The Nazi Who Became a Mossad Hitman



His Hero: Skorzeny meets with Hitler in 1943 after leading the daring rescue of the German leader's friend and ally, Benito Mussolini.

By Dan Raviv and Yossi Melman

On September 11, 1962, a German scientist vanished. The basic facts were simple: Heinz Krug had been at his office, and he never came home.

The only other salient detail known to police in Munich was that Krug commuted to Cairo frequently. He was one of dozens of Nazi rocket experts who had been hired by Egypt to develop advanced weapons for that country. HaBoker, a now defunct Israeli newspaper, surprisingly claimed to have the explanation: The Egyptians kidnapped Krug to prevent him from doing business with Israel.

But that somewhat clumsy leak was an attempt by Israel to divert investigators from digging too deeply into the case — not that they ever would have found the 49-year-old scientist.

We can now report — based on interviews with former Mossad officers and with Israelis who have access to the Mossad's archived secrets from half a century ago — that Krug was murdered as part of an Israeli espionage plot to intimidate the German scientists working for Egypt.

Moreover, the most astounding revelation is the Mossad agent who fired the fatal gunshots: <u>Otto Skorzeny</u>, one of the Israeli spy agency's most valuable assets, was a former lieutenant colonel in Nazi Germany's Waffen-SS and one of Adolf Hitler's personal favorites among the party's commando leaders. The Führer, in fact, awarded Skorzeny the army's most prestigious medal, the Knight's Cross of the Iron Cross, for leading the rescue operation that plucked his friend Benito Mussolini out from the hands of his captors.

But that was then. By 1962, according to our sources — who spoke only on the promise that they not be identified — Skorzeny had a different employer. The story of how that came to be is one of the most important untold tales in the archives of the Mossad, the agency whose full name, translated from Hebrew, is "The Institute for Intelligence and Special Missions."

Key to understanding the story is that the Mossad had made stopping German scientists then working on Egypt's rocket program one of its top priorities. For several months before his death, in fact, Krug, along with other Germans who were working in Egypt's rocket-building industry, had received threatening messages. When in Germany, they got phone calls in the middle of the night, telling them to quit the Egyptian program. When in Egypt, some were sent letter bombs — and several people were injured by the explosions.

Krug, as it happens, was near the top of the Mossad's target list.

During the war that ended 17 years earlier, Krug was part of a team of superstars at Peenemünde, the military test range on the coast of the Baltic Sea, where top German scientists toiled in the service of Hitler and the Third Reich. The team, led by Wernher von Braun, was proud to have engineered the rockets for the Blitz that nearly defeated England. Its wider ambitions included missiles that could fly a lot farther, with greater accuracy and more destructive power.

According to Mossad research, a decade after the war ended, von Braun invited Krug and other former colleagues to join him in America. Von Braun, his war record practically expunged, was leading a missile development program for the United States. He even became one of the fathers of the NASA space exploration program. Krug opted for another, seemingly more lucrative option: joining other scientists from the Peenemünde group — led by the German professor Wolfgang Pilz, whom he greatly admired — in Egypt. They would set up a secret strategic missile program for that Arab country.

In the Israelis' view, Krug had to know that Israel, the country where so many Holocaust survivors had found refuge, was the intended target of his new masters' military capabilities. A committed Nazi would see this as an opportunity to continue the ghastly mission of exterminating the Jewish people.

The threatening notes and phone calls, however, were driving Krug crazy. He and his colleagues knew that the threats were

from Israelis. It was obvious. In 1960, Israeli agents had kidnapped Adolf Eichmann, one of the chief administrators of the Holocaust, in far-off Argentina. The Israelis astonishingly smuggled the Nazi to Jerusalem, where he was put on trial. Eichmann was hanged on May 31, 1962.

It was reasonable for Krug to feel that a Mossad noose might be tightening around his neck, too. That was why he summoned help: a Nazi hero who was considered the best of the best in Hitler's heyday.

One of the Mossad's top priorities was stopping German scientists from working on Egypt's rocket program.

On the day he vanished, according to our new information from reliable sources, Krug left his office to meet Skorzeny, the man he felt would be his savior.

Skorzeny, then 54 years old, was quite simply a legend. A dashing, innovative military man who grew up in Austria — famous for a long scar on the left side of his face, the result of his overly exuberant swordplay while fencing as a youth— he rose to the rank of lieutenant colonel in Nazi Germany's Waffen-SS. Thanks to Skorzeny's exploits as a guerrilla commander, Hitler recognized that he had a man who would go above and beyond, and stop at nothing, to complete a mission.

The colonel's feats during the war inspired Germans and the grudging respect of Germany's enemies. American and British military intelligence labeled Skorzeny "the most dangerous man in Europe."

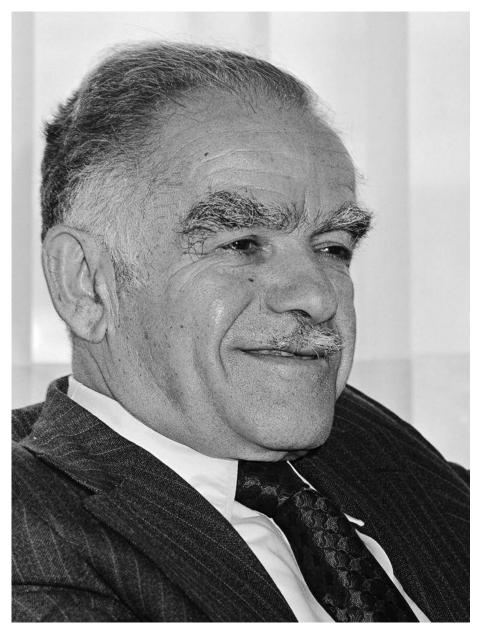


Otto Skorzeny

Krug contacted Skorzeny in the hope that the great hero — then living in Spain — could create a strategy to keep the scientists safe.

The two men were in Krug's white Mercedes, driving north out of Munich, and Skorzeny said that as a first step he had arranged for three bodyguards. He said they were in a car directly behind and would accompany them to a safe place in a forest for a chat. Krug was murdered, then and there, without so much as a formal indictment or death sentence. The man who pulled the trigger was none other than the famous Nazi war hero. Israel's espionage agency had managed to turn Otto Skorzeny into a secret agent for the Jewish state.

After Krug was shot, the three Israelis poured acid on his body, waited awhile and then buried what was left in a hole they had dug beforehand. They covered the makeshift grave with lime, so that search dogs — and wild animals — would never pick up the scent of human remains.



Yitzhak Shamir

The troika that coordinated this extrajudicial execution was led by a future prime minister of Israel, Yitzhak Shamir, who was then head of the Mossad's special operations unit. One of the others was Zvi "Peter" Malkin, who had tackled Eichmann in Argentina and in later life would enter the art world as a New York-based painter. Supervising from a distance was Yosef "Joe" Raanan, who was the secret agency's senior officer in Germany. All three had lost large numbers of family members among the 6 million Jews murdered by the cruel, continentwide genocide that Eichmann had managed.

Israel's motivation in working with a man such as Skorzeny was clear: to get as close as possible to Nazis who were helping Egypt plot a new Holocaust.

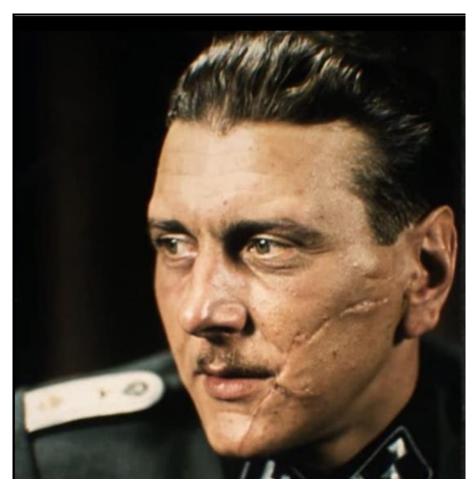
The Mossad's playbook for protecting Israel and the Jewish people has no preordained rules or limits. The agency's spies have evaded the legal systems in a host of countries for the purpose of liquidating Israel's enemies: Palestinian terrorists, Iranian scientists, and even a Canadian arms inventor named Gerald Bull, who worked for Saddam Hussein until bullets ended his career in Brussels in 1990. Mossad agents in Lillehammer, Norway, even killed a Moroccan waiter in the mistaken belief that he was the mastermind behind the 1972 Munich Olympics massacre of 11 Israeli athletes by the terrorist group known as Black September. Ahmed Bouchikhi was shot down in 1973 as he left a movie theatre with his pregnant wife. The Israeli government later paid compensation to her without officially admitting wrongdoing. The botched mission delayed further Mossad assassinations, but it did not end them.

To get to unexpected places on these improbable missions, the Mossad has sometimes found itself working with unsavory partners. When short-term alliances could help, the Israelis were willing to dance with the proverbial devil, if that is what seemed necessary.

But why did Skorzeny work with the Mossad?

He was born in Vienna in June 1908, to a middle-class family proud of its military service for the Austro-Hungarian Empire. From an early age he seemed fearless, bold and talented at weaving false, complex tales that deceived people in myriad ways. These were essential requirements for a commando officer at war, and certainly valuable qualities for the Mossad.

He joined Austria's branch of the Nazi Party in 1931, when he was 23, served in its armed militia, the SA, and enthusiastically worshipped Hitler. The führer was elected chancellor of Germany in 1933 and then seized Austria in 1938. When Hitler invaded Poland in 1939 and World War II broke out, Skorzeny left his construction firm and volunteered — not for the regular army, the Wehrmacht, but for the Leibstandarte SS Panzer division that served as Hitler's personal bodyguard force.



Otto Skorzeny

Skorzeny, in a memoir written after the war was over, told of his years of SS service as though they were almost bloodless travels in occupied Poland, Holland and France. His activities could not have been as innocuous as his book made them seem. He took part in battles in Russia and Poland, and certainly the Israelis believed it was very likely that he was involved in exterminating Jews. The Waffen-SS, after all, was not the regular army; it was the military arm of the Nazi Party and its genocidal plan.

His most famous and <u>daring mission</u> was in September 1943: leading commandos who flew engineless gliders to reach an Italian mountaintop resort to rescue Hitler's friend and ally, the recently ousted Fascist dictator Benito Mussolini and spirit him away under harrowing conditions.

This was the escapade that earned Skorzeny his promotion to lieutenant colonel — and operational control of Hitler's SS Special Forces. Hitler also rewarded him with several hours of face-to-face conversation, along with the coveted Knight's Cross. But it was far from his only coup.

In September 1944, when Hungary's dictator, Admiral Miklos Horthy, a Nazi ally, was on the verge of suing for peace with Russia as Axis fortunes plunged, Skorzeny led a contingent of Special Forces into Budapest to kidnap Horthy and replace his government with the more hard-line Fascist Arrow Cross regime. That regime, in turn, went on to kill or to deport to concentration camps tens of thousands of Hungarian Jews who had managed to survive the war up to that point.

Also in 1944, Skorzeny handpicked 150 soldiers, including some who spoke fair to excellent English in a bold plan to fend off the Allies after they landed in Normandy on D-Day in June. With the Allies advancing through France, Skorzeny dressed his men in captured U.S. uniforms, and procured captured American tanks for them to use in attacking and confusing Allied troops from behind their own lines.

The bold deception — including the act of stealing U.S. soldiers' property — plunged Skorzeny into two years of interrogation, imprisonment and trial after the war ended. Eventually, Allied

military judges acquitted him in 1947. Once again, the world's newspapers headlined him as Europe's most dangerous man. He enjoyed the fame, and published his memoirs in various editions and many languages, including the 1957 book "Skorzeny's Special Missions: The Autobiography of Hitler's Commando Ace," published by Greenhill Books. He spun some tall-tale hyperbole in the books, and definitely downplayed his contacts with the most bloodthirsty Nazi leaders. When telling of his many conversations with Hitler, he described the dictator as a caring and attentive military strategist.



Leading commandos who flew engineless gliders to reach an Italian mountaintop resort to rescue Hitler's friend and ally, the recently ousted Fascist dictator Benito Mussolini

There was much that Skorzeny did not reveal, including how he escaped from the American military authorities who held him for a third year after his acquittal. Prosecutors were considering more charges against him in the Nuremberg tribunals, but during one transfer he was able to escape — reputedly with the help of former SS soldiers wearing American military police uniforms.

Skorzeny's escape was also rumored to have been assisted by the CIA's predecessor agency, the Office of Special Services, for which he did some work after the war. It is certainly notable that he was allowed to settle in Spain — a paradise for Nazi

The recruitment of Skorzeny came with personal pain for his handlers.

war veterans, with protection from the pro-Western Fascist, Generalissimo Francisco Franco. In the years that followed he did some advisory work for President Juan Peron in Argentina

and for Egypt's government. It was during this period that Skorzeny became friendly with the Egyptian officers who were running the missile program and employing German experts.

In Israel, a Mossad planning team started to work on where it could be best to find and kill Skorzeny. But the head of the agency, Isser Harel, had a bolder plan: Instead of killing him, snare him.

Mossad officials had known for some time that to target the German scientists, they needed an inside man in the target group. In effect, the Mossad needed a Nazi.

The Israelis would never find a Nazi they could trust, but they saw a Nazi they could count on: someone thorough and determined, with a record of success in executing innovative plans, and skilled at keeping secrets. The seemingly bizarre decision to recruit Skorzeny came with some personal pain, because the task was entrusted to Raanan, who was also born in Vienna and had barely escaped the Holocaust. As an Austrian Jew, his name was originally Kurt Weisman. After the Nazis took over in 1938, he was sent — at age 16 — to British-ruled Palestine. His mother and younger brother stayed in Europe and perished.

Like many Jews in Palestine, Kurt Weisman joined the British military looking for a chance to strike back at Germany. He served in the Royal Air Force. After the creation of Israel in 1948, he followed the trend of taking on a Hebrew name, and as Joe Raanan he was among the first pilots in the new nation's tiny air force. The young man rapidly became an airbase commander and later the air force's intelligence chief.

Raanan's unique résumé, including some work he did for the RAF in psychological warfare, attracted the attention of Harel, who signed him up for the Mossad in 1957. A few years later, Raanan was sent to Germany to direct the secret agency's operations there — with a special focus on the German scientists in Egypt. Thus it was Raanan who had to devise and command an operation to establish contact with Skorzeny, the famous Nazi commando.

The Israeli spy found it difficult to get over his reluctance, but when ordered, he assembled a team that traveled to Spain for "pre-action intelligence." Its members observed Skorzeny, his home, his workplace and his daily routines. The team included a German woman in her late 20s who was not a trained, full-time Mossad agent but a "helper." Known by the Hebrew label "saayanit" (or "saayan" if a male), this team member was like an extra in a grandly theatrical movie, playing whatever role might be required. A saayanit would often pose as the girlfriend of an undercover Mossad combatant.

Internal Mossad reports later gave her name as Anke and described her as pretty, vivacious and truly flirtatious. That would be perfect for the job at hand — a couples game.

One evening in the early months of 1962, the affluent and ruggedly handsome — though scarred — Skorzeny was in a luxurious bar in Madrid with his significantly younger wife, Ilse

von Finckenstein. Her own Nazi credentials were impeccable; she was the niece of Hjalmar Schacht, Hitler's talented finance minister.

They had a few cocktails and were relaxing, when the bartender introduced them to a German-speaking couple he had been serving. The woman was pretty and in her late 20s, and her escort was a well-dressed man of around 40. They were German tourists, they said, but they also told a distressing story: that they had just survived a harrowing street robbery.

They spoke perfect German, of course, the man with a bit of an Austrian accent, like Skorzeny's. They gave their false names, but in reality they were, respectively, a Mossad agent whose name must still be kept secret and his "helper," Anke.

There were more drinks, then somewhat flamboyant flirting, and soon Skorzeny's wife invited the young couple, who had lost everything — money, passports and luggage — to stay the night at their sumptuous villa. There was just something irresistible about the newcomers. A sense of sexual intimacy between the two couples was in the air. After the four entered the house, however, at a crucial moment when the playful flirting reached the point where it seemed time to pair off, Skorzeny — the charming host — pulled a gun on the young couple and declared: "I know who you are, and I know why you're here. You are Mossad, and you've come to kill me."

The young couple did not even flinch. The man said: "You are half-right. We are from Mossad, but if we had come to kill you, you would have been dead weeks ago."

"Or maybe," Skorzeny said, "I would rather just kill you."

Anke spoke up. "If you kill us, the ones who come next won't bother to have a drink with you, You won't even see their faces before they blow out your brains. Our offer to you is just for you to help us."

After a long minute that felt like an hour, Skorzeny did not lower his gun, but he asked: "What kind of help? You need something done?" The Mossad officer — who even now is not being named by colleagues — told Skorzeny that Israel needed information and would pay him handsomely.

Hitler's favorite commando paused for a few moments to think, and then surprised the Israeli by saying: "Money doesn't interest me. I have enough."

The Mossad man was further surprised to hear Skorzeny name something that he did want: "I need for Wiesenthal to remove my name from his list." Simon Wiesenthal, the famous Viennabased Nazi-hunter, had Skorzeny listed as a war criminal, but now the accused was insisting he had not committed any crimes.

The Israeli did not believe any senior Nazi officer's claim of innocence, but recruiting an agent for an espionage mission calls for well-timed lies and deception. "Okay," he said, "that will be done. We'll take care of that."

Skorzeny finally lowered his weapon, and the two men shook hands. The Mossad man concealed his disgust.

"I knew that the whole story about you being robbed was bogus," Skorzeny said, with the boastful smile of a fellow intelligence professional. "Just a cover story."

The next step to draw him in was to bring him to Israel. His Mossad handler, Raanan, secretly arranged a flight to Tel Aviv, where Skorzeny was introduced to Harel. The Nazi was questioned and also received more specific instructions and guidelines. During this visit, Skorzeny was taken to Yad Vashem, the museum in Jerusalem dedicated to the memory of the 6 million Jewish victims of the Holocaust. The Nazi was silent and seemed respectful. There was a strange moment there when a war survivor pointed to Skorzeny and singled him out by name as "a war criminal."

Raanan, as skilled an actor as any spy must be, smiled at the Jewish man and softly said: "No, you're mistaken. He's a relative of mine and himself is a Holocaust survivor."

Naturally, many in Israeli intelligence wondered if the famous soldier for Germany had genuinely — and so easily — been recruited. Did he really care so much about his image that he demanded to be removed from a list of war criminals? Skorzeny indicated that being on the list meant he was a target for assassination. By cooperating with the Mossad, he was buying life insurance.

The new agent seemed to prove his full reliability. As requested by the Israelis, he flew to Egypt and compiled a detailed list of German scientists and their addresses.

Skorzeny also provided the names of many front companies in Europe that were procuring and shipping components for Egypt's military projects. These included Heinz Krug's company, Intra, in Munich.

Raanan continued to be the project manager of the whole operation aimed against the German scientists. But he assigned the task of staying in contact with Skorzeny to two of his most effective operatives: Rafi Eitan and Avraham Ahituv.

Eitan was one of the most amazing characters in Israeli intelligence. He earned the nickname "Mr. Kidnap" for his role in abducting Eichmann and other men wanted by Israeli security agencies. Eitan also helped Israel acquire materials for its secret nuclear program. He would go on to earn infamy in the 1980s by running Jonathan Pollard as an American Jewish spy in the United States government. Surprisingly flamboyant after a life in the shadows, in 2006, at age 79, Eitan became a Member of Parliament as head of a political party representing senior citizens.

"Yes, I met and ran Skorzeny," Eitan confirmed to us recently. Like other Mossad veterans, he refused to go on the record with more details.

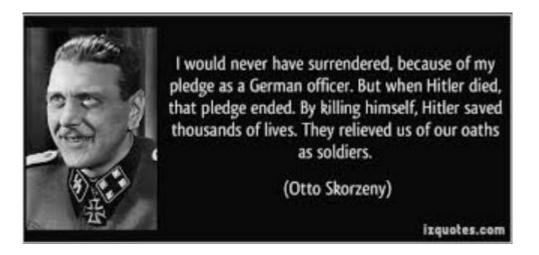
Ahituv, who was born in Germany in 1930, was similarly involved in a wide array of Israeli clandestine operations all around the globe. From 1974 to 1980 he was head of the domestic security service, Shin Bet, which also guarded many secrets and often conducted joint projects with the Mossad.

'Money doesn't interest me. I have enough,' the Nazi told the Mossad agents.

The Mossad agents did try to persuade Wiesenthal to remove Skorzeny from his list of war criminals, but the Nazi hunter refused. The Mossad, with typical chutzpah, instead forged a letter — supposedly to Skorzeny from Wiesenthal— declaring that his name had been cleared.

Skorzeny continued to surprise the Israelis with his level of cooperation. During a trip to Egypt, he even mailed exploding packages; one Israeli-made bomb killed five Egyptians in the military rocket site Factory 333, where German scientists worked.

The campaign of intimidation was largely successful, with most of the Germans leaving Egypt. Israel stopped the violence and threats, however, when one team was arrested in Switzerland while putting verbal pressure on a scientist's family. A Mossad man and an Austrian scientist who was working for Israel were put on trial. Luckily, the Swiss judge sympathized with Israel's fear of Egypt's rocket program. The two men were convicted of making threats, but they were immediately set free. Prime Minister David Ben-Gurion, however, concluded that all of this being out in public was disastrous to Israel's image and specifically could upset a deal he had arranged with West Germany to sell weapons to Israel.



Harel submitted a letter of resignation, and to his shock, Ben-Gurion accepted it. The new Mossad director, commander of military intelligence Gen. Meir Amit, moved the agency away from chasing or intimidating Nazis.

Amit did activate Skorzeny at least once more, however. The spymaster wanted to explore the possibility of secret peace negotiations, so he asked Israel's on-the-payroll Nazi to arrange a meeting with a senior Egyptian official. Nothing ever came of it.

Skorzeny never explained his precise reasons for helping Israel. His autobiography does not contain the word "Israel," or even "Jew." It is true that he sought and got the life insurance. The Mossad did not assassinate him.

He also had a very strong streak of adventurism, and the notion of doing secret work with fascinating spies — even if they were Jewish — must have been a magnet for the man whose innovative escapades had earned him the Iron Cross medal from Hitler. Skorzeny was the kind of man who would feel most youthful and alive through killing and fear.

It is possible that regret and atonement also played a role. The Mossad's psychological analysts doubted it, but Skorzeny may have genuinely felt sorry for his actions during World War II.

He may have been motivated by a combination of all these factors, and perhaps even others. But Otto Skorzeny took this secret to his grave. He died of cancer, at age 67, in Madrid in July 1975.

He had two funerals, one in a chapel in Spain's capital and the other to bury his cremated remains in the Skorzeny family plot in Vienna. Both services were attended by dozens of German military veterans and wives, who did not hesitate to give the one-armed Nazi salute and sing some of Hitler's favorite songs. Fourteen of Skorzeny's medals, many featuring a boldly black swastika, were prominently paraded in the funeral processions.

There was one man at the service in Madrid who was known to no one in the crowd, but out of habit he still made sure to hide his face as much as he could. That was Joe Raanan, who by then had become a successful businessman in Israel.

The Mossad did not send Raanan to Skorzeny's funeral; he decided to attend on his own, and at his own expense. This was a personal tribute from one Austrian-born warrior to another, and from an old spy handler to the best, but most loathsome, agent he ever ran.



Otto Skorzeny

Dan Raviv, a CBS News correspondent based in Washington, and Israeli journalist Yossi Melman are coauthors of five books about Israel's espionage and security agencies, including "Spies Against Armageddon: Inside Israel's Secret Wars" (Levant Books, 2014). Contact them at <u>feedback@forward.com</u>