to get the missiles operational, but they encountered significant difficulties. Soviet records now open refer to an unspecified accident that cost several lives and resulted in the destruction of one missile. In addition, two notable problems arose with the ethanol used in the rocket's ignition system:

- It tended to vaporize.
- Russian soldiers liked to imbibe the bluish 92-proof liquid, which they dubbed "Blue Danube."

The R-5M's liquid fuel had a comparable problem: It evaporated after 30 days in storage. But replacement fuel was available from an East German chemical production plant.

Despite such obstacles, the missiles were operational by May 1959. Four of the deployed missiles were aimed at Thor missile sites—Britain's nuclear deterrent—near Norfolk and Lincolnshire. The others were targeted against US airbases in Western Europe. Still others may have been aimed at key US Atlantic port cities for the purpose of dissuading the United States from intervening after a Soviet attack if deprived of troop-landing facilities.

Nikita and the Nukes
Why was Nikita Khrushchev in such a hurry to deploy these missiles abroad—something he had hitherto rejected? After all, as his son Sergei has pointed out, the Soviet leader was even hesitant to deploy the R-5M inside the USSR near its Western border, recalling how quickly German troops had overrun Red Army defenses in 1941.[27]

Khrushchev's sense of urgency, it seems, stemmed from the Berlin crisis, which Khrushchev had initiated in November 1958 in an effort to force the US, Britain, and France to withdraw from the post-World War II four-power division. To the Soviets, the Western presence in the divided city posed a potential challenge to their control of Eastern Europe. Khrushchev and his colleagues in the senior leadership apparently saw that presence as a Trojan horse filled with echelons of military and intelligence personnel. Additionally, many thousands of East German political and economic refugees—up to 1.5 million in the 1950s—had fled, using Berlin as an escape route to the West, where the West German *Wirtschaftswunder* (economic miracle) was threatening to draw the East German, Polish, and Czechoslovak satellite nations away from Moscow's orbit.

Three years earlier, the mercurial Soviet leader had threatened to use nuclear weapons against Britain, France, and Israel after they seized the Suez Canal. But the threat was a hollow one at that point the R-5M was not ready yet. Even so, it apparently was far enough along to prompt Khrushchev to focus on how he might use it for diplomatic purposes. According to son Sergei: "Tests of the R-5M equipped with a nuclear warhead had a noticeable influence on my father's behavior in the subsequent negotiations with our former allies, especially with Britain and France. The Soviet Union now possessed a weapon of unsurpassed power."[28] How many missiles would it take to destroy England and France, Khrushchev asked missile designer Sergei Korolyov? Before Korolyov could answer, Dmitri Ustinov, chairman of the Military-Industrial Commission and a future defense minister, replied: "Five. A few more for France—seven or nine, depending on the choice of targets."

At the height of the Berlin crisis in 1959, Khrushchev was claiming that the USSR could produce rockets "like sausages on an assembly line." That proved to be just another Soviet bluff, but one that the United States took seriously until the 1960s, when CORONA satellite imagery eased the "missile gap" fears. Four of the missiles deployed in East Germany were aimed at Thor missile sites—Britain's nuclear deterrent—near Norfolk and Lincolnshire; others were targeted against US airbases in Western Europe. Some may have been aimed at key Atlantic port cities to dissuade the United States from intervening after a Soviet attack if it were deprived of troop-landing facilities.

Khrushchev Abruptly Backs Off: "Live Oak" a Factor?
Notwithstanding the frenetic activity, the Soviet leader suddenly changed his mind and ordered the missiles withdrawn. During August and September 1959, the 72nd Engineers Brigade pulled back to Kaliningrad, the Baltic port city and Soviet enclave in the former East Prussia. Why the retreat? The archives do not give an answer. But we can speculate. The Berlin crisis had reached a fever pitch, and the West seemed determined to stand its ground despite—or perhaps because of—Soviet harassment of US, British, and French convoys making the 100-mile trip along the Helmstedt-Berlin Autobahn.

When his senior advisers said the Americans would fight rather than acquiesce, Khrushchev dismissed the warning as "nonsense." Now, however, his worst fear war with the West threatened to become a reality. In April 1959, Secretary of State John Foster Dulles had created a secret NATO staff codenamed "Live Oak" which, in the event of a repeat of the 1948 Berlin Blockade, was to challenge the Soviets while reasserting Western access rights to Berlin. (Eisenhower's military planners doubted that the United States could replicate the 1948-1949 airlifts, concluding that the United States would have to withdraw from Berlin or fight for the right to remain there.)

The "Live Oak" organization was one of the Cold War's most closely guarded secrets. It was not officially acknowledged until 1987 and did not disband until minutes before Germany was reunified on 3 October 1990. Although not part of NATO, NATO's commander-in-chief, always an American four-star general, commanded "Live Oak," which was staffed by American, British, and French officers and soldiers. "Live Oak" war planners devised options to assert four-power rights in Berlin that encompassed "a range of plans, from sending an unarmed convoy down the autobahn to see whether the Soviets really were blocking access, to increasing levels of force," according to Dr. Gregory Pedlow, NATO's official historian and a former CIA historian.[29]

One option called for sending an entire division into East Germany, with orders to engage the Soviets if they resisted. The possibility of using tactical nuclear weapons was kept open. In addition, a year earlier the Strategic Air Command had instituted a new alert system that featured keeping B-52s armed with atomic bombs in the air on a 24/7 basis.

If "Live Oak" was such a closely guarded secret, how did Khrushchev find out about it? In his memoirs, East German spymaster Markus Wolf claims he obtained "Live Oak" planning documents, signed by NATO commander Gen. Lauris Norstad, from an agent inside British military headquarters in West Germany.[30] If the plans were meant to intimidate the Soviets and their allies, they appear to have succeeded. "I am not prone to panic, but Live Oak chilled me to the core," Wolf wrote.[31] Khrushchev scared him as much, if not more, by committing his personal prestige to expelling the three Western powers from Berlin. "Great powers," Wolf observed, "have gone to war often enough to protect the fragile prestige of their leaders."

Khrushchev may have concluded that discretion and concessions were the better part of valor. In July 1959, President Eisenhower invited him to Washington. Arriving in September, he became the first Soviet leader to visit the United States. His decision to withdraw the missiles may have been a tacit signal of his desire to end the crisis. He also withdrew his Berlin ultimatum during the summit. But less than two years later, with Kremlin approval, the East Germans erected the Berlin Wall to halt the flow of refugees.

Khrushchev's colleagues on the Presidium removed him from power in 1964. Those who spoke against him focused on his failed domestic policies, but they also noted that he had taken the USSR to the brink of war three times—over Suez, Berlin, and Cuba—in less than a decade. His strategy of bluff and bluster had failed. Ironically, it also contributed to the subsequent nuclear arms race, as the new regime under Leonid Brezhnev sought to fill in the gaps in Khrushchev's missile strategy.

Lesson: Role of Intelligence
This episode underscores the important but often hidden role intelligence played during the Cold War. It also shows how factoring in the intelligence variable can give an old story new twists and revise what was once conventional wisdom. In the case at hand, it took more than ten years and an accidental discovery in the Soviet archives to bring new information to light. One wonders how many historical examples are waiting to be discovered.

CIA History Staff

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CIA Museum

"Visible Storage"

Small museums with limited resources often need to find creative ways to operate effectively within tight space limitations. One solution is the "visible storage" concept, which combines two central elements of museum operations that normally are kept separate-storage and display. "Visible storage" (also called "open storage" or "study storage") provides visitors with visual access to artifacts normally held in the "curator's closet" for processing and preparation for eventual display.

After the CIA Museum's rigorous schedule last year—which featured eight exhibitions, including "Spy Fi" archives and East German intelligence documents and memorabilia—the museum's curator and registrar have focused not only on further expanding the historical collection but also on updating the documentation process, which is essential to managing the collection. Our mantra is to make it easier to preserve the Agency's history by purposefully collecting and preserving tangible links to that history, including OSS and early CIA tradecraft as well as historical intelligence memorabilia.

The results of our aggressive collection campaign have spilled out of the confines of our office in the Original Headquarters Building and are currently displayed on the first floor of the atrium in the New Headquarters Building. Formerly the CIA Exhibit Center, it is now called the CIA Museum. We will unveil additions to the collection while also continuing to display artifacts that are rarely seen due to lack of exhibit space during the rest of the year. Items from the Agency's "attic," for example, will be displayed via visible storage, without interpretation, rather than as a formal, full-fledged exhibit.

In some cases, the story of how and from where an artifact came into the collection has been well documented. In other instances, visitors' assistance such as provision of details on the provenance of an artifact would be most welcome. Such visitor input would enable us to upgrade and expand our catalog data. We hope that by providing opportunities to view more of the collections through "visible storage" exhibits, we can motivate visitors to join our efforts to preserve the Agency's history.

Curator, CIA Museum

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Recent CSI Publications

US Intelligence and the Polish Crisis, 1980-1981 by Douglas J. MacEachin—written for the Harvard Case Study Program, the three case studies have been published in book form by CSI. The book is available for purchase from the US Government Printing Office (GPO) and the National Technical Information Service (NTIS) (see CSI's website "How to Obtain Publications on This Site" from CSI's website at: http://www.cia.gov/csi/. The case studies will also be published as another book in 2002 by Pennsylvania State University Press (see http://www.psupress.org).

CIA's Analysis of the Soviet Union, 1947-1991, Gerald K. Haines and Robert E. Leggett, editors—published in conjunction with the conference co-sponsored by CSI and Princeton University's Center of International Studies in February 2001, the book contains introductory essays by five author-experts, who selected the key judgments or summaries of 50 documents they deemed most relevant (see article earlier in this issue). A two-CD set of the 860 documents, totaling over 18,000 pages, declassified for the conference is available in extremely limited quantities from CSI. The book can be purchased from GPO and NTIS.

Reaching Readers

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Publications Officer

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CSI Book Wins Award

The International Association of Law Enforcement Intelligence Analysts (IALEIA) selected *Psychology of Intelligence Analysis*, by Richards J. Heuer, Jr., to receive an award for "Most Significant Contribution to the Literature of Law Enforcement Intelligence Analysis." CSI published the retired CIA officer's book in late 1999. It has proved to be so popular that a reprint is underway and copies will be available soon from the US Government Printing Office and the National Technical Information Service (see CSI's web page for ordering information).

The IALEIA is a 1,500-member organization active in some 50 countries. The award nomination from the organization's Executive Director, Howard Atkin, praised the author's "informative yet readable style [in] reviewing natural thinking processes, linking these to useful mental `thinking tools' for analysts, and rounding off with an examination of bias and its potential impact upon analytical thought processes."

In seconding the nomination, another recognized authority in law enforcement intelligence, author-lecturer-educator Marilyn B. Peterson, observed that although Mr. Heuer was "writing from an international point of view," she saw in his work "a lot of applicability for law enforcement intelligence in the concepts and methodologies he espouses. In fact," she added, "I immediately began blending some of his lessons into the basic intelligence analysis course that I was teaching in New Jersey and for the Federal Bureau of Investigation, and I made sure that anyone who would listen would learn about this marvelous book."

Originally recruited in 1951 by future DCI Richard Helms, Dick Heuer worked for the CIA for about 45 years as a career officer in both the Operations and Intelligence Directorates (DO and DI) and later as a post-retirement contractor. While in the DI, he led a unit that did groundbreaking work on analytic methods. He is currently serving as a consultant for the Defense Personnel Security Research Center in Monterey, California.

IALEIA Executive Director Atkin also nominated CSI for a separate award for its role in introducing innovative analytic approaches, providing "tactical/strategic analysis coverage to areas not previously served or served inadequately," and achieving "outstanding editorial presentation."

Center for the Study of Intelligence

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Footnotes

1. Wilhelm Hoettl as told to Ladislas Farago, "I Was Hitler's Master Spy," *Argosy*, November 1953, pp. 18-19, 72. A copy of Farago's article can also be found in Wilhelm Hoettl, CIA "Name File," transferred to the National Archives and Records Administration on 27 April 2001 (hereinafter cited as Hoettl, CIA "Name File," NARA). Farago, born in Hungary in 1906, was a journalist-cum-intelligence specialist with extensive publishing and screenplays to his credit.

2. The CIA also released files on Kurt Waldheim, Emil Augsburg, Eugen Dollmann, Franz Goering, Wilhelm Harster, Michael Kedia, Horst Kopkow, Wilfried Krallert, Wilhelm Krichbaum, Friedrich Panzinger, Martin Sandberger, Franz Alfred Six, Hans Sommer, and Guido Zimmer.

3. For further information on this fascinating search, see various media reports, including Associated Press, "American Salvage Crew Ends Search of Austrian Lake," 21 November 2000. CBS Television's *60 Minutes II* aired a segment, "Hitler's Lake," that same day.

4. Ib Melchior and Frank Brandenburg, *Quest: Searching for Germany's Nazi Past: A Young Man's Story* (Novato: Presidio Press, 1990), pp. 315-319.

5. *Ibid*., pp. 148-157.

6. Hoettl's contact with the OSS is described in Neal H. Petersen, ed., *From Hitler's Doorstep: The Wartime Intelligence Reports of Allen Dulles*, 1942-1945 (University Park: Pennsylvania State University Press, 1996).

7. *Ibid*., pp. 506-508.

8. The circumstances surrounding Hoettl's capture at the end of the war by US forces are discussed in Robert E. Matteson, "The Last Days of Ernst Kaltenbrunner," *Studies in Intelligence*, 4:2 (Spring 1960), pp. A11-A29. See also Robert E. Matteson, *The Capture and the Last Days of SS General Ernst Kaltenbrunner, Chief of the Nazi Gestapo, Criminal Police, and Intelligence Services* (Inver Grovers: n.p., 1993). Matteson, a member of the 80th CIC Detachment, participated in the apprehension of Kaltenbrunner, Hoettl, and other SS officers who had established a "National Redoubt" in the Alps. The Nazis had been planning a last-ditch defense in the Bavarian and Austrian Alps, but the war ended sooner than they had anticipated. For further details on the National Redoubt and Hoettl's role in it, see Timothy Naftali, "Creating the Myth of the Alpenfestung: Allied Intelligence and the Collapse of the Nazi Police State," *Contemporary Austrian Studies 5* (1997), pp. 203-246.

9. Declassified Project MOUNT material is found in Lt. Col. Andrew H. Berding, Chief, OSS/X-2, Germany, "Documents Pertaining to Hoettl Case," 27 June 1945, LWX-11, in WASH-REG-INT-163, Record Group 226, Records of the Office of Strategic Services, Entry 108A, Box 287, (no folder listed), NARA. Interestingly, copies of the MOUNT material are not interfiled in Hoettl's CIA "Name File."

10. Berding to Maj. Gen. William J. Donovan, "Hoettl Case," 8 June 1945, in Berding, "Documents Pertaining to Hoettl Case," RG 226, OSS Records, Entry 108A, Box 287, WASH-REG-INT-163, (no folder listed), NARA.

11. Capt. Eric Timm, SCI Liaison Officer, Third Army, to Assistant Chiefs of Staff, G-2, Third Army, Seventh Army, and Twelfth Army Group, "Activity Report for the Week Ending 9 June 1945," 10 June 1945, G-TSX-201, in WASH-REG-INT-163, RG 226, OSS Records, Entry 108A, Box 287 (no folder listed), NARA.

12. Berding to Maj. Gen. William J. Donovan, "Hoettl Case," 8 June 1945, in Berding, "Documents Pertaining to Hoettl Case," NARA. See footnote 10 for full citation.

13. Anthony Cave Brown, The Last Hero: Wild Bill Donovan (New York: Times Books, 1982), pp. 752-754. See also David E. Murphy, Sergei A. Kondrashev, and George Bailey, Battleground Berlin: CIA vs. KGB in the Cold War (New Haven: Yale University Press, 1997), pp. 4-6 and 456. For more recent work on the role of OSS in turning over Hoettl's network to the Soviets, see Allen Weinstein and Alexander Vassiliev, The Haunted Wood: Soviet Espionage in America—The Stalin Era (New York: Random House, 1999), pp. 247-248, and Bradley F. Smith, Sharing Secrets with Stalin: How the Allies Traded Intelligence, 1941-1945 (Lawrence: University Press of Kansas, 1996).

14. Director to AMZON, 21 August 1945, OUT 20920, in WASH-OSS-R&C-3, RG 226, OSS Records, Entry 90, Box 4, Folder 42, NARA.

15. Browne to Chief, X-2, "MOUNT Operation," 24 June 1945, X-1339, in RG 226, OSS Records, Entry 210, Box 305, Folder 1, NARA. For information regarding the dispersal of the "Centrale," see X-2 Branch, OSS Mission to Germany, to SAINT, London, 18 July 1945, enclosing Browne to Chief, X-2, "MOUNT Operation," 12 July 1945, X-1301, in RG 226, OSS Records, Entry 210, Box 305, Folder 1, NARA. These documents were among the 400,000 pages of OSS material declassified by the CIA in June 2000 and transferred to the National Archives.

16. Headquarters, Third US Army Interrogation Center (Provisional), "Hoettl, Wilhelm, Dr., SS Sturmbannführer, AIC 984," 15 September 1945, in Record Group 338, European Theater of Operations and US Forces European Theater, Records of the Third US Army Interrogation Center, Box 69, NARA.

17. Some of the reports generated by Hoettl are: Headquarters, Third US Army Interrogation Center, Interrogation Report No. No. 15, "The SD and the RSHA," 9 July 1945; Interrogation Report No. 16, "Amt VI of the RSHA," 13 July 1945; Interrogation Report No. 18, "The W/T Net of Gruppe VIE of the RSHA," 16 July 1945; Interrogation Report No. 36, "Japanese Intelligence Activities in Europe," 31 August 1945; Interrogation Report No. 38, "Plans of Amt VI for Post-War Activities in Spain," 9 September 1945. All of these interrogation reports are found in RG 338, ETOUSA/USFET, Third US Army Interrogation Center, Box 69, NARA. An OSS critique of Interrogation Report No. 15 is found in SAINT, London to SAINT, Washington, "War Room Comment on the Hoettl Report," 6 February 1946, XX-10734, enclosing Counter Intelligence War Room, "War Room Comment on the Hoettl Report," (no date), PF 602.139, in WASH-REG-INT-175, RG 226, OSS Records, Entry 109, Box 58, Folder 3, NARA.

18. Hoettl's testimony on Mueller is found in Heinrich Mueller, CIA "Name File," NARA.

19. Hoettl's claim that the Nazis killed six million Jews is generally regarded as the most authoritative source for determining Jewish deaths during the Holocaust. See Whitney R. Harris, *Tyranny on Trial: The Evidence at Nuremberg* (Dallas: Southern Methodist University Press, 1954), pp. 313-314, and United States Chief Counsel for Prosecution of Axis Criminality, *Nazi Conspiracy and Aggression*, Volume V (Washington, DC: Government Printing Office, 1946), pp 380-382. Hoettl also gave American investigators extensive details on Eichmann's family life. A copy of this 1946 report is found in Adolf Eichmann, CIA "Name File," NARA.

20. As cited in Chief, FBM, "SS *Sturmbannführer* Dr. Wilhelm Hoettl," 12 June 1949, in Hoettl, CIA "Name File," NARA. According to one source in Austria, Hoettl was hated by at least one former comrade for having betrayed the Nazi cause at Nuremberg. Adolf Eichmann, for one, reportedly vowed to kill him. Former SS officers felt that Hoettl had willfully invented the number of 6 million Nazi-victims for pro-Jewish purposes. In addition, a number of former Nazis evidently regarded him as an agent of American and Israeli intelligence and claimed he had stolen SD gold and other assets in Austria.

21. The CIA's extensive file on Hoettl is replete with reports about his postwar activities. Although the US Army's CIC used Hoettl in 1948-1949, the CIA regarded him as a "notorious fabricator" of intelligence. By the early 1950s, Hoettl had formed his own intelligence organization and may have been in contact with other intelligence services, including those of West Germany and possibly Israel. The US Army arrested Hoettl in 1953 on suspicion of spying for the Soviets in the Curt Ponger/Otto Verber/Walter Lauber espionage case. For further details about this fascinating but forgotten Cold War episode, see George Carpozi, Jr., *Red Spies in Washington* (New York: Trident Press, 1968), pp. 30-59.

22. Interestingly, a Hungarian war crimes investigator had interrogated Hoettl at Dachau in 1947 about his alleged involvement in the looting of a Jewish residence in Hungary three years earlier. See "Interrogation of Dr. Hoetl [sic], W.C. at Camp Dachau," 12 March 1947, in RG 260, Records of the Office of Military Government for Germany, Restitution Research Records, Box 484, NARA.

23. Wilhelm Hoettl, *Einsatz für das Reich* (Koblenz: Verlag Siegfried Bublies, 1997). This book quickly sold out and has not yet been published in English. In it, Hoettl recounted details of his wartime exploits and postwar activities. He even drew on declassified OSS cables describing the turnover of the "Center" to the Soviets in summer 1945.

24. Miriam Kleiman and Robert Skwirot, "Report on the CIA Name File of Wilhelm Hoettl," p. 10, IWG Media Briefing Book, 27 April 2001.

25. Hoettl, *The Secret Front: The Story of Nazi Political Espionage*. Translated by R.H. Stevens. (London: Weidenfeld-Nicolson, 1954), pp.326-327

26. Wolfgang Bayer, "Geheimoperation Fürstenberg," *Der Spiegel*, 17 January 2001, pp. 42-46.

27. Sergei N. Khrushchev, *Nikita Khrushchev and the Creation of a Superpower* (University Park, PA: Pennsylvania State University Press, 2000), p. 105.

28. With a range of 2,700 kilometers, the Thor could not reach the Soviet Union from the United States. But Britain deployed 60 of the US missiles between 1959 and 1964.

29. Nicholas Doughty, "Live Oak—An Untold Story from the Cold War," Reuters Library Service, 5 March 1993.

30. Another version has the Soviets first learning about "Live Oak" in July 1961 from KGB sources inside NATO.

31. Markus Wolf, *Man Without a Face: The Autobiography of Communism's Greatest Spymaster* (New York: Random House/Times Books, 1997, p. 96.

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