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## The Champagne Spy

Egyptian generals and Cabinet members in the early 1960s knew Wolfgang Lotz as a wealthy German horse breeder with an engaging habit of sending champagne and other lavish gifts to well-placed friends. They thought of him as an ex-Wehrmacht captain in Rommel's Afrika Korps who later made a fortune in Australia. Some whispered that he was actually a former lieutenant colonel in Hitler's dread SS who had joined Egyptian intelligence.

To the astonishment of his Egyptian friends, the rusty-haired Lotz was disclosed in 1965 to be an Israeli spy. Lotz's explanation was persuasive enough to save his life. He joined the Israelis, he said, because they had threatened to reveal his Nazi past to the Bonn authorities. Besides, there was the convincing detail that he was uncircumcised. The court let him off

campaign of 1956 as the commander of an Israeli infantry company.

**Radio in a Boot.** In 1960, Lotz turned up in West Berlin, where he applied for and received West German citizenship. A year later, he arrived in Egypt, set up a riding school and horse farm, and began impressing important people by giving away tape recorders and cameras, refrigerators and washing machines.

Through his new friends in the Gezira Sporting Club, Lotz was able to set up a stable in the Abassiyeh Garrison and get a permanent pass to the camp. Later he trained his horses at a practice race track beside the armor depot near Heliopolis. All the while, he was relaying his gleanings back to Israel on a tiny transmitter he kept in a riding boot. Through German friends, he established that Egyptian rockets were not an immediate menace because their guidance systems were unreliable. He also learned that the Egyptians' HA-300 jet interceptor—a great worry to the Israelis at the time—was a dud.

Lotz's greatest accomplishment was his verification that the Shaloufa rocket site, near Great Bitter Lake on the Suez Canal, was a genuine base and not a dummy. Posing as tourists on a fishing trip, the Lotzes drove toward the camp and managed to get themselves arrested. "I was afraid they would simply send us away," says Lotz. "Fortunately, they took us straight into the base." Once there, Lotz talked the commandant into calling his old friend Brigadier General Fuad Osman, a highly placed Egyptian intelligence officer. The conversation, as Lotz recalls it:

*Osman:* Rusty, do you want to rot in jail, or will you pay up with a bottle of champagne?

*Lotz:* Egyptian or French?

*Osman:* Now don't act like a Jew. French champagne, of course.

As Lotz entered a party a few days later, the brigadier shouted: "Here comes the Israeli spy who tried to get into our rocket base." Everyone laughed, including Lotz. He had already reported to his Israeli colleagues—who still refer to him as "the champagne spy"—that the Shaloufa base was being made ready for Soviet missiles.

In 1965 the Egyptians rounded up a number of West Germans as a precautionary measure before a visit by East German Boss Walter Ulbricht. When the police searched Lotz's home, they discovered that he had been spying for the Israelis. Since the 1968 prisoner exchange, Lotz has lived modestly in Tel Aviv as an Israeli air force major. He has grown paunchy despite his daily riding, and sometimes admits that he misses the high life in Cairo.



**WOLFGANG LOTZ**  
*High exchange rate.*

with a 25-year sentence, and only three years later Lotz and his German wife Waldrud were turned over to the Israelis in an exchange of prisoners. Along with nine Israeli captives, the Lotzes were swapped for more than 4,000 Egyptian prisoners, including nine generals.

Last week Israeli officials allowed the full extent of Lotz's subterfuge to be revealed by official sources for the first time. Far from being an ex-Nazi soldier, Lotz was a Jew, an Israeli citizen and an officer of Israel's army. He was born in Germany in 1921, to be sure, but emigrated to Palestine with his Jewish mother in 1933. He later spent seven years in the British army (including four in Egypt, where he learned fluent Arabic). He served in the Sinai